



## TIME TECHNOPLAST LIMITED

Our Company was incorporated on December 20, 1989 as Time Packaging Private Limited under the Companies Act, 1956. The status of our Company was subsequently changed to a public limited company and the fresh certificate of incorporation consequent to change of name to Time Packaging Limited was granted to our Company on May 27, 1992 by the Registrar of Companies, Bombay, Maharashtra. The name of our Company was further changed from Time Packaging Limited to Time Technoplast Limited and the fresh certificate of incorporation consequent to change of name was granted to our Company on May 01, 2006 by the Registrar of Companies, Goa, Daman & Diu.

**Registered Office:** 213, Sabari Kachigam, Daman (U.T.) - 396210. India Tel.: +91-260-2240156; Fax: +91-260-2240256 (For changes in the registered office, see the section titled "History and certain Corporate Matters" on page 98 of this Prospectus)

**Corporate Office:** 102, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai 400072. Tel: +91-22-2857 0302 / 2803 9999. Fax: 91-22-2857 5672.  
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**PUBLIC ISSUE OF 3,921,500 EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH FOR CASH AT A PRICE OF RS. 315 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. 305 PER EQUITY SHARE) AGGREGATING TO RS. 1235.27 MILLION ("THE ISSUE") BY TIME TECHNOPLAST LIMITED ("TTL", "OUR COMPANY" OR "THE ISSUER"). THE ISSUE COMPRISES NET ISSUE TO THE PUBLIC OF 3,660,400 EQUITY SHARES AT A PRICE OF Rs. 315 PER EQUITY SHARE ("THE NET ISSUE") AND A RESERVATION OF UPTO 261,100 EQUITY SHARES AT A PRICE OF Rs. 315 PER EQUITY SHARE FOR THE PERMANENT EMPLOYEES OF THE COMPANY (INCLUDING A SHARE PREMIUM OF Rs. 305 PER EQUITY SHARE) ("THE EMPLOYEE RESERVATION PORTION"). THE ISSUE WILL CONSTITUTE 18.74% OF THE FULLY DILUTED POST ISSUE PAID UP CAPITAL OF OUR COMPANY.**

**ISSUE PRICE: RS. 315/- PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH**

**THE FACE VALUE OF EQUITY SHARES IS RS. 10 AND THE ISSUE PRICE IS 31.5 TIMES OF THE FACE VALUE**

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional working days after revision of the Price Band subject to the Bidding/Issue Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Managers and at the terminals of the Syndicate. In terms of Rule 19 (2) (b) of the SCRR, as being an issue for less than 25% of the post-Issue equity share capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to the Mutual Funds only and the remainder of the QIB portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded forthwith. Further, upto 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and upto 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price. Further upto 261,100 shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price.

### RISK IN RELATION TO FIRST ISSUE

This being the first issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 and the Issue Price is 31.5 times of the face value. The Issue Price (as determined by our Company in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares by way of Book Building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing. **Our Company has not opted for the grading of this Issue.**

### GENERAL RISKS



Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in this Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page xi of this Prospectus.

### COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company having made all reasonable inquiries, accept responsibility for and confirm that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the BSE and the NSE. We have received in-principle approval from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated January 18, 2007 and January 22, 2007 respectively. Bombay Stock Exchange Ltd. ("BSE") shall be the Designated Stock Exchange.

<p><b>BOOK RUNNING LEAD MANAGER ("BRLM")</b></p>  <p><b>IL&amp;FS Investsmart Limited</b> The IL&amp;FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051. Tel.: +91-22-2653 3333 Fax +91-22-6693 1862 / 2653 3075 Email: time.ipo@investsmartindia.com Website: www.investsmartindia.com Contact Person: Mr. Bhavin Ranawat</p>	<p><b>REGISTRAR TO THE ISSUE</b></p>  <p><b>Intime Spectrum Registry Limited</b> C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078. Tel: +91-22-2596 0320 (9 Lines) Fax: +91-22-2596 0329 Email: timetechno.ipo@intimespectrum.com Website: www.intimespectrum.com Contact Person: Mr. Salim Shaikh</p>
<p align="center"><b>BID / ISSUE PROGRAMME</b></p>	
<p><b>BID / ISSUE OPENED ON : FRIDAY, MAY 18, 2007</b></p>	<p><b>BID / ISSUE CLOSED ON : WEDNESDAY, MAY 23, 2007</b></p>

## TABLE OF CONTENTS

	Page No.
<b>SECTION I - GENERAL</b> .....	i
● DEFINITIONS AND ABBREVIATIONS .....	i
● CONVENTIONAL / GENERAL TERMS .....	i
● ISSUE RELATED TERMS .....	ii
● COMPANY RELATED TERMS .....	vi
● INDUSTRY RELATED TERMS .....	vii
● ABBREVIATIONS .....	vii
● PRESENTATION OF FINANCIAL AND MARKET DATA .....	ix
● FORWARD LOOKING STATEMENTS .....	x
<b>SECTION II – RISK FACTORS</b> .....	xi
<b>SECTION III – INTRODUCTION</b> .....	1
● SUMMARY .....	1
● THE ISSUE .....	5
● SELECTED FINANCIAL AND OPERATING DATA OF OUR COMPANY .....	6
● GENERAL INFORMATION .....	9
● CAPITAL STRUCTURE .....	17
● OBJECTS OF THE ISSUE .....	28
● ISSUE STRUCTURE .....	42
● BASIS FOR ISSUE PRICE .....	45
● STATEMENT OF POSSIBLE TAX BENEFITS .....	47
<b>SECTION IV – ABOUT THE ISSUER COMPANY</b> .....	57
● INDUSTRY OVERVIEW .....	57
● OUR BUSINESS .....	68
● REGULATIONS AND POLICIES .....	94
● HISTORY AND CERTAIN CORPORATE MATTERS .....	98
● OUR MANAGEMENT .....	112
● OUR PROMOTERS AND THEIR BACKGROUND .....	124
● RELATED PARTY TRANSACTIONS .....	130
● DIVIDEND POLICY .....	131
<b>SECTION V – FINANCIAL STATEMENTS</b> .....	132
● AUDITORS REPORT .....	132
● GROUP COMPANIES .....	194
● CHANGES IN ACCOUNTING POLICY IN LAST THREE YEARS .....	201
● MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION .....	202
● FINANCIAL INDEBTEDNESS .....	214
<b>SECTION VI – LEGAL AND OTHER INFORMATION</b> .....	218
● OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	218
● GOVERNMENT AND OTHER APPROVALS .....	245
<b>SECTION VII – OTHER REGULATORY AND STATUTORY DISCLOSURES</b> .....	257
<b>SECTION VIII – ISSUE INFORMATION</b> .....	265
● TERMS OF THE ISSUE .....	265
● ISSUE PROCEDURE .....	267
<b>SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b> .....	293
● MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY .....	293
<b>SECTION X – OTHER INFORMATION</b> .....	308
● MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	308
● DECLARATION .....	310

## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

Term	Description
“The Company” or “TIME TECHNOPLAST LTD.” or “TTL” or “our Company” or “Issuer” or “Issuer Company”	Time Technoplast Limited, a public limited Company incorporated under the Companies Act, 1956.
“we” or “us” or “our”	Refers to Time Technoplast Limited and where the context requires it’s subsidiaries .
Promoters	Individual Promoters <ol style="list-style-type: none"> <li>1. Mr. Anil Jain</li> <li>2. Mr. Bharat Vageria</li> <li>3. Mr. Raghupathy Thyagarajan</li> <li>4. Mr. Naveen Jain</li> </ol> Corporate Promoters <ol style="list-style-type: none"> <li>1. Time Securities Services Private Limited (TSSPL)</li> <li>2. Time Exports Private Limited (TEPL)</li> <li>3. Vishwalaxmi Trading &amp; Finance Private Limited (VTFPL)</li> </ol>
Subsidiaries	<ol style="list-style-type: none"> <li>1. Elan Incorporated FZE, Sharjah (“Elan”)</li> <li>2. Novo Tech SP Z.o.o., Poland (“Novotech”)</li> <li>3. TPL Plastech Limited (“TPL”) (formerly known as “Tainwala Polycontainers Ltd.”)</li> </ol>
Mauser Group / Mauser	Mauser Group comprises of Mauser-Werke GmbH, Mauser Holding International GmbH and Mauser Holding Netherlands B. V.
<b>CONVENTIONAL/GENERAL TERMS</b>	
Term	Description
Companies Act / the Act	The Companies Act, 1956 as amended from time to time
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed thereunder by RBI
Financial year/fiscal/FY	The twelve months ended March 31 of a particular year
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	The Income Tax Act, 1961, as amended from time to time
I.T. Rules	The Income Tax Rules, 1962, as amended from time to time
NI Act/ Negotiable Instruments Act	The Negotiable Instruments Act, 1881
RBI	Reserve Bank of India

## TIME TECHNOPLAST LIMITED

<b>Term</b>	<b>Description</b>
RoC	Registrar of Companies
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI DIP Guidelines/SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time
<b>ISSUE RELATED TERMS</b>	
<b>Term</b>	<b>Description</b>
Allotment	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue
Allottee	The successful Bidder to whom the Equity Shares have been allotted.
Banker(s) to the Issue	ICICI Bank Limited, HDFC Bank Limited, Standard Chartered Bank and UTI Bank Limited
Bid	An indication to make an offer during the Bidding Period by a Bidder to subscribe to or purchase our Equity Shares pursuant to this Issue at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue.
Bid cum Application Form	The form in terms of which the Bidder shall make an indication to make an offer to subscribe or to purchase the Equity Share(s) pursuant to this Issue and which will be considered as the application for the Allotment of the Equity Shares pursuant to the terms of the Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.
Bidding / Issue Period	The period between the Bid / Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids, including any revisions thereof.
Bid / Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper and a Hindi national newspaper and a newspaper in Gujarati language, all with wide circulation.
Bid / Issue Closing Date	The date after which the Syndicate shall not accept any Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a newspaper in Gujarati language, all with wide circulation.
Book Building Process	Book building route as provided in Chapter XI of the SEBI Guidelines, in terms of which this Issue is being made.
BRLMs / Book Running Lead Managers	Book Running Lead Managers to the Issue, in this case being IL&FS Investsmart Limited and Enam Financial Consultants Private Limited.

<b>Term</b>	<b>Description</b>
CAN / Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Cut-off Price	Any price within the Price Band finalised by the Company in consultation with the BRLMs. A Bid submitted at Cut-off Price by Retail Individual Bidders is a valid Bid at all price levels within the Price Band.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Account to the Issue Account, which in no event shall be earlier than the date on which the Prospectus is filed with the RoC.
Designated Stock Exchange	Bombay Stock Exchange Limited ("BSE") for the purpose of this Issue.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated December 16, 2006 issued in accordance with Section 60B of the Companies Act and SEBI Guidelines, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. Upon filing with RoC at least three days before the Bid/Issue Opening Date, it will become a Red Herring Prospectus. It will become a Prospectus upon filing with RoC after determination of the Issue Price.
Eligible Employee	A permanent employee of the Company including the Director of the Company, whether a whole time Director, part time Director or otherwise, except any Promoters or members of the Promoter Group, as of April 30, 2007 and based and present in India as on the date of submission of the Bid cum Application Form.
Employee Reservation Portion	The portion of the Issue being up to 261,100 Equity Shares available for allocation on a proportionate basis to Eligible Employees.
Enam	Enam Financial Consultants Private Limited
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each.
Escrow Account	Accounts opened with the Escrow Collection Bank(s) and in whose favour the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement dated May 04, 2007 to be entered into among the Company, the Registrar, the Escrow Collection Bank(s), the BRLMs and the Syndicate Members for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI as Bankers to the Issue where the Escrow Account will be opened, in this case being ICICI Bank Limited, HDFC Bank Limited, Standard Chartered Bank and UTI Bank Limited.

## TIME TECHNOPLAST LIMITED

Term	Description
FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalised and below which no Bids will be accepted.
ILL	IL&FS Investsmart Limited
Issue	Public issue of up to 3,921,500 Equity Shares at a price of Rs. 315 each for cash aggregating upto Rs. 1235.27 million by our Company. The Issue comprises a Net Issue to the Public of 3,660,400 Equity Shares and the Employee Reservation Portion of up to 261,100 Equity Shares.
Issue Size	3,921,500 Equity Shares of our Company
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Prospectus, as determined by our Company in consultation with the BRLMs, on the Pricing Date.
Issue Account	Account opened with the Banker(s) to the Issue to receive monies from the Escrow Account for the Issue on the Designated Date.
Margin Amount	The amount paid by the Bidder at the time of submission of his/her/its Bid, being 10% to 100% of the Bid Amount, as applicable.
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the QIB Portion or 109,812 Equity Shares (assuming the QIB Portion is 60% of the Net Issue) shall be available for allocation on a proportionate basis to Mutual Funds only.
Net Issue	The Issue Less the Employee Reservation Portion
Non-Institutional Bidders	Bidders that are neither Qualified Institutional Buyers nor Retail Individual Bidders and who have Bid for a Bid Amount more than Rs. 100,000.
Non-Institutional Portion	The portion of the Issue being up to 366,040 Equity Shares available for allocation to Non-Institutional Bidders.
Non Residents	A person resident outside India, as defined under FEMA.
Non Resident Indian	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Overseas Corporate Body	A company, partnership firm, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to the Bidders, as applicable.

Term	Description
Pay-in-Period	(i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date, and
	(ii) With respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date
Pre-IPO Placement	Our Company allotted 700,000 Equity Shares to Zephyr Peacock India I, 312,000 Equity Shares to India Business Excellence Fund and 288,000 Equity Shares to India Business Excellence Fund I, aggregating to 1,300,000 Equity Shares out of 1,400,000 Equity Shares reserved for Pre-Issue Placement.
Price Band	The price band with a minimum price (Floor Price) of Rs. 290/- and the maximum price (Cap Price) of Rs. 315/-, including any revisions thereof.
Pricing Date	The date on which the Company in consultation with the BRLMs finalises the Issue Price.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated date
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, Mutual Funds, FII, FVCIs, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million.
QIB Margin Amount	An amount representing 10% of the Bid Amount.
QIB Portion	The portion of the Issue being at least 2,196,240 Equity Shares constituting 60% of the Net Issue (of which 5% of the QIB Portion or 109,812 Equity Shares shall be available to Mutual Funds) available for allocation to QIBs.
Registrar / Registrar to the Issue	Registrar to the Issue, in this case being Intime Spectrum Registry Limited
Refund Account	Account opened with an Escrow Collection Bank, from which refunds of the whole or part of the Bid Amount, if any, shall be made.
Retail Individual Bidders	Individual Bidders (including HUFs applying through their <i>karta</i> ) who have bid for Equity Shares for a bid amount less than or equal to Rs. 100,000 in any of the bidding options in the Issue.
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS as applicable
Retail Portion	The portion of the Issue being up to 1,098,120 Equity Shares available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in their Bid cum Application Form(s) or any previous Revision Form(s).
Red Herring Prospectus	The Red Herring Prospectus dated April 30, 2007 to be issued in accordance with Section 60B of the Companies Act, which will not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the Registrar of

## TIME TECHNOPLAST LIMITED

Term	Description
	Companies at least three days before the Bid/Issue Opening Date and will become a Prospectus after filing with the Registrar of Companies after determination of the Issue Price.
RTGS	Real Time Gross Settlement
Stock Exchanges	BSE and NSE.
Syndicate or members of the Syndicate	The BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement dated May 04, 2007 to be entered into among the Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Members	IL&FS Investsmart Limited and Enam Securities Private Limited
TRS / Transaction Registration Slip	The slip or document issued by any of the members of the Syndicate to a Bidder as proof of registration of the Bid.
Underwriters	The BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement among the members of the Syndicate and the Company to be entered into on or after the Pricing Date.
<b>COMPANY RELATED TERMS</b>	
Term	Description
Articles / Articles of Association	Articles of Association of Time Technoplast Limited
Auditors	The Statutory Auditors of our Company M/s. Raman S. Shah & Co., Chartered Accountants.
Banker(s) to the Company	Bank of Baroda (“ <b>BOB</b> ”), State Bank of Saurashtra (“ <b>SBS</b> ”), ING Vysya Bank Limited (“ <b>ING Vysya</b> ”), ABN Amro Bank N. V. (“ <b>ABN Amro</b> ”) and UTI Bank Limited (“ <b>UTI</b> ”)
Board/Board of Directors	Board of Directors of Time Technoplast Limited
Corporate Office	102, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai-400072.
Director(s)	Director(s) of Time Technoplast Limited
ESOP Scheme	Employee stock option scheme of the Company approved by the shareholders resolution dated October 20, 2006
Memorandum/ Memorandum of Association / MoA	Memorandum of Association of Time Technoplast Limited
Preference Shares	Redeemable Preference Shares of the Company of Rs. 10 each
Pre-IPO Investors	Zephyr Peacock India I, India Business Excellence Fund and India Business Excellence Fund I
Promoter Directors	1. Mr. Anil Jain 2. Mr. Bharat Vageria 3. Mr. Raghupathy Thyagarajan 4. Mr. Naveen Jain
Registered Office	213, Sabari Kachigam, Daman (U.T.) – 396210, India
Scheme of Amalgamation/Amalgamation	The Scheme of Amalgamation of Oxford Mouldings Private Limited ( <b>OMPL</b> ) and Shalimar Packaging Private Limited ( <b>SPPL</b> ) with Time Technoplast Limited approved by the High Court of Bombay vide its order dated June 30, 2006, effective from April 01, 2005.
TPL	TPL Plastech Limited (Formerly known as Tainwala Polycontainers Ltd.)



<b>INDUSTRY RELATED TERMS</b>	
<b>Term</b>	<b>Description</b>
HDPE	High Density Polyethelene
HMHDPE	High Molecular High Density Polyethelene
IBC	Intermediate Bulk Containers
IBEF	Indian Brand Equity Foundation
LDPE	Low Density Polyethelene
LLDPE	Linear Low Density Polyethelene
PC	Poly Carbonate
PE	Polyethelene
PET	Polyethylene Terephthalate
PP	Poly Propolene
PS	Polysterene
PVC	Polyvinyl Chloride
<b>ABBREVIATIONS</b>	
<b>Abbreviation</b>	<b>Full Form</b>
A/c(s)	Account(s)
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BSE	Bombay Stock Exchange Limited
Capex	Capital Expenditure
CAGR	Compounded Annual Growth Rate
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CIF	Cost Insurance Freight
CENVAT	Central Excise Value Added Tax
CPMA	Chemicals & Petrochemicals Manufacturers' Association
CST	Central Sales Tax
Cr. Pc	The Code of Criminal Procedure, 1973
CVD	Counter Veiling Duties
CY	Current Year
DIPP	Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India
DM	Deutsche Mark
DP	Depository Participant
DRHP	Draft Red Herring Prospectus
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
EBITDA	Earning before interest, tax, depreciation and amortisation
FD	Fixed Deposit
EPCG	Export Promotion of Capital Goods Scheme

## TIME TECHNOPLAST LIMITED

Abbreviation	Full Form
FCNR	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI under applicable laws in India.
HC	High Court
HR	Human Resources
HUF	Hindu Undivided Family
IEC	Importer – Exporter Code
IPC	Indian Penal Code (45 of 1860)
IPO	Initial Public Offering
INR	Indian Rupee
ISO	International Standards Organization
JV	Joint Venture
LC, L/C	Letter of Credit
Mn	Million
MODVAT	Modified Value Added Tax under Central Excise Rules, 1944
MF(s)	Mutual Fund(s)
MT	Metric Tonne
MoU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value
NI Act	Negotiable Instruments Act
NOC	No Objection Certificate
NSC	National Saving Certificate
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OTC	Over the Counter
PAN	The permanent account number allotted under the Income Tax Act, 1961
PAT	Profit after tax
P/E Ratio	Price/Earning Ratio
RHP	Red Herring Prospectus
RBI	Reserve Bank of India
RoC	Registrar of Companies. Goa, Daman & Diu
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SCRR	Securities Contract Regulation Rules 1957
SGD or S\$	Singapore Dollar
SIA	Secretariat of Industrial Assistance
SICA	Sick Industrial Company (Special Provisions) Act, 1985 as amended from time to time
VAT	Value added tax
USD	United States Dollar



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## PRESENTATION OF FINANCIAL AND MARKET DATA

### Financial Data

Unless indicated otherwise, the financial data in this Prospectus is derived from our restated unconsolidated financial statements prepared in accordance with Indian GAAP and included in this Prospectus. Our fiscal year commences on April 1 and ends on March 31, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year and all references to December 31, 2006 are to nine month period from April 01, 2006 to December 31, 2006. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

### Currency of Presentation

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$", "U.S. Dollar" or "US Dollars" are to United States Dollars, the official currency of the United States of America. All references to "Euro" are the official currency of the European Union. All references to "DMs" are the official currency of Germany prior to adoption of Euro. All references to "UAE Dirham or Dhs" are the official currency of the United Arab Emirates. All reference to "PLN or Zloty" is the official currency of Poland. All references to "SGD" or "S\$" is the official currency of Singapore. All reference to "Thailand Baht or Baht or THB" is the official currency of Thailand. All references to "million" or "Million" or "mn" refer to one million, which is equivalent to "ten lakhs" or "ten lacs".

### Market Data

Market data used throughout this Prospectus was obtained from industry data and publications. Industry publications database generally state that the information contained in those publications has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although, we believe market data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

## TIME TECHNOPLAST LIMITED

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### FORWARD-LOOKING STATEMENTS

We have included statements in this Prospectus which contain words or phrases such as “will”, “may”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. All statements regarding our expected financial conditions and results of operations, business, plans and prospects are forward looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Such forward looking statements include statements that describe the Company’s objectives, plans or goals and other statements that are not matters of historical facts.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:

- The performance of the polymer and packaging market
- Regulatory changes relating to the plastic industry
- Our ability to successfully implement our strategy
- Our growth, expansion and technological changes
- Our exposure to market risks, general risks and political conditions in India which have an impact on our business activities
- Inflation, deflation and volatility in interest rates
- Fluctuations in foreign exchange rates
- Our ability to compete effectively, particularly in new markets and business lines

For further discussion of factors that could cause our actual results to differ, see the section titled “Risk Factors” beginning on page xi of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither we, our Directors, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

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## SECTION II - RISK FACTORS

***An investment in equity shares involves a degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition” on pages 68 and 202 of this Prospectus as well as the other financial and statistical information contained in this Prospectus. If any of the following risks occur, our results of operations and financial conditions could suffer, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline and you may lose all or part of your investment.***

These risks are not the only ones that we face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless otherwise mentioned in the relevant risk factors discussed below, we are not in a position to quantify the extent of the Risks specified herein.

### **Internal Risk Factors:**

#### **1. *Litigations against our Directors***

##### **1.1. *Criminal cases against our Directors***

There are two criminal cases filed against our Directors.

- a. In a case filed against one of the distributors of SPPL and OMPL ( now merged with our company) after the dishonour of a cheque for Rs. 8,93,985/- issued by a distributor, criminal proceedings under section 138 of NI Act were initiated by our Company and the matter is pending trial in Mumbai. Subsequently, the said distributor filed a criminal complaint against our Company, three of its directors namely Mr. Anil Jain, Mr. Bharat Vageria and Mr. Raghupathy Thyagarajan and other officials of our Company, in which some of the processes have been issued by the Court, inter alia, against our Directors, are claimed to have not been received. Our Company has filed petitions before the Hon’ble High Court of Jharkhand at Ranchi, for quashing the entire criminal proceedings in connection with the said Complaint and interim order was passed restraining the lower court from initiating any action till the matter is finally heard.
- b. The officers and workers of our Company had filed a FIR against the Trade Union members in the Boisar Police station. In response, Trade Union Members had also filed the FIR against Mr. Bharat Vageria, our Director, officers and workers of our Company. However, subsequent to filing complaints, the Court has granted exemption to Mr. Bharat Vageria, our Director from personal appearance.

For further details of the proceedings mentioned above, see the section titled “Outstanding Litigation and Material Developments” beginning on page 218 of this Prospectus.

##### **1.2. *Other Legal Proceedings against our Directors***

Our Directors are involved in certain legal proceedings either incidental to our business and operations or as a director of other companies or otherwise. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may affect our Directors and may be liable for penalty. A classification of these legal proceedings against our Directors is given in the following table and paragraph below:

## TIME TECHNOPLAST LIMITED

Type of legal proceedings	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (Rs. in millions)
Complaints under Section 138 of Negotiable Instrument Act, 1881	5	Not quantifiable
Potential Litigation	1	1.03

Mr. Venkatasubramanian (Independent Chairman of our Company) is also a Director of Essar Oil Ltd. In August 2003, lenders to the refinery project of Essar Oil Ltd. approved a Corporate Debt Restructuring (CDR) package which was objected by one of the lenders (IndusInd Bank who had granted a CVD Loan facility of Rs. 550 million in 1999). The objection was rejected by the CDR cell and CDR package was implemented. In April 2006, IndusInd Bank filed a recovery suit in DRT, Mumbai and obtained interim ex parte order dated June 26, 2006 restraining Essar Oil Ltd. from disposing of certain immovable property as well as CVD/MODVAT receivables. DRT, on Essar Oil's application, vacated the aforesaid interim order on August 25, 2006. Thereafter, IndusInd Bank filed an appeal before Debt Recovery Appellate Tribunal, which was rejected on August 28, 2006. However, the original recovery suit in DRT is pending.

### 2. *Our Company is involved in the following Legal Proceedings*

Our Company is involved in certain legal proceedings and claims in relation to certain civil, criminal, labour, property disputes, arbitration and taxation matters incidental to our business and operations. Our Company is also subject to claims arising from excise (including show cause) and sales tax disputes. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may affect our business and results of operations. A classification of these legal and other proceedings instituted by and against our Company is given in the following table:

#### Cases Filed against our Company

Type of legal proceedings	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (Rs. in millions)
Income Tax Litigation	3	1.05
Excise/Service Tax Litigation	9	4.26 (Out of the aforesaid amount contested our Company has already paid to the authorities a sum of Rs. 0.10)
Summary Suit	1	1.05
Civil Suits	2	1.22
Suits for Rendition of Accounts	2	Not quantifiable
Criminal complaints	1	Not quantifiable
Complaints under Section 420 of the IPC	1	0.35

Type of legal proceedings	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (Rs. in millions)
Litigations Under Workmen's Compensation Act, 1923	1	0.17
Motor Accident Litigations	3	2.75
Labour court Litigation	1	Not quantifiable
Potential litigations	5	0.99 (2 of the potential litigations are not quantifiable).

#### Cases Filed by our Company

Type of legal proceedings	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (Rs. in millions)
Income Tax Litigation	14	6.56 (Out of the aforesaid amount contested, our Company has already paid to the authorities a sum of Rs. 2.49). Penalty / interest not quantifiable and/or not paid.
Sale Tax Litigation	2	1.02 (Out of the aforesaid amount contested, our Company has already paid to the authorities a sum of Rs.0.3). Penalty / interest not quantifiable and/or not paid.
Excise/Service Tax Litigation	2	0.72 (Out of the aforesaid amount contested, our Company has already paid a sum of Rs. 0.20).
Civil Suit for recovery of Dues	1	0.31
Suit for mandatory injunction	1	Not quantifiable
Writ Petitions	1	0.24
Litigations relating to Intellectual Property Rights	3	8.50
Complaints filed under section 138 of Negotiable Instruments Act/ under Section 420 of the IPC	190	47.41
Winding up Petitions	3	3.21
BIFR cases	3	3.30
Complaint filed under the Consumer Protection Act, 1986	1	10.57
Potential litigations	1	0.51

## TIME TECHNOPLAST LIMITED

### 3. *Some of our Group Companies are involved in the following Legal Proceedings*

Our Group Companies namely Avion Exim Pvt. Ltd. and Time Exports Private Ltd. are involved in certain legal proceedings in carrying on their business. These legal proceedings are pending at different levels of adjudication authorities or tribunals. A classification of these legal proceedings is given in the following table:

#### Cases Filed by our Group Company:

Type of legal proceedings	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (Rs. in millions)
Income Tax Litigations	3	0.89 (The penalty/interest are not quantifiable).

#### Object /Project Related risk

- 1) ***The fund requirements has not been appraised by Banks or Financial Institutions and are based on our management estimates except for new project in Sharjah – UAE for Rs. 275 million.. In the event of our estimates are not met, our Company’s ability to effectively implement its business plans may be adversely affected.***

Our assessment of funds requirement and deployment (including in respect of plant and machinery) is based on internal management estimates and has not been appraised by any bank or any financial institutions or any independent organization except for the new project in Sharjah – UAE for Rs. 275 million which is appraised by EXIM Bank. Our capital expenditure plans are subject to a number of variables, including possible cost overruns, construction/development delays or defects, availability of working capital finance on acceptable terms and changes in management’s views of the desirability of current plans, among others. In case of any variations in the actual utilization of funds earmarked for the above activities or increased fund deployment for a particular activity, our Company may not be able to arrange for finances to meet any such shortfall. The same may adversely affect our Company’s ability to effectively implement its business plans.

- 2) ***Investment in Tainwala Polycontainers Limited now known as TPL Plastech Limited (“TPL”) may not yield desired benefits.***

Our Company has acquired 75% equity shares of a listed company with effect from July 14, 2006, namely, TPL. For details of the investments made in TPL, please refer to the section titled “Subsidiaries” under the chapter titled “History and Certain Corporate Matters” beginning on page 98 of this Prospectus. TPL is engaged in manufacture of HM-HDPE drums / barrels – products similar to the Company’s products. Although the acquisition was done with a view to further consolidate the Company’s market share in packaging which is its largest business segment, there can be no assurance that the investments by the Company in this subsidiary will yield the desired results or whether the same will be profitable for the Company.

- 3) ***Our Company’s proposed investment in Mauser Holding Asia Pte Limited (MHA), subject to certain regulatory approval, any delay in or inability to obtain such approval could adversely impact our proposed investment and also may not yield financial benefits.***

Our Company has agreed to buy out 49% stake of Mauser Holding Asia Pte Ltd. amounting to Rs. 191.97 million out of issue proceeds from one of our Promoters, Time Securities Services Pvt. Ltd. (TSSPL), vide a Share Purchase Agreement dated April 23, 2007. The transfer of 49% shareholding in MHA by TSSPL to our Company could be subject to RBI approval under FEMA. Any delay in or inability to obtain such



approval could impact our investment. Also, our investment in Mauser Holding Asia Pte Ltd. may not yield financial benefits to our Company in the event that Mauser Holding Asia Pte Ltd. does not make adequate profits for distribution to its shareholders in the form of dividends. For details refer to the section titled “Objects of Issue” on page 28 of this Prospectus.

**4) We have planned capital expenditure of Rs. 902.06 million for new projects, expansion and overseas projects in subsidiaries which may not yield desired benefits.**

Our operations require capital expenditure to increase capacity. We have planned a capital expenditure of Rs. 902.06 million for new projects, expansion and overseas projects in subsidiaries aimed at meeting the growing demand for our products. Please refer to the section titled “Objects of the Issue” beginning on page 28 and “Our Business” beginning on page 68 of this Prospectus for details of proposed capital expenditure. Our capital expenditure plans are subject to a number of variables, including possible cost overruns and non-availability of financing on favourable terms, among others. In view of the reasons stated above, we cannot assure that we will be able to execute our capital expenditure plans as contemplated. Further, the capital expenditure is on the basis of certain assumptions. In the event that our assumptions are not accurate, the investments made in respect of such capital expenditure may not yield benefits to our Company.

**5) We have not made definite arrangements for procurement of plant or machinery of Rs. 584.18 million for new projects, expansion and overseas projects in subsidiaries. Any delay in placing the orders or delay at the suppliers’ end may result in time and cost overrun.**

Our Company requires certain plant and machinery for implementing our business plans. Our Company has however neither made definite arrangement for procurement nor presently placed order for plant and machinery of Rs. 584.18 million. Any delay in placing the orders or delay at the suppliers’ end in delivering the plant and machinery may result in time overrun, which may affect our ability to meet the growing demand for our products and in turn our profitability. Further, all amounts inserted for the determination of the amounts that may become payable for the acquisition of plant and machinery are estimates based on existing quotes, past experience or otherwise. There can be no guarantee that the acquisition of the plant and machinery would occur at the estimated price only.

**6) We are expanding capacities without any firm commitments from customers. There can be no assurance that we will be successful in selling our increased production.**

Our Company is proposing to expand capacities at various levels including in the form of capital expenditure which will require a larger customer base. The same is on certain assumptions as to potential for growth in the sectors in which we operate, including identified customers with a demand for the increased production. In the event that our assumptions are not accurate or there is any material change in the various external factors on which our assumptions are made, there can be no assurance that we will be successful in selling our increased production leading to high inventory. This may also result in lower capacity utilization and adversely affect our operations and financial results.

**7) We are yet to apply or obtain certain Government approvals for our proposed expansion. Any delay in or inability to obtain such approvals could impact our commencement of business in such units.**

Some of our Company’s units are under construction and are dependent on obtaining of various governmental approvals. We are yet to apply for or obtain some of these approvals as required for our expansion project using the proceeds of the Issue. A summary of the same is described in section “Government and Other Approvals” beginning on page 245 of this Prospectus. Any delay in or inability to obtain such approvals could impact our commencement of business in such units.

## TIME TECHNOPLAST LIMITED

### Business related risk

- 1) **Any loss of or breakdown of operations at any of our manufacturing facilities may have an adverse effect on our business, financial conditions and results of operations.**

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although precautions are taken to minimize the risk of any significant operational issues at our manufacturing facilities, our business, financial conditions and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

- 2) **Our success depends upon the services of our Individual Promoters. In the event their inability to participate in the management of our Company, our future performance may be affected.**

Our Company is dependent upon the services of our Individual Promoters Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain. Our future performance will depend upon the continued services of these persons. There is no guarantee of continuance of the services of our Individual Promoters and in the event their inability to participate in the management of the Company, our future performance may be affected.

- 3) **Two of our Group Companies have incurred losses.**

Two of our Group Companies have incurred losses during the past three years as set forth in the sections titled "Group Companies" on page 194 of this Prospectus.

(Rs. in million)

Company	Profit/(Loss) after Tax		
	2004	2005	2006
Avion Exim Pvt. Ltd.	(0.41)	(0.16)	(0.25)
Royal Supermarkets Pvt. Ltd.	(0.07)	(0.04)	0.65

- 4) **We have made applications for renewal of some of Governmental approval and/or Licencess. Inability to obtain these renewals may impact our business operations.**

We have made applications to various statutory authorities for renewal of our existing licenses, which are pending. Inability to obtain these renewals may impact the business operations of our Company. For more details please refer to the section titled "Government and Other Approvals" on page 245 of this Prospectus.

- 5) **Upon completion of the Issue, our Promoters will continue to hold 60.83% of our Equity Shares, which will allow them to influence the outcome of matters submitted to the shareholders for approval.**

Upon completion of this Issue, our Promoters will hold 60.83% of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. Such a concentration of ownership may also have the effect of delaying or deterring a change in control.

- 6) **Our Industry is Labour intensive and our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees.**

As of March 31, 2007, we have total of 1,137 full-time workers, who are working at our existing manufacturing

units. The number of our workers is likely to increase with our proposed expansion plans. There can be no assurance that we will not experience interruptions to our operations due to disputes or other problems with our workforce, which may adversely affect our business and results of operations.

**7) *Some of our loan agreements have certain restrictive covenants which could affect the rights of equity shareholders.***

There are restrictive covenants in the agreements that our Company has entered into with our lenders for our borrowings. Some of these restrictive covenants require the prior consent of the lenders, for example, restrictions pertaining to the declaration of dividends, alteration of the capital structure, change in management, entrance into any merger/amalgamation, expenditure in new projects, change in the constitutional documents and the right to appoint a nominee director on the Board of Directors of our Company till the borrowing facilities are subsisting. For further details refer to the section titled “Financial Indebtedness” on page 214 of this Prospectus.

**8) *Pursuant to the Scheme of Amalgamation for transfer of properties in our Company’s name, we may be required to pay certain fees and charges for such transfer.***

Pursuant to the Scheme of Amalgamation, two of our group companies viz. Oxford Mouldings Private Limited and Shalimar Packaging Private Limited have been merged with our Company, with effect from April 01, 2005, as per sanction of the Scheme by the Hon’ble High Court of Bombay, vide it’s order dated June 30, 2006 and copy of the same was filed with the RoC on July 15, 2006. Three properties owned by Shalimar Packaging Private Limited and three owned and three leased properties of Oxford Moulding Private Limited are pending for transfer in the name of our Company pursuant to the Scheme of Amalgamation. It is possible that certain fees and charges may be levied by these authorities for recording such change in name and ownership, if the relevant authorities so require. For further details please refer to Section “Our Business” on page 68 of this Prospectus.

**9) *We have not applied for trademark registration of our Logo and for some of our brands. In the event any third party disputes the right of our Company we may not be able to continue the use thereof.***

Our Company has not made any application for registering the logo “Time” and for some of our brands which are used by our Company. Our Company has access to trademark & patent registrations for some of the brands and designs for its products. However, for the registration of it’s logo and some of the other brands of our Company, we would consider registering them as and when necessary. In the event any third party disputes the right of our Company to use the said logo & brands and in the event our Company is unable to successfully defend any such dispute, our Company may not be able to use the said logo or brands in respect of its business. This may have an adverse impact on the business of our Company.

**10) *Price volatility of raw materials (including plastic polymer) used for manufacturing our products may materially affect our business.***

Our Company is dependent on third-party vendors for the supply of raw materials required for our various products. Any volatile fluctuations in the demand and/or supply of any and/or all such raw materials may impact the purchase price of the raw materials. Continuous increase in the cost of the raw materials may have an adverse effect on our business and results of operations, if we are not able to factor such increase in our selling price and pass it on to our customers.

**11) *Any failure to keep abreast with the latest trends in technology may adversely affect our cost competitiveness and ability to develop new products.***

Technology by its very nature is dynamic and our Company may not be able to keep pace with the changing technological environment. The materials used for our business have changed over time consequent to technological changes. Government regulations from time to time may also impact the use of certain raw

## TIME TECHNOPLAST LIMITED

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materials in preparation of polymer products. Any such failure on our part could have a bearing on our ability to compete efficiently, our cost competitiveness, ability to develop new products and the consequential quality of our products, and could also impact our sales & profitability.

**12) *Our business operations may be adversely affected due to delays in deliveries or inadequate quantities of raw materials.***

Our business operations are dependent upon the timely and adequate supply of raw materials required for our various products. Any inability of our suppliers to supply the required quantity of high-quality raw materials in time may cause delay in our production and delivery schedules, which may result in the loss of our customers and revenues.

**13) *Foreign currency volatility may impact our financial condition.***

The volatility in global financial markets may have an adverse impact on our business, as we have to make payments in foreign exchange for our import of machinery for our projects and also for other items, including import of raw materials. In future, we expect an increase in our dealings in foreign exchange, thus increasing our exposure to foreign exchange markets. In the event we are unable to hedge this foreign exchange exposure, it may result in an adverse impact on our financial condition.

**14) *Disruption in services of third party transport providers may adversely affect our business operations.***

Our Company is dependent on third-party transport providers for the supply of raw materials to our manufacturing units and delivery of our products to our customers. Transport strikes by members of various Indian truckers' unions have taken place in the past, and could take place in future, thereby causing an adverse effect on our timely receipt of supplies of raw materials and our ability to deliver our finished products to our customers on time, thereby adversely impacting our business. Further, any increase in oil prices, may lead to the increase in the transportation cost resulting in an impact on our profitability.

**15) *Competition from other domestic producers / unorganized sector may adversely affect our competitive position and our profitability.***

We face competition from other existing domestic producers and potential entrants to the industry in which we operate that may adversely affect our competitive position and our profitability. Loss of market share and competition may adversely affect our profitability. We also face competition for customers from other players in the organized and unorganized markets. We expect competition could increase with new entrants coming into this industry and existing players consolidating their positions. Some of our competitors may have access to significantly greater resources and hence the ability to compete more effectively. The end-users for our products are price conscious. Pricing is one of the factors that play an important role in selecting these products. As a result of competition, we may have to price our products at levels that reduce our margins and/or increase our capital expenditures in order to differentiate ourselves from other players and/or increase our advertising and distribution expenditures, all of which may adversely affect our profitability.

**16) *Dependence on Mauser-Werke GmbH, Germany ("Mauser") for licensing of IPR's for some of our products. In the event of termination or our inability to renew the Agreement with Mauser we may not be able to use those IPR's.***

We have obtained right to use certain IPR's owned by Mauser-Werke GmbH which are used for manufacturing some of our products pursuant to an agreement dated April 24, 1992 entered into with Mauser. Although the term of the licence is extended upto December 31, 2010, under certain circumstances, Mauser is entitled to terminate the said agreement. In the event Mauser choose to terminate the said agreement in such events, we may not be able to use those IPR's for manufacturing certain of our products which may adversely affect our business operations and profitability.

**17) *Our Company has recently entered into the manufacturing of plastic products for medical healthcare and infrastructure & construction and has no prior experience in these areas.***

Our Company has recently entered into the segment of medical healthcare and infrastructure and construction products and has no prior experience in these areas. Our Company is unable to state with certainty as to how the Company's products in these areas will perform and as to whether the Company will be able to generate profits from these segments of business.

**18) *Mishaps or accidents at the Company's facilities may lead to property damages, property loss and accident claims.***

Our Company has insured itself against certain eventualities including against property damages, loss of assets, theft and natural calamities. While we believe that we have adequate and appropriate insurance coverage to take care of certain contingencies, no assurance can be given that the various insurance policies taken by us will be sufficient to cover the claims made in respect of such insurance policies.

**19) *We have not obtained any third party product liability insurance in respect of any of our products. Any claims in respect thereof may accrue liability affecting our profitability.***

Our Company has not obtained any third party product liability insurance in respect of any of our products. While there have been no liabilities in the past on this account, any claims that may arise and be made against our Company in respect of any of our products in future will not be covered by any insurance cover and consequently if there is any accrued liability, it may adversely affect the profitability of our Company.

**20) *We may not be able to attract and retain talent in future which may affect our business operations.***

Our ability to sustain our growth depends, in large part, on our ability to attract, train, motivate and retain skilled and unskilled personnel. However, our Company may not be able to hire and retain suitable people for meeting its existing and/or future expansion or business plans. As the economy grows, there will be further pressure on existing players and new entrants to look for manpower at various levels. Our inability to hire and retain quality people for meeting our existing and/or future expansion or business plans may adversely affect our business operations.

**21) *One of our units at Hosur has a trade union. Any strained relation with members may result in unrest, slow down or strike which may impact our business.***

Our Company's manufacturing unit at Hosur has a trade union. The Company presently has entered into Memorandum of Settlement with the trade union which settlement is valid upto July, 2009. Any strained relationships with the members of the trade union may result in unrest amongst the workers of that unit. In the event that there is any slow down in the manufacturing activity or any strike at such unit, the same may adversely affect our ability to honour our commitments to our customers and the same may adversely affect our business.

**22) *Our Company benefits from certain income tax benefits which are time bound and after the expiry of the period, the impact of ceasure of such benefits is not ascertainable at present.***

Some of the existing units of our Company as well as our proposed units are located in places which are entitled to certain Income tax benefits. However, the same are time bound and are available only for a certain limited period as mentioned in the table below. After the expiry of the stated periods, the exemptions would cease. The impact of the same on the profitability of our Company is at present unascertainable.

## TIME TECHNOPLAST LIMITED

Unit	% of Profit exempt from Income tax	Exempted For Remaining Financial Year
Unit II - Daman	30%	2006-07 to 2008-09
Unit III - Daman	30%	2006-07 to 2007-08
Unit IV - Daman	30%	2006-07 to 2008-09
Unit II - Baddi-Thane	100%	2006-07
	30%	2007-08 to 2011-12
Unit III - Baddi-Thane	100%	2006-07 to 2010-11
	30%	2011-12 to 2015-16
Unit V - Baddi-Thane	100%	2006-07 to 2010-11
	30%	2011-12 to 2015-16
Unit VI - Baddi-Thane	100%	2006-07 to 2010-11
	30%	2011-12 to 2015-16
Unit I Pant Nagar	100%	2006-07 to 2010-11
	30%	2011-12 to 2015-16

- 23) Our Company has not renewed or entered into leases/ licenses agreement for three locations. In the event of termination or our inability to renew of such lease or licenses by the lanlords may affect our business operation.**

Our Company has not renewed or entered into leases/ licenses agreement for three regional offices at Hyderabad, Chandigarh and Baroda. Consequently it may be deemed that the leases and license continue on a month to month basis and may be terminable with a prior notice of fifteen days in accordance with the provisions of applicable law. In the event the said leases and licenses are terminated by the landlords, it may affect our business operations.

- 24) Our inability to complete procedural formalities in relation to title documents pertaining to some of our immovable properties may impact our claim of clear title to the said properties.**

Certain procedural formalities in relation to documents relating to some of the properties acquired and possessed by us are not complete. The non-completion of such formalities could have the potential consequence that the said documents may not be admissible as evidence in a court of law and we may not be in a position to claim a clear title to the said properties. Any claim or adverse order / finding in connection with these properties may adversely affect our ability to continue to retain possession of such premises and thereby may affect the operations of our Company. For further details please refer to "Our Business" on Page 68 of this Prospectus.

- 25) We have an outstanding export obligation of Rs. 130.77 million as on March 31, 2007. Our inability to meet our such export obligation may result in certain monetary liabilities affecting our cash flow.**

We have an outstanding total export obligation of Rs. 130.77 million as on March 31, 2007 which our Company needs to fulfil by not later than July 31, 2014. In case we are not able to meet our export obligation, we may be subject to certain monetary liabilities that may have an adverse effect on our Company's cash flow.

**26) *We may not be able to sustain effective implementation of our business and growth strategy which may have an effect on our business, financial conditions and results of operation.***

The success of our business will depend on our ability to effectively implement our business and growth strategy. There can be no assurance that we will be able to implement our strategy on time and within the estimated budget, or that we will meet the expectations of targeted customers. Any potential and unusual factor affecting our business and growth strategy may have an effect on our business, financial condition and results of operations.

**27) *We may be subject to certain intellectual property infringement and/or unauthorized parties may infringe upon or misappropriate our intellectual property.***

We rely on a combination of confidentiality procedures and contractual provisions to protect intellectual property used by us, including our brand identity. Although we believe that the intellectual property rights used by us does not infringe on the intellectual property rights of any other person, infringement claims may be asserted against us in future. There are currently no pending or threatened intellectual property claims against us. In the event, we become liable to third parties for infringing their intellectual property rights, we could be required to pay substantial damages and be forced to develop non-infringing technology or obtain a license. In addition, our efforts to protect our intellectual property (whether formally registered or otherwise, including proprietary information) from being infringed upon or misappropriated may be inadequate.

**28) *Potential conflict / conflict with our group companies/ firms may impact our Company's operations and profits.***

Some of our group companies & firms namely "Time Containers Ltd.", "Oxford Mouldings" and "Apex Plastics" are entitled to undertake business activities which are similar to the activities of our Company under their Memorandum of Association/Partnership deeds. "Oxford Mouldings" is already engaged in the manufacturing of frames that are moulded in plastic. Although presently such companies and firms are not engaged in similar line of business activities which are directly competing with the business of our Company, however, in the event that such company / firm undertake activities in future which compete with our business of the Company, there may be a potential conflict of interest, which may have implications on our operations and profits.

**29) *There has been a shortfall in promise v/s performance of one of our subsidiary companies.***

TPL Plastech Limited had accessed the capital market in June, 1994. There has been shortfall in the promises made by this company at the time of raising capital, the details of which are as given below. We have recently taken over the company as our subsidiary with effect from July 14, 2006.

## TIME TECHNOPLAST LIMITED

(Rs. in million except per share data )

Sr.No.	Particulars	1995		1996		1997	
		Projection	Actual	Projection	Actual	Projection	Actual
1	Net Sales	97.5	0	113.8	24.42	138.1	97.48
2	Profit/(Loss) After Tax	7.6	0	10.30	(10.4)	16.00	(6.99)
3	Reasons for shortfall	There was a delay of about six months mainly due to the delayed shipment of the main plant and machinery by the foreign suppliers and also in transporting the same to site. The company's commercial production had not begun		The deviation of the actual from those projected was due to delay in the implementation of the project.		The deviation of the actual from those projected was due to the overall recession in the industry leading to a reduction in the sales turnover and a stiff increase in the raw material prices which are pre-dominantly imported.	

- 30) Any future equity offerings by our Company or the issue of Equity Shares pursuant to exercise of stock options under the ESOP may lead to dilution of investor shareholding in our Company or affect the market price of our Equity Shares.**

Our Company has adopted an ESOP as a means to reward and motivate its employees. Investors may experience dilution of their percentage of shareholding to the extent that our Company makes future equity offerings or issues equity shares to its employees pursuant to the exercise of stock options under the ESOP.

- 31) The Auditors of our Company have qualified their reports with respect to the financial statements for years ended March 31, 2002, 2003, 2004 and 2005.**

The Auditors of our Company have qualified their reports with respect to the financial statements for years ended March 31, 2002, 2003, 2004 and 2005, with regards to valuing finished goods, which was not in accordance Accounting Standard (AS) – 2 on “Valuation of Inventories” issued by Institute of Chartered Accounts of India (ICAI). For further details of the Auditor Qualification and its impact on restated unconsolidated financial statement see section titled “Financial Statements” beginning on page 132 of this Prospectus

- 32) As of December 31, 2006, our Company had contingent liabilities aggregating to Rs.391.43 millions which have not been provided for.**

We have contingent liabilities which have not been provided for aggregating to Rs.391.43 millions as on December 31, 2006 out of which Rs. 8.79 million was for Guarantee given by Banks, Rs. 380.62 million on account of L/Cs issued by the Banks and Rs. 2.02 million for Bills drawn on Customers & Discounted with Bank. On December 17, 2005 our Company has executed a Guarantee in favour of State Bank of India having its Industrial Finance Branch at Andheri East for the credit facilities of Rs.100 million to our Promoter viz. Vishwalaxmi Trading & Finance Pvt. Ltd.

- 33) Our Company is exploring markets outside India for the first time and incorporated wholly owned subsidiaries in Poland and in Sharjah. In case of failure to manage these ventures set up by the Company outside India, our investment therein may not yield desired benefits.**

Our Company has incorporated wholly owned subsidiaries in Poland and in Sharjah. Certain investments



have already been made and further investments are intended to be made by the Company in these entities from out of the Issue Proceeds. For details of the investments proposed to be made from out of the Issue Proceeds, please refer to the section titled “Objects of Issue” on page 28 of this Prospectus. It is proposed that these subsidiaries carry on manufacturing activities from out of these locations. It is for the first time that the Company is exploring markets outside India in this manner and therefore the Company lacks foreign experience and expertise. There can be no assurance that the subsidiaries will be able to exploit the foreign markets or that the investments by the Company in these subsidiaries will be profitable for the Company.

**34) *Our inability to comply with environmental laws and regulations or face environmental litigation, may adversely affect our operations .***

Environmental laws and regulations in India have been increasing in stringency and it is possible that they may become significantly more stringent in future, including on the use of certain raw materials, manufacturing processes and the like. Consequently the cost of compliance with environmental laws may also increase. Further, if as a result of implementation of compliance related measures or non-compliance with any environmental regulations, any of our units or the operations of such units are suspended, it could have an impact on our operations and profits.

**External Risk Factors:**

**1. *Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company***

Since 1991, the Government of India has pursued policies of economic liberalization, including relaxing restrictions on the private sector. We cannot provide any assurance that the process of liberalization will be sustained in future. There could be a slowdown in the pace of economic development. The rate of economic liberalization could change specific laws and policies, foreign investment, currency exchange rates and other matters affecting investing in our securities could change as well. Any adverse change in Government policies relating to our products may have an impact on our profitability.

**2. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller and are perceived as more uncertain markets than securities markets in more developed economies. Indian Stock Exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems include temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, from time to time, disputes have occurred between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. Similar problems could occur in the future and, if they do, they could harm the market price and liquidity of our Equity Shares.

**3. *Our Company is subject to risk arising from changes in interest rates and banking policy***

We are dependent on various banks for our working capital requirements, term loans, etc. Accordingly, any change in the existing banking policy or increase in interest rates may have an adverse impact on our Company’s profitability.

## TIME TECHNOPLAST LIMITED

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**4. *Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins.***

Wage costs in India have historically been significantly lower than the wage costs in the developed countries for comparably skilled professionals in the industry, which has been one of our competitive strengths. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. The buoyancy in the Indian plastic/packaging industry with the opening up of global trade may lead to an increase in wage costs, which could result in increased cost for professionals in this field. This could impact our performance and margins and may result in a material adverse effect on our business.

**5. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

External factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase our costs and negatively affect our stock price. These geopolitical social and economic conditions could result in increased volatility in India and worldwide financial markets and economy and such volatility could constrain our ability to do business, increase our costs and negatively affect our stock price.

**6. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.***

The Book Building Process will determine the Issue Price of our Equity Shares. This price will be based on numerous factors (discussed in the section “Basis for Issue Price” on page 45 of this Prospectus) and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure that you will be able to resell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly and other variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**7. *Force majeure events, terrorist attacks and other acts of violence or war involving India, or other countries could adversely affect the financial markets, result in a loss of client confidence and adversely affect our business, results of operations, financial conditions and cash flows.***

South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighbouring countries, such as between India and Pakistan. In recent years, there have been military confrontations along the India-Pakistan border. Military activity or terrorist attacks in the future could influence the Indian economy. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial conditions. Any such event could adversely affect our financial performance or the market price of the Equity Shares.

**8. *The price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop.***

The price of our Equity Shares on the Indian Stock Exchanges may fluctuate as a result of several factors including:

- Volatility in Indian and global securities market;
- Our results of operations and performance;
- Performance of our competitors and perception in the Indian market about investment in the packaging sector;
- Adverse media reports, if any, on our Company or the Indian packaging industry;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant development in India's economic liberalization and de-regulation policies; and
- Significant development in India's Fiscal and environmental regulations.

There can be no assurance that an active trading market for Company's Equity shares will develop or be sustained after this Issue or the price at which our Equity Shares are initially traded will correspond to the prices at which our Equity Shares will trade in the market subsequent to this Issue.

#### Notes

- Public Issue of 3,921,500 Equity Shares of face value of Rs. 10 each ("Equity Shares") for cash at a price of Rs. 315 per Equity Share aggregating to Rs. 1235.27 million by our Company. The Issue would constitute 18.74% of the fully diluted post issue paid up capital of our Company. The Issue comprises a Net Issue to the public of 3,660,400 Equity Shares at a price of Rs. 315 each and Employee Reservation Portion of up to 261,100 Equity Shares at a price of Rs. 315 each.
- The net worth of our Company as on March 31, 2006 and December 31, 2006 was Rs. 1,339.80 million and Rs. 1605.69 million respectively, based on audited, restated unconsolidated financial statements of our Company.
- The net asset value per Equity Share of Rs. 10 each as on March 31, 2006 and December 31, 2006 was Rs. 85.31 and Rs. 102.27 respectively as per audited restated unconsolidated financial statements of our Company included in this Prospectus.
- The average cost of acquisition of Equity Shares (including Bonus Shares) of our Promoters is as follows:

Sr. No.	Name of the Promoter	No. of Equity Shares held	Average cost of acquisition per Equity share (in Rs.)
1.	Mr. Anil Jain	402,000	7.43
2.	Mr. Bharat Vageria	402,000	7.58
3.	Mr. Ragupathy Thyagarajan	402,000	5.57
4.	Mr. Naveen Jain	402,000	7.53
5.	Vishwalaxmi Trading and Finance Pvt. Ltd.	4,167,500	14.32
6.	Time Securities Services Pvt. Ltd.	4,245,350	21.70
7.	Time Exports Pvt. Ltd.	2,709,300	8.35

- Our Company was incorporated on December 20, 1989 as Time Packaging Private Limited under the Companies Act. The name of our Company was changed to Time Packaging Limited. Further in view of diversified polymer products range and technological adoptions, the name of our Company has been changed on May 01, 2006 to Time Technoplast Limited.

## TIME TECHNOPLAST LIMITED

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- Except as disclosed in the section titled “Capital Structure” beginning on page 17 of this Prospectus, we have not issued any shares for consideration other than cash.
- None of our Promoters, our Directors and our Key Managerial Employees have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding and the stock option granted to Key Managerial Employees pursuant to the ESOP Scheme. See sections titled as “Capital Structure”, “Our Management” and “Our Promoters and their Background” and “Group Companies” on page 17, 112, 124 and 194 of this Prospectus respectively.
- Refer to the notes to our financial statements relating to related party transactions in the section titled “Financial Statements” beginning on page 132 of this Prospectus for related party transactions.
- Investors are advised to see the section titled “Basis for Issue Price” beginning on page 45 of this Prospectus.
- Trading in Equity Shares of our Company for all the investors shall be in dematerialized form only.
- Any clarification or information relating to the Issue shall be made available by the BRLMs and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the BRLMs and the Syndicate Members for any complaints/queries pertaining to the Issue.
- Investors may note that in case of oversubscription in the Issue, allotment shall be on proportionate basis to Qualified Institutional Buyers, Retail Individual Bidders and Non-Institutional Bidders in consultation with the Designated Stock Exchange.
- Under subscription, if any, in the Non-Institutional Portion and Retail Individual Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLMs. If at least 60% of the Net Issue cannot be allotted to QIB Bidders, then the entire application money will be refunded. However, if the aggregate demand by Mutual Funds is less than 109,812 Equity Shares, the balance Equity Shares available for allocation in the Mutual Funds Portion will be added to the QIB Portion and be allocated proportionately to the QIB Bidders. Under subscription, if any, in the Employee Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLMs.
- In terms of Rule 19 (2) (b) of the SCRR, this being an issue for less than 25% of the post-Issue equity share capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to the Mutual Funds only and the remainder of the QIB portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded forthwith. Further, up to 10% of the Net Issue will be available for allocation on a proportionate basis to Non- Institutional Bidders and up to 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Further upto 261,100 shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price.



## SECTION III - INTRODUCTION

### SUMMARY

*This is only a summary and does not contain all information that you should consider before investing in our Equity Shares. You should read this entire Prospectus, including the information on "Risk Factors" and our "Financial Statements" and related notes beginning on page xi and page 132 of this Prospectus, before deciding to invest in our Equity Shares.*

We are engaged in manufacture and sale of technology based polymer products serving growing sectors of Indian economy viz., Industrial and Consumer Packaging Solutions, Lifestyle Products, Auto Components, Healthcare Products and Construction and Infrastructure related products.

We started our operations in 1991 as a SSI unit in single product segment Industrial Packaging with technology partner Mauser, Germany joining in 1993. We had a vision to grow and establish as one of the leading polymer product company. In the years that followed, we set up our production facilities at six different locations.

Pursuant to the order of High Court of Bombay dated June 30, 2006 filed with RoC on July 15, 2006, approving the scheme of amalgamation, effective from April 01, 2005, we merged our group companies Shalimar Packaging Private Limited and Oxford Moulding Private Limited catering to Lifestyle Products and Healthcare Products. We believe this merger will bring in further efficiency in the operation by integration of all our polymer based business and create a diversified product portfolio and create consolidated technology platform for all our products. We manufacture products under three designs & three patents of which one application is pending before design and patent authorities.

To further consolidate our market share and to serve user industry more efficiently and cost effectively in the Industrial Packaging, we acquired 75% stake in our competitor TPL Plastech Limited formerly known as Tainwala Polycontainers Limited with effect from July 14, 2006, a company listed on Bombay Stock Exchange.

We have over the years developed a nationwide marketing and distribution infrastructure for sale and distribution of our products to institutional and retail customers. Our products are sold under brands recognised by our institutional and retail customers.

<b>Brand</b>	<b>Business Segment</b>
'Time Mauser'	Packaging Product – Drums / Containers,
'Conipails',	Packaging – Pails
'Ecopet',	Packaging – PET Sheet
'Meadowz'	Lifestyle – Turf,
'DuroTurf' , 'Duro Soft'	Lifestyle – Entrance Mattings
'Regal',	Lifestyle – Garden Furniture
'3S'	Auto Components – Anti Spray Device
'Genex'	Healthcare – Medical Devices.

We are now setting up projects overseas to replicate our business model. A 100% subsidiary Elan Incorporated FZE in Sharjah Airport Free Trade Zone – U.A.E. for production of Packaging products and Life Style products (Garden Furniture) and a 100% subsidiary Novo Tech Sp Z O.O. in Koszaryn Slubice Special Economic Zone-Poland for manufacturing Auto Components (Anti Spray Device) and Life Style Products (Matting and Turfs).

Our technology partner Mauser in industrial packaging joined hands with us to form a joint venture in 2004 under the name of Time Mauser Industries Pvt. Ltd. (TMIPL) in India where Mauser Group holds 51% and we hold 49 % for manufacture of Intermediate Bulk Containers (IBC) of 1000 ltr capacity. We are now setting up manufacturing facility for Mild Steel drums of 200 ltr capacity in the same joint venture company. Our understanding with Mauser is now extended

## **TIME TECHNOPLAST LIMITED**

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to set up and acquire business in the Asian Region. Our Promoter company "Time Securities Services Pvt. Ltd"(TSSPL) and Mauser Holding, Netherlands B.V. formed a joint venture company on June 01, 2006 styled as Mauser Holding Asia Pte. Ltd. Singapore (MHA). MHA has acquired 91.88% of Pack Delta Public Company Limited (PDPL) an existing industrial packaging company based at Bangkok, Thailand , listed on Market For Alternative Investments since December 01, 2003.

### **COMPETITIVE STRENGTHS**

We believe that our strength lies in our product portfolio which are innovative and cater to growing segments of Indian economy allowing us to improve and maintain our presence in the markets in which we are established. Our consolidated technology platform allows us to develop new products and improving existing products and support them through marketing and distribution network.

#### **Our polymer focus**

Our focus on polymer products and processes enabled us to develop new products aimed at growth sectors. Our focus on polymers has given us opportunity to expand our technology platform and the product portfolio. In this process we have been able to build economy of scales and the cost efficiencies that come along with it.

We believe that we are well positioned to avail of new growth opportunities in polymers products, with polymer finding more and more use in new applications and value added products.

#### **Diversified product portfolio**

Over the years we have developed and rolled out a broad range of products. Our product portfolio comprises of industrial and consumer packaging solutions, lifestyle products, automotive components, healthcare products and construction related products. We believe that our broad range of products allows our customers to source most of their product requirement from a single vendor and enables us to expand our business from existing customers, as well as address a larger base of potential new customers.

#### **National Presence**

Over the years, we have made investments in our processes, infrastructure and systems to become a national player. We have manufacturing facility spread over six locations, eleven regional/ area marketing offices and distribution / dealer network spread over 345 cities and towns to offer our product range across the country. We believe that our multi-location operations allow us to leverage the competitive advantages of just-in-time delivery to our institutional customers and requisite logistic capabilities to feed distribution and dealer network efficiently and cost effectively.

#### **Our brands**

In each of our major business segments, we have been able to build brands for our products: Time Mauser for packaging products, Ecopet for PET sheets, Meadowz for Turf, DuroTurf & Durosoft for mattings, Regal for garden furniture, 3S for Anti Spray Devices (Automotive component) and Genex for healthcare products. We believe that our brands command respect and credibility and offer us competitive advantages when we bring in new products or enter new markets.

#### **Consolidated technology platform**

While remaining focused on products made out of polymers, we have built a consolidated technology platform of three technologies in polymer processing viz blow moulding, injection moulding and extrusion. Our knowledge of these technologies enables us in developing innovative products and produces them in a cost efficient manner.

#### **Marketing & Distribution Network**

We have developed our marketing and distribution network to reach our institutional clients and retail consumers. Our a team of Marketing & Sales professionals service over 500 institutional clients and our distribution / dealer network spread over 345 cities and towns. Our marketing and distribution network enables us in launching new products within a short time at less cost.

#### **Our sourcing ability**

Polymers comprise the major part of our product costs and polymers experience volatility in pricing. Over the years we have developed understanding of polymer price and market trends and have built relationships with polymer suppliers in

India and overseas. Our size of operation and experience in polymer business enables us in sourcing our inputs at appropriate times and at competitive prices.

#### **Research & Development Capabilities**

Our emphasis on research and development has enabled us to evolve our own process technologies and products. We believe that continued focus on R&D will enable us to further develop new processes and products, re-engineer and improve existing products and possibly enter into new lines of business. Also, while developing our own process technologies and products we may be able to emphasise on cost advantages.

#### **Customers confidence**

We focus on maintaining and establishing long-term relationships with our customers. We believe that we have an ability to address the varied and expanding requirements of our customers. This also has in the past resulted in us introducing new products and thereby obtaining additional business from existing customers and also marketing such products to other potential customers and consequently expanding in new markets.

#### **Professional Promoters and management**

Our Promoters are qualified professionals with almost two decades of experience in the polymer process and products. Emphasis on systems, rather than individuals has enabled us to build capabilities to operate at different locations. Empowerment of management by delegation of authority have in the past assisted in meeting management expectations and have helped the Company in building a team of qualified personnel. We believe that our experienced management and technical teams have contributed to growth of our operations and the development of in-house processes and new products.

#### **OUR STRATEGY**

We believe in increasing our focus on the Indian market while expanding our presence in international markets. While we will endeavour to expand our capacities and capabilities in our existing business, we will also endeavour to grow our business through strategic acquisitions and alliances on merit. We do believe that our technology platform and ability to innovate new products and processes would continuously provide us opportunities to grow in India and overseas.

#### **Strategic focus on Indian market**

We believe the Indian market would continue to provide opportunities to grow and expand and the segments that we service have potential and appetite to accept and absorb new products falling within our area of competence. We believe that the existing network and distribution chain across India would provide us with an opportunity to market and distribute innovative products to the users.

#### **Technology based innovative products**

Encouraged by our past performance, we believe that remaining focused on technology based innovative products would be a productive strategy to adopt. We will endeavour to absorb and assimilate technologies available and adapt them to bring products which may have utility in the Indian environment. We also believe that where there are no existing markets for certain products, markets for such products may be developed. We also aim to emphasis on our own internal R&D initiative which we believe would help us develop products where time tested technologies and products are not readily available.

#### **End to end capabilities**

On one hand, we have the capabilities to design, develop and innovate products and processes made out of polymers and on the other we have marketing and distribution networks to convert such products into business opportunities. To translate concepts into products, we are focusing on machine building programme to enable us shorten the product development period and reduce development cost.

#### **Presence in international growth markets**

We will endeavour to launch our products in overseas growth markets as and when the products are time tested and matured. Our initiative for setting up subsidiaries in UAE and Poland and initiative to participate in a joint venture in

## **TIME TECHNOPLAST LIMITED**

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Thailand may assist in meeting this object. We consider Asia and Africa as potential international markets that may provide such growth opportunities.

### **Growing business through strategic acquisitions and alliances**

We intend to evaluate from time to time potential acquisition targets and alliance partners that offer opportunity to grow our business and expand our capabilities. Guided by this principle, we have recently completed the acquisition of our competitor in packaging space in India (namely TPL) and have forged alliances with our technology partner Mauser.

### **Integrating manufacturing facilities**

Recent merger gives us opportunity to integrate our production facilities to bring operating efficiency and unlock unutilized production capacities. We believe that it will help us utilize our resources more productively and reduce manufacturing costs and overheads.

### **Expanding product portfolio**

We endeavour to expand our product portfolio to encompass newer technology based products. For each of our verticals, we have identified products aimed at existing users through our present distribution channel. We also endeavour continuously to upgrade our product portfolio to include such products which may have business potential.

Our user base and continuous interface with it would help us launch specific products to suit users' requirement.



## THE ISSUE

### Equity Shares Offered

Issue	3,921,500 Equity Shares, constituting 18.74% of the post Issue paid up Capital of our Company.
Of which	
(I) Net Issue of	3,660,400 out of which
(a) Qualified Institutional Buyers Portion	At least 2,196,240 Equity Shares, constituting 60% of the Net Issue to the Public of which 5% of the QIB Portion or 109,812 Equity Shares (assuming the QIB Portion is 60% of the Net Issue) shall be available for allocation on a proportionate basis to Mutual Funds only (Mutual Funds Portion), and 2,086,428 Equity Shares (assuming the QIB Portion is 60% of the Net Issue) shall be available for allocation to all QIBs, including Mutual Funds.
(b) Non-Institutional Portion	Upto 366,040 Equity Shares, constituting 10% of the Net Issue available for allocation on proportionate basis.
(c) Retail portion	Upto 1,098,120 Equity Shares, constituting 30% of the Net Issue available for allocation on proportionate basis.
(II) Employees Reservation Portion	Upto 261,100 available for allocation on a proportionate basis to Eligible Employees
Equity shares Outstanding prior to the Issue	17,005,000 Equity Shares
Equity shares outstanding after the Issue*	20,926,500 Equity Shares
Objects of the Issue	Please refer to the section titled "Objects of the Issue" on page 28 of this Prospectus

\* Subject to valid Bids being received at or above the Issue Price. Under subscription, if any, in the Non-Institutional Portion and Retail Individual Portion and Employee Reservation Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLMs. If at least 60% of the Net Issue cannot be allotted to QIB Bidders, then the entire application money will be refunded. However, if the aggregate demand by Mutual Funds is less than 109,812 Equity Shares (QIB Portion is 60% of the Net Issue, i.e. 2,196,240 Equity Shares), the balance Equity Shares available for allocation in the Mutual Funds Portion will be added to the QIB Portion and be allocated proportionately to the QIB Bidders.

## TIME TECHNOPLAST LIMITED

### SELECTED FINANCIAL AND OPERATING DATA OF OUR COMPANY

The following tables set forth summary financial information derived from our restated unconsolidated financial statements as of and for the years ended March 31, 2006, 2005, 2004, 2003 and 2002 and for the nine month period ended December 31, 2006. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines and are presented in the section titled "Financial Statements" beginning on page 132. The summary financial information presented below should be read in conjunction with our restated unconsolidated financial statements, the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 202.

#### SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Million)

As At	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>A) Fixed Assets</b>						
Gross Block	2065.93	1,557.19	1,100.80	994.88	940.19	843.00
Less: Depreciation	813.90	713.82	504.10	427.24	355.13	289.02
<b>Net Block</b>	<b>1,252.03</b>	<b>843.38</b>	<b>596.70</b>	<b>567.64</b>	<b>585.06</b>	<b>553.98</b>
Capital Work-in-progress	110.77	333.88	60.88	67.63	60.39	35.38
<b>Total</b>	<b>1,362.80</b>	<b>1,177.25</b>	<b>657.58</b>	<b>635.27</b>	<b>645.45</b>	<b>589.36</b>
<b>B) Investments</b>	<b>390.06</b>	<b>41.19</b>	<b>34.30</b>	<b>34.30</b>	-	<b>0.54</b>
<b>C) Current Assets, Loans and Advances</b>						
Inventories	772.14	732.64	459.83	411.62	403.30	369.01
Sundry Debtors	829.11	709.06	427.16	392.35	356.01	321.11
Cash and Bank Balances	70.25	382.11	50.10	39.27	41.80	44.17
Loans and Advances	217.55	120.16	77.31	59.79	60.52	79.50
<b>Total</b>	<b>1889.05</b>	<b>1,943.97</b>	<b>1,014.40</b>	<b>903.03</b>	<b>861.63</b>	<b>813.78</b>
<b>D) Liabilities and Provisions</b>						
Secured Loans	1,220.96	1,014.81	647.27	648.49	645.06	625.36
Unsecured Loans	422.11	433.75	28.09	22.26	17.42	13.79
Current Liabilities	255.17	234.74	132.29	99.40	110.61	81.42
Provisions	32.42	45.80	36.88	20.49	24.34	23.44
<b>Total</b>	<b>1,930.66</b>	<b>1,729.11</b>	<b>844.52</b>	<b>790.65</b>	<b>797.44</b>	<b>744.01</b>
<b>E) Deferred Tax Liability</b>	<b>(105.56)</b>	<b>(93.52)</b>	<b>(67.65)</b>	<b>(58.56)</b>	<b>(43.56)</b>	-
<b>F) Net Worth (A+B+C-D-E)</b>	<b>1,605.69</b>	<b>1,339.80</b>	<b>794.11</b>	<b>723.39</b>	<b>666.09</b>	<b>659.67</b>
Net Worth Represented by						
<b>G) Share Capital</b>	157.05	78.53	58.62	58.62	58.62	58.62
<b>H) Reserves &amp; Surplus</b>	1,450.61	1,265.28	743.38	677.67	625.46	619.78
<b>I) Misc. Expenditure not Yet written off</b>	(1.97)	(4.01)	(7.89)	(12.90)	(17.99)	(18.73)
<b>K) Net Worth (G+H-I)</b>	<b>1,605.69</b>	<b>1,339.80</b>	<b>794.11</b>	<b>723.39</b>	<b>666.09</b>	<b>659.67</b>

**SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT**

(Rs. in Million)

Year Ended Period	31.12.2006 (Nine Months)	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>Income</b>						
Sales less Returns	2931.26	3045.63	1667.89	1421.27	1241.49	1122.27
Less : Excise Duty	387.45	421.97	211.87	177.19	153.51	135.70
<b>Net Sales</b>	<b>2543.81</b>	<b>2623.66</b>	<b>1456.03</b>	<b>1244.08</b>	<b>1087.99</b>	<b>986.58</b>
Other Income	12.01	4.59	2.71	0.00	0.00	1.75
<b>Total Income (A)</b>	<b>2555.82</b>	<b>2628.24</b>	<b>1458.74</b>	<b>1244.08</b>	<b>1087.99</b>	<b>988.33</b>
<b>Expenditure</b>						
Material Cost	1653.08	1693.92	976.77	805.69	685.40	613.97
Manufacturing & Other Expenses	301.78	329.05	177.37	167.64	155.80	133.91
Salaries & wages	68.98	68.57	35.71	35.23	26.60	25.62
Finance Cost	96.16	110.78	82.35	84.88	79.76	79.37
Provision for payment of Sales tax						
Deferred Liability & Sales Tax	22.33	26.83	8.28	6.63	6.05	5.00
Depreciation	100.08	101.04	76.86	72.11	66.23	63.90
<b>Total Expenditure (B)</b>	<b>2242.41</b>	<b>2330.19</b>	<b>1357.34</b>	<b>1172.18</b>	<b>1019.84</b>	<b>921.78</b>
Net profit before tax	313.41	298.05	101.40	71.90	68.15	66.55
<b>Provision for Taxation</b>						
Current Tax	(31.50)	(41.50)	(12.50)	(5.50)	(5.30)	(5.00)
Deferred Tax	(12.05)	(10.06)	(9.09)	(15.00)	(21.14)	0.00
Fringe Benefit Tax	(0.92)	(1.25)	0.00	0.00	0.00	0.00
<b>Net Profit after tax but before Prior Period Items</b>	<b>268.94</b>	<b>245.25</b>	<b>79.81</b>	<b>51.40</b>	<b>41.70</b>	<b>61.55</b>
Income Tax for Earlier Years	0.00	(0.14)	(0.77)	(2.06)	(0.30)	0.25
Accumulated Deferred Tax Liability	0.00	0.00	0.00	0.00	22.42	0.00
Amalgamation Profit	0.00	207.39	0.00	0.00	0.00	0.00
<b>Net Profit as per Audited Statement Of Accounts</b>	<b>268.94</b>	<b>452.50</b>	<b>79.04</b>	<b>49.34</b>	<b>18.99</b>	<b>61.80</b>
Profit B/D from last Year	1071.57	667.25	609.18	566.46	556.42	500.48
Provision for Gratuity	0.00	0.00	0.00	0.00	(2.34)	0.00
Transfer to General Reserve	0.00	(24.60)	(7.61)	0.00	0.00	0.00
Proposed Dividend	0.00	(20.68)	(11.72)	(5.86)	(5.86)	(5.86)
Tax On Dividend	0.00	(2.90)	(1.65)	(0.75)	(0.75)	0.00
<b>Balance C/F to Balance Sheet</b>	<b>1340.51</b>	<b>1071.57</b>	<b>667.25</b>	<b>609.18</b>	<b>566.46</b>	<b>556.42</b>

## TIME TECHNOPLAST LIMITED

### ADJUSTED PROFIT AND LOSS ACCOUNT

(Rs. in Million)

Year Ended Period	31.12.2006 (Nine Months)	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
Net Profit / (Loss) before adjustments as per audited accounts as above)	268.94	245.11	79.04	49.34	41.41	61.80
Adjustment for :						
a) Impact of Auditor's Qualification Inventory valuation	-	7.52	1.94	(0.24)	(9.23)	-
b) Impact of changes in Accounting Policies Gratuity Provision	-	-	-	-	0.46	(0.46)
c) Income Tax for earlier years	-	0.14	0.77	2.06	0.30	(3.27)
Total Impact of Adjustments	-	7.66	2.71	1.82	(8.47)	(3.73)
Current Tax Impact of Adjustment on (a), (b) & (c) above	-	2.58	0.99	0.14	(0.67)	(0.29)
Total Adjustments after Tax Impact	-	5.08	1.72	1.68	(7.80)	(3.44)
Adjusted Net Profit / (Loss) for the year	268.94	250.19	80.76	51.02	33.61	58.36



## GENERAL INFORMATION

### Registered Office of our Company

The Registered Office of our Company was shifted from the State of Maharashtra to Union Territory of Daman with effect from June 09, 2003.

**Registered Office:** 213, Sabari Kachigam, Daman (U.T.) – 396210. India, Tel: +91-260-2240156; Fax : +91-260-2240256

**Corporate Office:** 102, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai-400072 Tel: +91-22-2857 0302  
Fax: 91-22-2857 5672; Website: www.timetechnoplast.com

### Address of the RoC

Our Company is registered under the Corporate Identity No. U27203DD1989PLC003240, at the office of the Registrar of Companies, Goa, Daman & Diu, Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji, Goa – 403 001. Tel./ Fax No.: +91 832 2438 617/ 2438 618

### Board of Directors

Sr. No.	Name of the Director	Designation
1.	Mr. K. N. Venkatasubramanian	Chairman – Independent
2.	Mr. Anil Jain	Managing Director
3.	Mr. Bharat Vageria	Whole-time Director
4.	Mr. Ragupathy Thyagarajan	Whole-time Director
5.	Mr. Naveen Jain	Whole-time Director
6.	Mr. Sanjaya Kulkarni	Independent Director
7.	Mr. Mahinder Kumar Wadhwa	Independent Director
8.	Mr. Kartik C. Parija	Non-Executive Director

For further details of our Chairman, Managing Director and other Directors, see the section titled “Our Management” beginning on page 112 of this Prospectus.

### Company Secretary & Chief of Legal and Compliance Officer

#### Mr. K. Venkataraman

Company Secretary and Chief of Legal  
102, Todi Complex, 35, Saki Vihar Road,  
Andheri (East), Mumbai-400 072.

Tel No: +91 22 2803 9999

Fax: +91 22 2857 5672

E Mail: investors@timemauser.com

**Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of the letters of allotment, credit of allotted shares in the respective beneficiary account or refund orders etc.**

## TIME TECHNOPLAST LIMITED

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### Book Running Lead Managers

#### IL&FS Investsmart Limited

The IL&FS Financial Centre  
Plot No. C-22, G Block, Bandra-Kurla Complex  
Bandra (East), Mumbai-400051.  
Tel: +91-22-2653 3333  
Fax +91-22-6693 1862  
Email ID: time.ipo@investsmartindia.com  
Website: www.investsmartindia.com  
Contact Person: Mr. Bhavin Ranawat

#### Enam Financial Consultants Private Limited

801, Dalamal Tower,  
Nariman Point, Mumbai-400 021.  
Tel: +91 22 6638 1800  
Fax: +91 22 2284 6824  
Email ID:timeipo@enam.com  
Website:www.enam.com  
Contact Person: Mr. Pranav Mahajani

### Legal Advisors to the Issue

#### Wadia Ghandy & Co.

N. M. Wadia Buildings, 123, Mahatma Gandhi Road,  
Mumbai - 400 001.  
Tel : +91 22 2267 0669  
Fax: +91 22 2267 6784  
Email Id: contact@wadiaghandy.com

### Syndicate Members

#### IL&FS Investsmart Limited

The IL&FS Financial Centre, Plot No. C-22,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai-400051.  
Tel: +91-22-2653 3333  
Fax +91-22-6693 1862  
Email ID: time.ipo@investsmartindia.com  
Website: www.investsmartindia.com  
Contact Person: Mr. Bhavin Ranawat

#### Enam Securities Private Limited

2nd Floor, Khatau Building,44, Bank Street,  
Off Shahid Bhagat Singh Road, Fort,  
Mumbai – 400 001.  
Tel.: +91-22-2267 7901  
Fax.: +91-22-2266 5613  
Email: timeipo@enam.com  
Website: www.enam.com  
Contact Person: Mr. M. Natarajan

### Registrar to the Issue

#### Intime Spectrum Registry Limited

C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (W),  
Mumbai – 400 078.  
Tel: +91-22-2596 0320  
Fax: +91-22-2596 0329  
Email: timetechno.ipo@intimespectrum.com  
Website: www.intimespectrum.com  
Contact Person: Mr. Salim Shaikh

### Statutory Auditors to the Company

#### M/s. Raman S. Shah & Co.

Chartered Accountants  
102, Indra Darshan, A wing,  
Borivali (West), Mumbai – 400 092.  
Tel.: +91-22-2833 7792  
Fax: +91-22-2833 8854  
Email id: ramansshah@gmail.com  
Contact Person: Mr. Raman Shah

## Bankers to our Company

### Bank of Baroda

Chakala Branch, Sattam Industrial Estate,  
Cardinal Gracious Road,  
Andheri (East), Mumbai 400 099.  
Tel: +91 22 2835 3472  
Fax: +91 22 2821 3379  
Email Id: chakal@bankofbaroda.com

### UTI Bank Limited

Royal Accord IV, Lokhandwala Complex,  
Mumbai- 400 053  
Tel: +91 22 2635 9716  
Fax: +91 22 2632 8008  
Email Id: vinod.khandelwal@utibank.co.in

### ABN Amro Bank. N. V.

71-72, Sakhar Bhavan, 7<sup>th</sup> floor,  
Nariman Point,  
Mumbai 400 021  
Tel: +91 22 5637 2506  
Fax: +91 22 5637 2519  
Email Id: srikanth.viswatmula@in.abnamro.com  
Saurabh.bhatiani@in.abnamro.com

## Banker(s) to the Issue and Escrow Collection Bank(s):

### ICICI Bank Ltd.

Capital Markets Division  
30, Mumbai Samachar Marg,  
Mumbai - 400 001  
Tel : +91-22 -2262 7600  
Fax : +91-22-2261 1138  
Contact Person: Mr. Sidhartha Routray  
Email : sidhartha.routray@icicibank.com

### UTI Bank Ltd.

Royal Accord IV, Main Road,  
Lokhandwala Complex, Andheri (W),  
Mumbai - 400 053.  
Tel : +91-22-2639 7670/2635 2646/2639 5950  
Fax : +91-22-2632 8008  
Contact Person:  
(1) Ms.Kanchan Phatak  
email:kanchan.phatak@utibank.co.in  
(2) Mr. Satish Das  
Tel : +91-22-6643 7941/6643 7900  
Fax: +91-22-6643 7999  
Email : satishkumar.das@utibank.co.in

### State Bank of Saurashtra

Vardhman, JVPD Scheme,  
Vaikunthlal Mehta Road, Vile Parle (East),  
Mumbai 400 056.  
Tel: +91 22 2611 4033  
Fax: +91 22 2612 3252

### ING Vysya Bank Limited

Poonam Chambers, A Wing, Ground Floor,  
Dr. A. B. Road, Worli, Mumbai 400018.  
Tel: +91 22 5666 5437  
Fax: +91 22 5666 6446  
Email Id: aminp@ingvysyabank.com  
henam@ingvysyabank.com

### Standard Chartered Bank

270, D.N. Road, Fort,  
Mumbai - 400 001  
Tel : +91-22-2209 2213  
Fax : +91-22-2209 6069  
Website: www.standardchartered.co.in  
Contact person: Mr. Rajesh Malwade  
E-mail : rajesh.malwade@in.standardchartered.com

### HDFC Bank Ltd.

26 A, Narayan Properties,  
Off Saki Vihar Road,  
Chandivali , Sakinaka, Andheri (E),  
Mumbai - 400 072  
Tel : +91-22-2856 9009/2847 4900 Ext: 1639  
Fax: +91-22-2856 9256  
Contact : Viral Kothari  
email: viral.kothari@hdfcbank.com

## **TIME TECHNOPLAST LIMITED**

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### **Refund Banker**

#### **UTI Bank Ltd.**

Royal Accord IV, Main Road,  
Lokhandwala Complex, Andheri (W),  
Mumbai - 400 053  
Tel : +91-22-2639 7670/2635 2646/2639 5950  
Fax : +91-22-2632 8008

Contact Person:

(1) Ms.Kanchan Phatak  
email:kanchan.phatak@utibank.co.in  
(2) Mr. Satish Das  
Tel : +91-22-6643 7941/6643 7900  
Fax: +91-22-6643 7999  
Email : satishkumar.das@utibank.co.in

### **Advisor to the Company**

#### **IndusInd Bank Limited**

Merchant Banking Division  
Hinduja House, 171, Dr. Annie Besant Road,  
Worli, Mumbai 400 018.  
Tel: +91 22 2496 0707,  
Fax: +91 22 2497 4208  
E-mail: kuntal.goel@indusind.com  
Contact Person: Mr. Kuntal Goel



### Statement of Inter-se Allocation of Responsibilities for the Issue

The following table sets forth the distribution of responsibility and coordination for various activities by the BRLMs:

SR. NO.	ACTIVITIES	RESPONSIBILITY	CO-ORDINATOR
1.	Capital structuring with the relative components and formalities such as type of instruments, etc.	IIL	IIL
2.	Due diligence of the Company's operations / management / business plans/legal etc.	IIL	IIL
3.	Drafting & Design of Red Herring Prospectus and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, Registrar of Companies and SEBI.	IIL	IIL
4.	Selection of various agencies connected with the Issue including Registrar, Printers, Advertising Agency, Bankers to the Issue etc.	IIL, Enam	IIL
5.	Company positioning and pre-marketing exercise, finalize media & public relation strategy, drafting and approval of all publicity material other than statutory advertisement as mentioned in (3) above including corporate advertisement, brochure, etc.	Enam, IIL	Enam
6.	Qualified Institutional Buyers (QIBs) Category: Finalising the list and division of investors for one-to-one meetings, Co-ordinating institutional investor meetings, institutional allocation and finalizing price band.	Enam, IIL	Enam
7.	Non Institutional and Retail Marketing of the Issue, which will cover inter alia: <ul style="list-style-type: none"> <li>● Formulating marketing strategy</li> <li>● Preparation of publicity budget</li> <li>● Finalise Media and Public Relation strategy</li> <li>● Finalising centers for holding conferences for brokers, press, etc.</li> <li>● Follow-up on distribution of publicity and issue material including Bid cum application form, prospectus and deciding on the quantum of the issue material</li> </ul>	IIL, Enam	IIL
9.	Managing the Book and interaction & co-ordination with Stock Exchanges for book-building software, bidding terminals and mock trading	IIL, Enam	IIL
10.	Finalisation of Price, in consultation with our Company	IIL, Enam	IIL
11.	Finalisation of Prospectus and RoC Filing etc.	IIL	IIL
12.	The post bidding activities including, management of escrow accounts, co-ordinate non-institutional allocation, intimation of allocation, dispatch of refund orders to Bidders etc.	Enam, IIL	Enam
13.	The post-issue activities for the Issue will involve essential follow up steps, which include the finalisation of basis of allotment / weeding out of multiple applications, listing of Equity Shares and dispatch of allotment advice and refund orders, co-ordination with the various agencies connected with the work such as the Registrars to the Issue, Bankers to the Issue and the bank handling refund business.	Enam, IIL	Enam

## TIME TECHNOPLAST LIMITED

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### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Grading**

We have not opted for the grading of this Issue.

### **Trustees**

As this is an Issue of Equity Shares, the appointment of trustees is not required.

### **Monitoring Agency**

There is no requirement for a monitoring agency in terms of Clause 8.17 of the SEBI DIP Guidelines as the issue size is less than Rs. 5000 million. The Audit Committee appointed by our Board of Directors will monitor the utilization of the Issue proceeds.

### **Book Building Process**

Book Building Process refers to the process of collection of Bids, on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is fixed after the Bid / Issue Closing Date.

The principal parties involved in the Book Building Process are:

1. The Company;
2. Book Running Lead Managers;
3. Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as underwriters. Syndicate Members are appointed by the BRLMs;
4. Escrow Collection Banks; and
5. Registrar to the Issue.

In terms of Rule 19 (2)(b) of the SCRR, this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60 % of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, up to 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and up to 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Further, up to 261,100 Equity Shares shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received at or above the Issue Price.

QIBs are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date. For further details please refer to the section titled "Terms of the Issue" on page 265 of this Prospectus.

Our Company shall comply with guidelines issued by SEBI for this Issue. In this regard, our Company has appointed IL&FS Investsmart Limited and Enam Financial Consultants Private Limited, as the BRLMs to manage the Issue and to procure subscription to the Issue.

While the process of Book Building under the SEBI Guidelines is not new, investors are advised to make their own judgment about investment through this process prior to making a Bid or Application in the Issue.

**Illustration of Book Building and Price Discovery Process** *(Investors may note that this illustration is solely for the purpose of easy understanding and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assuming a price band of Rs. 40 to Rs. 48 per share, issue size of 6,000 equity shares and receipt of nine bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the website of the BSE

(www.bseindia.com) and NSE (www.nseindia.com). The illustrative table as shown below shows the demand for the shares of the company at various prices and is collated from bids from various investors.

Number of equity shares bid for	Bid Price (Rs.)	Cumulative equity shares bid	Subscription
500	48	500	8.33%
700	47	1,200	20.00%
1,000	46	2,200	36.67%
400	45	2,600	43.33%
500	44	3,100	51.67%
200	43	3,300	55.00%
2,800	42	6,100	101.67%
800	41	6,900	115.00%
1,200	40	8,100	135.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off i.e. Rs. 42 in the above example. The issuer, in consultation with the BRLMs will finalise the issue price at or below such cut off price i.e. at or below Rs. 42. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in respective category.

#### Steps to be taken for bidding:

1. Check eligibility for making a Bid (see section titled "Issue Procedure - Who Can Bid" on page 267 of this Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form.
3. If your Bid is for Rs.50,000 or more, ensure that you have mentioned your PAN and attached copies of your PAN cards or PAN allotment letter to the Bid cum Application Form (see section titled "Issue Procedure —'PAN' on page 287 of this Prospectus).
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form.

#### Withdrawal of the Issue

Our Company in consultation with the BRLMs, reserves the right not to proceed with the Issue any time after the Bid/ Issue Opening Date without assigning any reason therefore.

#### Bid/Issue Programme

##### Bidding Period/Issue Period

<b>BID/ISSUE OPENED ON : FRIDAY, MAY 18, 2007</b>
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<b>BID/ISSUE CLOSED ON : WEDNESDAY, MAY 23, 2007</b>
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Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form except that on the Bid/Issue Closing Date, Bids shall be accepted between **10 a.m. and 1 p.m.** (Indian Standard Time) and uploaded till such time as permitted by the BSE and the NSE on the Bid/Issue Closing Date. Bids will only be accepted on working days i.e. Monday to Friday (excluding public holiday). Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time and such bids that could not be uploaded may not be considered for allocation.

In case of revision in the Price Band, the Bidding/ Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/ Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE,

## TIME TECHNOPLAST LIMITED

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by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate.

### Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares but prior to filing of the Prospectus with RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions to closing, as specified therein.

**The Underwriters have indicated their intention to underwrite the following number of Equity Shares:**

<b>Name and Address of the Underwriters</b>	<b>Indicative Number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (Rs. In million)</b>
<b>IL&amp;FS Investsmart Limited</b> The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.	<b>19,60,750</b>	<b>617.64</b>
<b>Enam Financial Consultants Private Limited</b> 801, Dalamal Tower, Nariman Point, Mumbai 400 021.	<b>19,60,650</b>	<b>617.61</b>
<b>Enam Securities Private Limited</b> 2nd Floor, Khatau Building, 44, Bank Street, Off Shaheed Bhagat Singh Road, Fort, Mumbai 400 001.	<b>100</b>	<b>0.03</b>

The above-mentioned amount is indicative and this would be finalized after determination of Issue Price and actual allocation of the Equity Shares. The Underwriting Agreement is dated May 26, 2007.

In the opinion of our Board of Directors (based on a certificates given to them by BRLMs and the Syndicate Members), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board Members at their meeting held on May 26, 2007 have accepted and entered into the Underwriting Agreement, as mentioned above on behalf of our Company.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default, the respective Underwriter in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure / subscribe to the extent of the defaulted amount.

## CAPITAL STRUCTURE

Our Share Capital as on the date of filing of this Prospectus is as follows:

(In Rupees)

	Aggregate nominal value	Aggregate value at issue Price
<b>A) Authorised Capital</b> The Authorised Share Capital of the Company is divided as follows: i) 25,000,000 Equity Shares of Rs. 10 each. ii) 2,500,000 Redeemable Preference Shares of Rs. 10 each	<b>275,000,000</b>  250,000,000 25,000,000	
<b>B) Issue Subscribed and Paid-up capital prior to the Issue:</b> i) 17,005,000 Equity Shares of Rs. 10 each. ii) Redeemable Preference Shares of Rs. 10 each.	170,050,000  Nil	
<b>C) Public Issue in terms of this Prospectus</b> Of which <b>(i) Net Issue to Public</b> <b>(ii) Employee Reservation</b>	39,215,000  36,604,000 2,611,000	1,235,272,500  1,153,026,000 82,246,500
<b>D) Post Issue Paid-up Equity Share Capital</b> 20,926,500 Equity Shares of Rs. 10 each	209,265,000	
<b>E) Share Premium Account</b> <b>Prior to the issue (as on date)</b> <b>After the issue</b>	374,500,000  1,570,557,500	

## TIME TECHNOPLAST LIMITED

### Details of Increase/Changes in Authorised Share Capital

Date	No. of Shares		Face Value (Rs.)		Authorised Capital (Rs.)	Particulars
	Equity	Preference	Equity	Preference		
December 20, 1989	1,000	-	100	-	100,000	On Incorporation
March 01, 1991	15,000	-	100	-	1,500,000	Increase
April 28, 1992	150,000	-	10	-	1,500,000	Sub-Division of Equity Shares from face Value of Rs. 100 each to Rs. 10 each
April 28, 1992	2,000,000	-	10	-	20,000,000	Increase
March 01, 1993	8,000,000	-	10	-	80,000,000	Increase
December 29, 1995	10,000,000	2,500,000	10	10	125,000,000	Increase & Classification
November 30, 2000	20,000,000	2,500,000	5	10	125,000,000	Sub-Division of Equity Shares from face value of Rs. 10 each to Rs. 5 each
November 30, 2000	30,000,000	2,500,000	5	10	175,000,000	Increase
March 31, 2001	15,000,000	2,500,000	10	10	175,000,000	Consolidation of Equity Shares from face value of Rs. 5 each to Rs. 10 each
August 12, 2006	25,000,000	2,500,000	10	10	275,000,000	Increase

### Notes to the Capital Structure

#### 1. Share Capital History of our Company

a) Following is the history of the Equity Share capital of our Company

Date of Allotment	Number of Equity Shares	Issue Price per Equity Share in Rs.	Face Value per Equity Share	Consideration (cash or other than cash)	Remarks	Cumulative number of Equity Shares	Cumulative Share Capital (in Rs.)
December 20, 1989.	200	100	100	Cash	Subscription to the Articles and Memorandum of Association	200	20,000
March 30, 1992	14,800	100	100	Cash	Allotment of shares to Promoters and others	15,000*	1,500,000
September 30, 1992	400,000	10	10	Cash	Allotment of shares to Promoters and others	550,000	5,500,000

Date of Allotment	Number of Equity Shares	Issue Price per Equity Share in Rs.	Face Value per Equity Share	Consideration (cash or other than cash)	Remarks	Cumulative number of Equity Shares	Cumulative Share Capital (in Rs)
March 30, 1993	1,450,000	10	10	Cash	Allotment of shares to Promoters and others	2,000,000	20,000,000
February 28, 1994	384,450	14.50	10	Cash	Allotment of shares to Promoters and others	2,384,450	23,844,500
February 28, 1994	700,000	14.50	10	Cash	Private placement	3,084,450/-	30,844,500
March 31, 1994	708,550	14.50	10	Cash	Allotment of shares to Promoters and others	3,793,000	37,930,000
March 31, 1994	1,650,000	14.50	10	Cash	Private Placement.	5,443,000	54,430,000
May 15, 1994	219,000	14.50	10	Cash	Private Placement	5,662,000	56,620,000
September 30, 1994	35,000	14.50	10	Cash	Private Placement	5,697,000	56,970,000
November 30, 1994	165,000	14.50	10	Cash	Allotment of shares to NRIs	5,862,000	58,620,000
July, 19, 2006	1,990,500	N.A.	10	Other than cash	**Shares were issued under Scheme of Amalgamation	7,852,500	78,525,000
August 29, 2006	7,852,500	NIL	10	Other than cash	Bonus shares issued in the ratio of 1 Equity Share for every 1 Equity Share held.	15,705,000	157,050,000
March 09, 2007	700,000	275.00	10	Cash	Pre- IPO Placement	16,405,000	164,050,000
March 16, 2007	288,000	325.00	10	Cash	Pre- IPO Placement	16,693,000	166,930,000
March 16, 2007	312,000	325.00	10	Cash	Pre- IPO Placement	17,005,000	170,050,000

\* The 15,000 Equity Shares of Rs. 100/- each were divided into 150,000 Equity Shares of Rs. 10/- each with effect from April 28, 1992.

\*\* Equity Shares were issued in the ratio 1 Equity Share of our Company for every 5 Equity Shares held in OMPL and 1 Equity Share of our Company for every 4 Equity Shares held in SPPL. Under the Scheme of Amalgamation approved by the High Court of Judicature at Bombay, Valuation of Rs. 142.06 per share of Time Packaging Ltd., Rs. 35.88 per share of SPPL and Rs. 28.02 per share of OMPL has been done by C. K. Doshi & Co., Chartered Accountants ("Valuer"). For more information on the Scheme of Amalgamation please see the chapter titled "History and Certain Corporate Matters" on page 98 of this Prospectus.

## TIME TECHNOPLAST LIMITED

### 2. Pre IPO Placement

- a. In terms of Share Subscription Agreement dated March 7, 2007 entered with Zephyr Peacock India I – Zephyr Peacock India I has subscribed to 700,000 Equity shares of Rs. 10 each of our Company at a premium of Rs. 265/- per Equity Share.
- b. In terms of Share Subscription Agreement dated March 13, 2007 entered with India Business Excellence Fund I and India Business Excellence Fund - (1) India Business Excellence Fund I (a public limited life company organized in Mauritius ) subscribed 288,000 Equity Shares and (2) India Business Excellence Fund, a unit of Business Excellence Trust, a trust created under the Indian Trust Act, 1882 acting through its investment manager, Motilal Oswal venture Capital Advisor Private Limited subscribed 312,000 Equity Shares of Rs. 10 each of our Company at a premium of Rs. 315 per Equity Share.

The investment by Business Excellence Fund I and India Business Excellence Fund is at the lower end of the price band of this IPO (“Minimum Threshold Price”). In the event the Minimum threshold Price is reduced (“Revised Threshold Price”) for any reason whatsoever, the Promoter shall compensate India Business Excellence Fund I and India Business Excellence Fund, the difference between the Minimum Threshold Price and the Revised Threshold Price, in proportion to their respective shareholding in the Company, in a manner as may be mutually agreed between the Parties.

### 3. The Bonus shares have been issued by way of capitalisation of general reserve

Date of Allotment of Bonus Shares	Date of Shareholders approval to the Bonus Issue	Ratio of Bonus Issue	No. of Equity Shares issued as Bonus Shares	Face Value of Equity Shares (Rs.)	Amount of Reserves Capitalised (Rs. in Million)
August 29, 2006	August 12, 2006	1:1	7,852,500	10	78.52

### 4. The details of Equity Shares pledged by Promoters of our Company are as given below:

Sr. No.	Name of Shareholders	Pledged to	Loan Facility Terms	No. of Shares
1.	VTFPL	IL&FS	Term Loan of Rs. 400 mn availed by TTL vide sanction letter dated 27/02/2006 as collateral security.	1,780,000
2	TSSPL	UTI	Term Loan of Rs. 175 mn availed by TSSPL vide sanction letter dated 16/09/2006 as collateral security.	1,200,000
3	VTFPL TEPL	UTI	For Loan facility availed by OMPL (now merged with our Company), vide sanction letter dated 11/07/2006 as collateral security.	60,000 60,000
4	VTFPL	SBI	For Loan facility availed by VTFPL vide sanction letter dated 29/11/2005 as collateral security.	1,000,000
5	TSSPL	SBS	For Loan facility availed by SPPL (now merged with our Company) vide sanction letter dated 01/11/2004 as collateral security.	200,000
6	TSSPL	IDBI	For Term Loan availed by TTL, vide sanction letter dated 14/07/2000 as collateral security.	302,000
	<b>Total</b>			<b>4,602,000</b>



## 5. Promoters Contribution and Lock in

### (a) Share Capital Locked-In For Three Years:

The equity shares, which are being locked in for three years from the date of allotment, are as follows:

Name of the Promoter	Date of Allotment/ Acquisition	Consideration (Cash, Bonus, Kind, etc.)	No. of Equity Shares locked-in	Face Value (in Rs.)	Issue Price/ Acquisition Price (in Rs.)	% of Post-Issue paid-up capital#	Lock-In period (in Years)
Vishwalaxmi Trading & Finance Pvt. Ltd.	August 29, 2006	Bonus	303,750	10	—	1.40	3
	July 19, 2006	Kind*	209,000	10	—*	0.97	3
Time Exports Pvt. Ltd.	August 29, 2006	Bonus	1,354,650	10	—	6.25	3
	July 19, 2006	Kind*	207,750	10	—*	0.95	3
Time Securities Services Pvt. Ltd.	August 29, 2006	Bonus	922,675	10	—	4.26	3
	July 19, 2006	Kind*	531,175	10	—*	2.45	3
Mr. Anil Jain	August 29, 2006	Bonus	201,000	10	-	0.93	3
Mr. Bharat Vageria	August 29, 2006	Bonus	201,000	10	-	0.93	3
Mr. Ragupathy Thyagarajan	August 29, 2006	Bonus	201,000	10	-	0.93	3
Mr. Naveen Jain	August 29, 2006	Bonus	201,000	10	-	0.93	3
	<b>TOTAL</b>		<b>4,333,000</b>			<b>20.00%</b>	

# Assuming that all 728,400 options granted under the ESOP scheme have been exercised

\* Pursuant to the Order of the High Court of Bombay dated June 30, 2006, Equity Shareholders of OMPL and SPPL were issued 1 Equity Share of Rs. 10/- each of our Company for every 5 equity share of OMPL held by them and 1 Equity Share of Rs. 10/- of our Company for every 4 equity shares of SPPL respectively.

All equity shares, which are being locked-in, are not ineligible for computation of Promoters' Contribution and lock-in under Clause 4.6 of the SEBI Guidelines and are not pledged with Banks or Financial Institutions.

### (b) Share capital locked-in for one year:

In addition to the lock-in of the Promoters' contribution specified above, the entire balance Pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment of this Issue. The total numbers of Equity Shares, which are locked-in for one year, are 12,672,000 Equity Shares.

### (c) Other requirements in respect of lock-in:

In terms of Clause 4.15 of the SEBI Guidelines, the locked-in Equity Shares held by the Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided the pledge of shares is one of the terms of sanction of loan.

In terms of Clause 4.16.1 (a) of the SEBI Guidelines, the Equity Shares held by persons other than Promoters, prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Clause 4.14 of the SEBI Guidelines, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

Further, in terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by the Promoter may be transferred to and amongst the Promoter group or to new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

## TIME TECHNOPLAST LIMITED

### 6. Shareholding Pattern of our Company

The table below represents the shareholding pattern of the Company before the proposed issue and adjusted for this issue as on March 31, 2007.

Name of Shareholder	Number of Equity shares held prior to the Issue	Pre-Issue percentage of Equity Share Capital (%)	Number of Equity Shares held post Issue	Post-Issue percentage of Equity Share Capital (%)
<b>(A) Promoters</b>				
Mr. Anil Jain	402,000	2.36	402,000	1.92
Mr. Bharat Vageria	402,000	2.36	402,000	1.92
Mr. Raghupathy Thyagarajan	402,000	2.36	402,000	1.92
Mr. Naveen Jain	402,000	2.36	402,000	1.92
Vishwalaxmi Trading & Finance Pvt. Ltd.	4,167,500	24.51	4,167,500	19.91
Time Securities Services Pvt. Ltd.	4,245,350	24.97	4,245,350	20.29
Time Exports Pvt. Ltd.	2,709,300	15.93	2,709,300	12.95
<b>Sub-Total (A)</b>	<b>12,730,150</b>	<b>74.86</b>	<b>12,730,150</b>	<b>60.83</b>
<b>(B) Promoter Group</b>				
Time Capital Ltd.	167,500	0.99	167,500	0.80
Arun Jain HUF	57,500	0.34	57,500	0.27
Mr. Arun Jain	50,000	0.29	50,000	0.24
Kalinga Technologies Pvt. Ltd.	32,500	0.19	32,500	0.16
Time Securities & Guarantees Ltd.	17,500	0.10	17,500	0.08
Ms. Sushila Jain	11,250	0.07	11,250	0.05
<b>Sub-Total (B)</b>	<b>336,250</b>	<b>1.98</b>	<b>336,250</b>	<b>1.61</b>
<b>Total Promoter &amp; Promoter Group (A+B)</b>	<b>13,066,400</b>	<b>76.84</b>	<b>13,066,400</b>	<b>62.44</b>
(C) Others	2,638,600	15.52	2,638,600	12.61
(D) Pre-IPO Investor	1,300,000	7.64	1,300,000	6.21
(E) Employees	-	-	261,100#	1.25
(F) Public	-	-	3,660,400	17.49
<b>Total (A+B+C+D+E+F)</b>	<b>17,005,000</b>	<b>100.00</b>	<b>20,926,500</b>	<b>100.00</b>

# Assuming Employee Reservation Portion is fully subscribed by the Eligible Employees of the Company

7. Our Company, our Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person other than as disclosed in this Prospectus.

## 8. Top Ten Shareholders

The list of top ten shareholders of our Company and the number of Equity Shares held by them is as under:

(a) As on the date of filing of this Prospectus.

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Shareholding
1.	Time Securities Services Pvt. Ltd.	4,245,350	24.97
2.	Vishwalaxmi Trading & Finance Pvt. Ltd.	4,167,500	24.51
3.	Time Exports Pvt. Ltd.	2,709,300	15.93
4.	Core International FZC	2,120,000	12.47
5.	Zephyr Peacock India I	700,000	4.12
6.	Mr. Anil Jain	402,000	2.36
7.	Mr. Bharat Vageria	402,000	2.36
8.	Mr. Raghupathy Thyagarajan.	402,000	2.36
9.	Mr. Naveen Jain	402,000	2.36
10.	India Business Excellence Fund	312,000	1.83

(b) As on two years before the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Shareholding
1.	Time Exports Pvt. Ltd.	1,086,900	18.54
2.	Core International FZC	1,060,000	18.08
3.	NJI No.(II) Investment Fund (Mauritius) Ltd.	1,000,000	17.06
4.	Vishwalaxmi Trading & Finance Pvt. Ltd.	821,000	14.01
5.	Mr. Anil Jain	353,350	6.03
6.	Mr. Raghupathy Thyagarajan	272,500	4.65
7.	Mr. Bharat Vageria	271,000	4.62
8.	Mr. Naveen Jain	265,000	4.52
9.	Anil Jain HUF	147,500	2.52
10.	Bharat Vageria HUF	113,700	1.94

(c) As on ten days prior to the filing of this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Shareholding
1.	Time Securities Services Pvt. Ltd.	4,245,350	24.97
2.	Vishwalaxmi Trading & Finance Pvt. Ltd.	4,167,500	24.51
3.	Time Exports Pvt. Ltd.	2,709,300	15.93
4.	Core International FZC	2,120,000	12.47
5.	Zephyr Peacock India I	700,000	4.12
6.	Mr. Anil Jain	402,000	2.36
7.	Mr. Bharat Vageria	402,000	2.36
8.	Mr. Raghupathy Thyagarajan.	402,000	2.36
9.	Mr. Naveen Jain	402,000	2.36
10.	India Business Excellence Fund	312,000	1.83

## TIME TECHNOPLAST LIMITED

9. Other than the, issue of bonus shares and issue of equity shares pursuant Scheme of Amalgamation as mentioned in Note 1 of the “Capital Structure”, on page 17, our Promoters, Promoter group, our Directors or the Directors of our Promoter Companies have not acquired, purchased or sold any Equity Shares, during a period of six months preceding the date on which this Prospectus is filed with RoC.
10. At least 60% of Equity Shares of the Net Issue shall be available for allocation on a proportionate basis to QIBs, out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Up to 10% of Equity Shares of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and up to 30% of the Equity Shares of Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further upto 261,100 Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees subject to valid Bids being received at or above the Issue Price. Under subscription in the Employee Reservation Portion shall be allowed to be met through oversubscription in the Retail Portion, Non-Institutional Portion and QIB Portion at the discretion of the Company and the BRLMs Under-subscription, if any, in any category, except the QIB Portion, would be met with spill over from other categories at our sole discretion of our Company in consultation with the BRLMs.
11. Upto 261,100 Equity Shares, has been reserved for allocation to the Eligible Employees on a proportionate basis, subject to valid Bids being received at or above the Issue Price. Only Eligible Employees, as defined, would be eligible to apply in this issue under the Employee Reservation Portion. If the aggregate demand in the Employee Reservation Portion is greater than 261,100 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis. Eligible Employees may bid in the Net Issue to the Public portion as well and such Bids shall not be treated as multiple Bids. Any under subscription in the Equity Shares under the Employee Reservation Portion would be treated as part of the Net Issue.
12. Our Board of Directors has adopted the Time Technoplast Employee Stock Option Plan 2006, which is in accordance with the SEBI ESOP Guidelines, vide a Board Resolution dated November 08, 2006, pursuant to an enabling authority granted by the members of our Company at the EGM held on October 20, 2006. The said EGM resolution authorises the Board to grant upto 1,050,000 Options. Of these the first grant of 737,200 options, equivalent to 737,200 Equity Shares of Rs. 10 each, was made by the Compensation Committee to 362 employees of our Company on November 15, 2006. As on date of filing this Prospectus, we have granted the following options under the ESOP Scheme.

Sr. No	Particulars	
1	Gross options granted	737,200
	Options Cancelled till date	8,800
	Options granted (net of options cancelled)	728,400
2	Exercise price/ Pricing Formula	Rs. 175/- per Equity share
3	Options vested	NIL
4	Options exercised	NIL
5	The total number of Equity Shares arising as a result of full exercise of options granted (including unvested)	728,400
6	Options lapsed / expired	NIL
7	Variation of terms of options	NONE
8	Money realized by exercise of options	NONE
9	Total Number of options in force (unvested)	728,400

Sr. No	Particulars			
10	Point-wise details of options granted to (i) Directors and Key Management Personnel (ii) Any other employee who received a grant in any one year of options amounting to 5% or more of options granted during that year (iii) Identified Employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the company at the time of grant	As per table below NONE  NONE		
11	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of options	N/A since no options have been exercised		
12	Vesting Schedule	<b>Month from Grant date</b>	<b>Group A* 370,700 options</b>	<b>Group B* 357,700 options</b>
		12 month	25%	10%
		24 month	25%	20%
		36 month	25%	30%
		48 month	25%	40%
13	Exercise Period	3 years from the date of vesting or 6 years from grant date whichever is less.		
14	Lock-in	NONE		
15	Weighted Average Exercise Price	Rs. 175 /-		
16	Weighted Average Fair Value of Options	Rs. 175 /-		

- We have not granted any options to the Promoters, Promoter Group and Directors of our Company under the ESOP Scheme

\* Group A: Employees who have completed 5 years of service on date of Grant

\* Group B: Employees with less than 5 years of service on date of Grant

## TIME TECHNOPLAST LIMITED

Details regarding options granted to Key Management Personnel are set forth below:

Sr. No.	Name of Key Management Personnel	Number of options granted	Number of Equity Shares Issuable upon exercise of Options
1	Mr. Anil Agni	8800	8800
2.	Mr. Jacob Abraham	6300	6300
3.	Mr. Jayesh Asher	6300	6300
4.	Mr. Nitin Dhawan	8800	8800
5.	Mr. S R Gavankar	8800	8800
6.	Mr. Prabhakar Huddar	8800	8800
7.	Mr. Sandeep Jain	8800	8800
8.	Mr. Prashant Joshi	15600	15600
9.	Mr. Tushar Mishra	8800	8800
10.	Mr. Sandeep Modi	15600	15600
11.	Mr. J A Patwe	15600	15600
12.	Mr. Uday Sahgal	3800	3800
13.	Mr. Sanjeev Sharma	8800	8800
14	Mr. K K Singh	8800	8800
15.	Mr. Shiva Subramanian	10000	10000
16.	Mr. K Venkataraman	8800	8800

Our Company has granted options under the ESOP Scheme only on November 15, 2006 and hence there is no impact on Profit & Loss and the EPS during the preceding 3 years.

The Fair Market Value on the grant date is Rs.175 .The various parameters considered for arriving at the fair value of the Options in the case of the Black Scholes Method is as follows:

Sr. No.	Particulars	Amount
1	Exercise Price of the Option	Rs. 175
2	Current Expected Dividend Yield	1.14%
3	Risk-Free Rate of Return for Expected life	8.25%
4	Expected Option Life	4 years
5	Stock Volatility	Considered Nil as Company is unlisted

13. An investor cannot make a Bid for more than the number of Equity Shares offered through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
14. Except as disclosed in the section titled "Our Management" on page 112 of this Prospectus, none of our Directors and Key Managerial Personnel hold any Equity Shares.
15. Our Company presently does not intend or propose to alter our capital structure for a period of six months from the date of filing of this Prospectus, by way of split or consolidation of the denomination of equity shares or further issue of equity shares (including issue of securities convertible into or exchangeable, directly or indirectly for equity shares) whether preferential or otherwise
16. There shall be only one denomination of the equity shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
17. We have not raised any bridge loans against the proceeds of this Issue.

18. Except as disclosed in the sections titled “Capital Structure - Notes to the Capital Structure” on page 18 and “Other Regulatory and Statutory Disclosures - Issues otherwise than for Cash” on page 262 of this Prospectus, we have not issued any Equity Shares out of revaluation reserves or for consideration other than cash.
19. Except for stock options granted under the ESOP Scheme, there are no outstanding financial instruments or any other right that may entitle any person to receive any Equity Shares in the Company.
20. Our Promoters will not participate in this Issue.
21. There are certain restrictive covenants in the agreements that our Company has entered into with banks and financial institutions for short-term loans and long-term borrowings. For further details of the terms of these agreements, please refer to the section entitled “Financial Indebtedness” on page 214 of this Prospectus.
22. Equity Shares offered through this Issue shall be made fully paid up or may be forfeited within 12 months from the date of allotment of Equity Shares in the manner specified in Clause 8.6.2 of the SEBI DIP Guidelines.
23. An oversubscription to the extent of 10% of the Issue can be retained for the purpose of rounding while finalizing the basis of allotment.
24. As on the date of filing of this Prospectus we have 36 total number of holders of Equity Shares of our Company.

## TIME TECHNOPLAST LIMITED

### OBJECTS OF THE ISSUE

The Objects of the Issue are as follows:

#### A. New Projects / Expansion plans

- (i) To finance setting up of a new project at Thane (Himachal Pradesh) for manufacture of disposable medical devices.
- (ii) To set up integrated injection moulding facility at Silvassa (Union Territory) for augmenting production capacity for plastic pails and auto components and consolidation of injection moulding operations for optimum utilization of capacity.

#### B. Overseas Projects (Investment in Subsidiaries)

- (i) To part finance setting up of a new project in our wholly owned subsidiary “Elan Incorporated, FZE”, in Sharjah, UAE for packaging (plastic drums & containers and conical pails) and life style products (Garden Furniture).
- (ii) To set up production facility in our wholly owned subsidiary “Novo Tech SP Z o.o.” Poland, Europe for auto components (anti spray devices) and life style products (entrance matting and turf).

C. To repay Loan availed from IL&FS.

D. To acquire entire 49% holding of Time Securities Services Pvt. Ltd. in the Singapore based Joint Venture Mauser Holding Asia Pte. Ltd. with Mauser Holding Netherlands B.V. holding remaining 51%

E. General Corporate Purpose

F. To meet expenses of this Issue

#### Funds Requirement:

(Rs. in Million)

Sr. No.	Particulars	Total
<b>A</b>	<b>New Projects/ expansion plans</b>	
i.	Setting up of new project at Thane (H.P.) for Disposable Medical Devices	352.34
ii.	Setting up integrated injection moulding facilities at Silvassa (U.T.) for augmenting production capacity for plastic Pails and Auto Components	153.71
<b>B</b>	<b>Overseas Projects (Investment in Subsidiaries)</b>	
i.	Setting up of new project in Mid East (Sharjah – UAE) for Packaging (Plastic drums & containers and conical Pails) and Life Style Products (Garden Furniture)	275.00
ii.	Setting up production facilities in Europe (Poland) for Auto Components (Anti Spray Devices) and Life Style Products (Entrance Matting and Turf)	121.01
<b>C</b>	<b>Repayment of Loan availed from IL&amp;FS</b>	363.18
<b>D</b>	To acquire entire 49% holding of Time Securities Services Pvt. Ltd. in the Singapore based Joint Venture Mauser Holding Asia Pte. Ltd. with Mauser Holding Netherlands B.V. holding remaining 51%	191.97
<b>E</b>	General corporate purpose	238.14
<b>F</b>	Issue Expenses	92.42
	<b>TOTAL</b>	<b>1787.77</b>



*Some of our projects are already underway and the Company's contribution is being funded out of internal accruals, which shall be replenished subsequently by the resources mobilised from IPO.*

The object clause of the Memorandum of Association of our Company enables us to undertake the existing activities as well as the activities for which funds are being raised through this Public Issue.

The objects of this Issue also include creating a public trading market for the Equity Shares of our Company by listing them on recognized Stock Exchanges. Our Company believes that the listing of our Equity Shares will provide liquidity to our existing shareholders and enhance our visibility and brand name.

Our assessment of funds requirement and deployment is based on internal management estimates and has not been appraised by any bank or any financial institutions or any independent organization except for the setting up of new project in Sharjah under our subsidiary Elan, appraised by EXIM Bank. Our capital expenditure plans are subject to a number of variables, including possible cost overruns; construction/development delays or defects; availability of working capital finance on acceptable terms and changes in management's views of the desirability of current plans, among others. In case of any variations in the actual utilization of funds earmarked for the above activities or increased fund deployment for a particular activity, the shortfall, if any, may be met with by surplus funds, if any available in the other areas and/or our Company's internal accrual and/or the term loans/working capital loans that may be availed from the banks/financial institutions. The balance proceeds of the Issue including any funds raised in addition to the total above mentioned, if any, will also be used for general corporate purposes. Our working capital requirements will be met by our internal accruals.

#### MEANS OF FINANCE

(Rs. in Million)

Sr. No.	Sources of Finance	Amount
1.	Public Issue	1235.27
2.	Pre-IPO Placement	387.50
3.	Debt	165.00
	<b>Total</b>	<b>1787.77</b>

#### Debt

Out of the total expenditure of Rs. 275.00 million for the purpose of setting up of a new project in Mid East (Sharjah – UAE) for packaging (plastic drums & containers and conical pails) and life style products (garden furniture), our Company has been sanctioned a Foreign Currency Term Loan of Rs. 165 million (US\$ 3.75 million) by EXIM Bank of India Ltd. (EXIM Bank) vide its sanction letter dated September 05, 2006 (Ref: OIF: IV:434:98). Post the sanction, Elan has entered into a Dollar Loan Agreement with EXIM Bank dated October 06, 2006.

Our Company confirms that firm arrangement of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through the proposed public Issue has been made.

## TIME TECHNOPLAST LIMITED

### DETAILS OF USE OF ISSUE PROCEEDS

#### A. New Projects/ Expansion Plans

##### 1. Setting up of new project at Thane (H.P.) for Disposable Medical Devices

We propose to set up a new manufacturing facility of medical devices having a capacity of 4200 mt. at Thane in Himachal Pradesh. We propose to manufacture auto disabled and auto collect syringes ranging from 0.5 ml to 5 ml.

We propose to incur the following expenditure for setting up of this unit:

(Rs. in Million)

Sr. No.	Particulars	Amount
A	Land	3.76
B	Building & Civil Works ( Incl. Site Development )	27.18
C	Plant & Machinery	301.18
D	Electrical fittings & Installation	20.22
	<b>Total</b>	<b>352.34</b>

#### Land:

Land Measuring 3 bighas 9 biswas & 1 bighas 7 biswas (equivalent to 3610 sq. mt.) have already been acquired vide sale deeds dated October 30, 2006 and November 30, 2005 respectively. We have paid a total consideration of Rs. 3.76 million towards cost of acquisition of land including stamp duty & other expenses.

#### Building & Civil Works (Incl. site development)

The quotations for the civil work for the factory building and the erection of the building has been received from M/s. M B Interiors, H.P. As per the quotations received, we have apportioned Rs. 3.46 million towards Land development and Rs. 23.72 million for Building and civil works.

#### Plant & Machinery

The plant & machinery required under this project have been identified based on management estimates.

The details of imported plant & machinery for which orders are yet to be placed are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. in million)	Date of Quotation	Quotation received from / Proposed Supplier
<b>A</b>	<b>MOULDS</b>				
	Auto Break Syringes 0.50 ml	2	8.46	30/11/2006	Shin Yan Sheno Precision Industrial Co. Ltd. (SYS)
	Auto Break Syringes 2.00 ml	4	13.06	30/11/2006	SYS
	Auto Break Syringes 5.00 ml	4	13.06	30/11/2006	SYS
	Auto Collect 5 ml & 3 ml	3	6.90	30/11/2006	SYS
<b>B</b>	<b>PRINTING M/c.</b>				
	Auto Break Syringes 0.50 ml	1	0.87	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 2.00 ml	1	0.87	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 5.00 ml	1	0.87	17/11/2006	Automatic Korea Co.
	Auto Collect	1	0.87	17/11/2006	Automatic Korea Co.

Sr. No.	Name of Machine	Units	Total Cost (Rs. in million)	Date of Quotation	Quotation received from / Proposed Supplier
<b>C</b>	<b>ASSEMBLY M/c.</b>				
	Auto Break Syringes 0.50 ml	1	0.87	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 2.00 ml	1	1.79	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 5.00 ml	1	1.79	17/11/2006	Automatic Korea Co.
	Main Assembly Line	1	8.97	17/11/2006	Automatic Korea Co.
	Gasket Assembly	2	1.98	17/11/2006	Automatic Korea Co.
<b>D</b>	<b>BLISTER PACKING M/c. (With Robots )</b>				
	Auto Break Syringes 0.50 ml	1	4.14	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 2.00 ml	1	4.92	17/11/2006	Automatic Korea Co.
	Auto Break Syringes 5.00 ml	1	4.92	17/11/2006	Automatic Korea Co.
	Auto Collect	1	4.92	17/11/2006	Automatic Korea Co.
	Taxes & Duties	-	25.96	-	Management Estimate
	Inland transportation , Insurance, clearing & Forwarding , Freight, Erection & Commissioning charges	-	3.64	-	Management Estimate
	<b>Total</b>		<b>108.87</b>		

The amounts in US Dollars have been converted into Indian Rupees at the average rate of 1US\$ = Rs. 46

The details of indigenous plant & machinery for which orders are yet to be placed are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. in million)	Date of Quotation	Quotation received from / Proposed Supplier
<b>A</b>	<b>INJECTION MOULDINGS M/c.</b>				
	Injection Mouldings M/c. Delta 150	38	83.60	16/11/2006	Ferromatik Milacron India Ltd.
	Injection Mouldings M/c. Delta 200	8	20.00	16/11/2006	Ferromatik Milacron India Ltd.
	Injection Mouldings M/c. Delta 300	3	9.83	16/11/2006	Ferromatik Milacron India Ltd.
<b>B</b>	<b>STERILIZER</b>	3	8.67	21/11/2006	Sun Health Care
<b>C</b>	<b>AUXILIARY EQUIPMENT</b>				
	Hooper Loader cum Dryer	49	4.59	18/04/2007	Prasad Koch-Technik Pvt. Ltd.
	Mould Temperature Controller	13	1.24	19/04/2007	Prasad Koch-Technik Pvt. Ltd.
	Grinder	5	1.36	16/11/2006	Shreeji Enterprise
	EOT Crane 3 Ton	2	1.09	18/11/2006	New Age Enterprises
	Material Conveyor – 200 Mtrs	1	0.94	16/04/2007	Vinar Systems Pvt. Ltd.
	Clean Room Equipment	-	13.40	17/11/2006	Sterling Airconditioning Services Pvt. Ltd.
	Material Handling Equipment	25	0.31	16/11/2006	Paramount Castors
	Box strapping Machine	4	0.18	15/11/2006	Join Pack India (P) Ltd.
	Labeling Machine	4	0.02	-	Management Estimate
	Belt Conveyor	25	1.85	24/11/2006	Canara Engineers Pvt. Ltd.
	U.V. Fly Arrestor / Insectecutor	10	0.04	16/11/2006	Airtech Systems

## TIME TECHNOPLAST LIMITED

Sr. No.	Name of Machine	Units	Total Cost (Rs. in million)	Date of Quotation	Quotation received from / Proposed Supplier
<b>D</b>	<b>UTILITIES</b>				
	Chilling Plant - 160 TR	1	2.43	23/11/2006	Reynold India Pvt. Ltd.
	Cooling Tower - 250 TR	2	0.48	16/11/2006	Delta Cooling Towers P. Ltd.
	Air Compressor 210 CFM	1	0.70	16/04/2007	Transcon Engineers
	Air Tank	1	0.06	23/11/2006	G. R. Engineers
	Water & Air Piping	1	0.80	-	Management Estimate
	Pumps with Motor	1	0.03	16/11/2006	Venus Corp.
	Fire Water hydrant	-	1.00	-	Management Estimate
	Fire Extinguisher	-	0.40	-	Management Estimate
	Taxes & Duties	-	32.08	-	Management Estimate
	Inland transportation, Insurance, clearing & Forwarding Freight, Erection & Commissioning charges	-	7.20	-	Management Estimate
	<b>Total</b>		<b>192.31</b>		

### Electrical fittings & Installation

We will need certain electrical fittings and equipments which will be installed in our unit, the details of which are as given below:

Sr. No.	Name of Machine	Units	Total Cost (Rs. in million)	Date of Quotation	Quotation received from/ Proposed Supplier
1.	Transformer - 2 MVA	1	1.18	16/11/2006	Jay Bee Industries
2.	VCB	1	0.37	23/11/2006	Neha Electricals
3.	Electrical Accessories & Lighting	-	8.80	-	Management Estimate
4.	D.G. Set with Accessories	1	2.61	19/04/2007	Sudhir Genesets Limited
5.	Deposits with Electricity Departments	-	3.00	-	Management Estimate
6.	Taxes & Duties	-	3.34	-	Management Estimate
7.	Inland transportation , Insurance, clearing & Forwarding Freight, Erection & Commissioning charges	-	0.92	-	Management Estimate
	<b>Total</b>		<b>20.22</b>		

**2. Setting up an integrated injection moulding facility at Silvassa ( U.T. ) having a capacity of 3000 mt for augmenting production capacity for plastic pails and auto component**

We propose to incur the following expenditures towards the setting up of this unit:

Sr. No.	Particulars	Amount (Rs. in mn)
<b>A</b>	Land & Land Development	4.90
<b>B</b>	Building & Civil Works (Incl. Site Development )	57.06
<b>C</b>	Plant & Machinery	79.25
<b>D</b>	Electrical Installation	12.50
	<b>Total</b>	<b>153.71</b>

**Land & Land Development**

Our Company has acquired the land admeasuring H-1 Ars-56 (15,600 sq. mtrs approx.) vide Sales Deed dated February 20, 2007 entered into with Mr. Shitra Soma Kadu. The total consideration (including stamp duty & other expenses) paid for the acquisition of the land is Rs. 3.31 million.

**Building & Civil Works (Incl. Site Development)**

The quotations for the civil work for the factory building and the erection of the building has been received from M/s. Pyramid Consultants, Civil Engineers and Consultants, Vapi. As per the quotations received, we have apportioned Rs. 57.06 million towards Land development, Building and civil works.

**Plant & Machinery**

The Plant & Machinery required under this project have been identified based on management estimate

The details of indigenous plant & machinery for which orders are yet to be placed are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. mn)	Date of Quotation	Quotation received from/ Proposed Supplier
1	Injection Mouldings M/c. Omega 150 - Frame A 45	1	2.15	10/11/2006	Ferromatik Milacron India Ltd.
2	Injection Mouldings M/c. Omega 200- Frame A 50	3	7.62	10/11/2006	Ferromatik Milacron India Ltd.
3	Injection Mouldings M/c. Omega 250 - Frame A 55	2	5.96	10/11/2006	Ferromatik Milacron India Ltd.
4	Injection Mouldings M/c. Omega 450 - Frame A 80	2	9.91	10/11/2006	Ferromatik Milacron India Ltd.
5	Injection Mouldings M/c. Omega 550 - Frame A 90	2	12.93	10/11/2006	Ferromatik Milacron India Ltd.
6	10 ltrs Paint Containers with Lid Mould ( Inner Lock)	2	2.78	19/04/2007	Precious Industries
7	15 ltrs Paint Containers with Lid Mould ( Inner Lock )	1	1.64	19/04/2007	Precious Industries
8	20 ltrs Paint Containers with Lid Mould ( Inner Lock )	3	5.41	19/04/2007	Precious Industries
9	Hot Runer with Controller (For Bottom & Lid )2 Nos. Per Set i.e 12 Nos.	12	0.60	19/04/2007	Precious Industries
10	8 Cavity 60 dia cap mould with danfross motor	1	0.70	13/09/2006	Die Plast Pvt. Ltd.

## TIME TECHNOPLAST LIMITED

Sr. No.	Name of Machine	Units	Total Cost (Rs. mn)	Date of Quotation	Quotation received from/ Proposed Supplier
11	8 cavity pull Spout Mould	1	0.70	21/08/2006	Die Plast Pvt. Ltd.
12	Chiller - 125 TR	1	2.09	10/11/2006	Cooling People ( Pune ) Pvt. Ltd.
13	Cooling Tower – 150 TR	2	0.29	11/11/2006	National Cooling Towers
14	Air Compressor – 114.2 CFM Screw - Make Atlas	1	0.40	9/11/2006	Aditi Engineering Corp.
15	Pumps - 20 H.P with motor	2	0.13	8/8/2006	Pooja Marketing
16	Scrap Grinder M/c.	3	1.25	6/11/2006	Shreeji Enterprises
17	Mixture Machine	2	0.26	10/11/2006	Shreeji Enterprises
18	Hopper Loaders	8	0.80	21/04/2007	Prasad Koch- Technik Pvt. Ltd.
19	Fixtures	1	0.17	11/11/2006	Clamax Industries
20	EOT Crane - 15 Tones	1	2.96	18/10/2006	Elmech Engineers
20	EOT Crane - 5 Tones	1	2.68	11/11/2006	Elmech Engineers
21	Oil Filtration M/c.	2	0.15	11/11/2006	Ferrocare Machines Pvt. Ltd.
22	MFI Tester Equipments	1	0.23	9/11/2006	International Equipments
23	Spout Testing Equipments	1	0.08	11/11/2006	Clamax Industries
24	Lid Pressing Testing Equipments	1	0.03	11/11/2006	Clamax Industries
25	Drop Testing Equipments	1	0.04	11/11/2006	Clamax Industries
26	Vibration Testing Equipments	1	0.12	11/11/2006	Clamax Industries
27	Surface Grinder	1	0.30	9/11/2006	Atlas Machine Tools
28	Hydraulic Hacksaw M/c.	1	0.04	9/11/2006	Atlas Machine Tools
29	Milling Machine	1	0.55	9/11/2006	Atlas Machine Tools
30	Radial Drill M/c.	1	0.09	9/11/2006	Atlas Machine Tools
31	Lathe M/c.	2	0.86	9/11/2006	Atlas Machine Tools
32	Air Piping	-	0.75	-	Management Estimate
33	Water Piping	-	0.90	-	Management Estimate
34	Girder for EOT Crane	-	0.53	-	Management Estimate
35	Fire Water hydrant	-	0.40	-	Management Estimate
36	Fire Extinguisher	-	0.20	-	Management Estimate
37	Taxes & Duties	-	11.00	-	Management Estimate
38	Inland transportation, Insurance, clearing & Forwarding Freight, Erection & Commissioning charges	-	1.55	-	Management Estimate
	<b>Total</b>		<b>79.25</b>		

### Electrical fittings & Equipments

We will need certain electrical fittings & equipments which will be installed in our manufacturing unit.

The details of Electrical fittings & Equipments yet to be ordered are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. mn)	Date of Quotation	Quotation received from/ Proposed Supplier
1	Transformer 1000 KVA	1	1.09	10/11/2006	Moon Light Transformer
2	VCB Panel	2	0.67	17/10/2006	Neha Electricals
3	DG Set 500 KVA	1	2.54	19/04/2007	Sudhir Gensets Ltd.
4	Electrical Accessories & Lighting	-	7.05	-	Management Estimate
5	Taxes & Duties	-	0.90	-	Management Estimate
6	Inland transportation, Insurance, clearing & Forwarding Freight, Erection & Commissioning charges	-	0.25	-	Management Estimate
	<b>Total</b>		<b>12.50</b>		

### B. Overseas Projects (Investment in Subsidiaries)

#### 1. Setting up of new project in Mid East (Sharjah - UAE) for Packaging (Plastics drums & containers and coni Pails) and Life Style Products (Garden Furniture)

Our Company has incorporated a 100% subsidiary ELAN INCORPORATED FZE in SHARJAH, UAE (Elan) on March 28, 2005. For further details of the subsidiary refer to the section titled "Subsidiaries" under the chapter titled "History and certain Corporate Matters" beginning on page 98 of this Prospectus.

We propose to set up a packaging unit (plastics drums & containers and coni pails) and Life Style Products (Garden Furniture) under this Subsidiary. The object clause of the Memorandum of Association of our Subsidiary enables it to undertake the proposed line of activities.

Export Import Bank of India Ltd. (EXIM Bank) vide sanction letter no. OIF:JV:434: 98 dated September 05 , 2006 has sanctioned a Foreign Currency Term Loan of US\$ 3.75 Mn. equivalent to Rs. 165.00 million (Assumption 1US\$ = Rs. 44) for the setting up a greenfield project for manufacturing of Packaging (Plastic drums & containers and coni Pails) and Life Style Products (Garden Furniture). Post receipt of the sanction Elan has entered into a Dollar Loan Agreement with EXIM Bank for the term loan of Rs. 165 million (US\$3.75 million). Some of the terms & conditions of this loan are as follows:

**Amount of the Loan :** US \$ 3.75 Million (Equivalent to Indian Rs. 165 Mn.)

**Purpose :** To part finance project for manufacturing of packaging (Plastic drums and containers and coni Pails) and Life Style Products (Garden Furniture)

**Interest :** US \$ 6 Months LIBOR + 275 BPS, payable quarterly

**Interest Reset :** EXIM Bank is entitled to reset the margin of interest at the time after three years from the date of first disbursement upon giving a notice in writing by Exim Bank (advice date) . The reset interest rate will become effective from such date (after 15 days of the Reset Notice date). In case the reset interest rate is not acceptable to Elan, the same to be given in writing within 15 days of the notice date and prepay the outstanding loan without prepayment premium on the margin reset date.

**Repayment :** In 20 equal quarterly installments commencing after a moratorium of 12 months from the date of first disbursement or such other date closer to that date as may be advised by EXIM Bank at the time of making the first advance.

## TIME TECHNOPLAST LIMITED

An irrevocable and unconditional guarantee in favour of EXIM Bank from:

1. Time Technoplast Ltd.
2. Promoter Directors of Time Technoplast Ltd. – Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain

Appraisal: EXIM Bank has appraised this project and also given its consent for its name to be mentioned in this Prospectus as provider of financial assistance and also to use the contents of the appraisal memorandum prepared by them in this Prospectus, vide its letter no. OIF:JV:434:124 dated November 28, 2006.

**Disclaimer:** Please note that the Appraisal Memorandum of EXIM Bank is an internal document of EXIM Bank and has been prepared only for EXIM Bank's internal decision making in terms of part funding of the project. EXIM Bank or its officers do not assume any responsibility, whether in tort, contract or otherwise, whatsoever.

The total cost of the project as per the appraisal memorandum is as follows:

(In Million)

Particulars	AED	INR*
Land Development	0.12	1.50
Factory & Office Building	4.80	60.00
Plant & Machinery	10.84	135.45
Electrical Installations	1.20	15.00
Utilities	1.49	18.59
Auxiliary Equipment	0.45	5.60
Testing Equipment	0.03	0.40
Pre-operative expenses	0.36	4.50
Provision for contingency	0.48	6.00
Working Capital	2.24	27.97
<b>Total</b>	<b>22.00</b>	<b>275.00</b>

### Means of Finance

(Rs. in Million)

Share Capital	8.80	110.00
Term Loans	13.20	165.00
<b>Total</b>	<b>22.00</b>	<b>275.00</b>

Note: The amounts in AED have been converted into Indian Rupees at the average rate of 1 AED=Rs 12.50.

### Land:

Land measuring 7,500 sq. mtr. has already been acquired on lease at Sharjah Airport International Free (SAIF) Zone. The company has started the construction activity.

### Bank Finance :

EXIM Bank disbursed installment of US\$ 3 million upto April 15, 2007 to Elan.

## 2. Setting up production facilities in Europe (Poland) for auto components (anti spray devices) and life style products (entrance matting and turf)

We have incorporated a wholly owned subsidiary in Poland Novo Tech SP Z O.O. Our Company proposes to set up production facilities for auto components (anti spray devices) and life style products (entrance matting and turfs) under this wholly owned subsidiary. For details of the subsidiary refer to the section titled "Subsidiaries" under the chapter titled "History and Certain Corporate Matters" on page 98 of this Prospectus.



The estimated capital expenditure for the proposed project is as follows:

(Rs.in Million)

Sr. No.	Particulars	Amount
A	Land	6.46
B	Building & Civil Works ( Incl. Site Development )	40.20
C	Plant & Machinery	68.30
D	Electrical Installation	6.05
	<b>Total</b>	<b>121.01</b>

The amounts given above are based on the following assumptions of currency conversion:

1 Euro = 3.88 PLN

1 Euro = Rs. 57.5

1 PLN = Rs. 14.75

**Land:**

Land measuring 10,000 sq. mt. has already been acquired vide agreement dated October 23, 2006. The site development work such as land filling and leveling has already been completed. We have paid a total consideration of Rs. 6.46 million towards cost of acquisition of land including stamp duty & other expenses.

**Building & Civil Works (Incl. Site Development):**

Our Company has received quotations for both the building & civil works from Multi-Project Sp z O.O, Civil Engineers & Consultants, Poland. As per the quotation we have apportioned Rs. 40.20 million for a total built-up area of 1400 sq. mt. towards building and civil works.

**Plant & Machinery**

The details of plant & machinery for which orders are yet to be placed are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. mn)	Date of Quotation	Quotation received from/ Proposed Supplier
1	Machine for Spray Suppression System (incl. duty & taxes)	1	57.05	-	Management Estimate
2	Chilling Plant 20 TR	2	2.30	23/10/2006	PUP GOTECH Sp. Zoo
3	Air Compressor – 100cfm	1	0.86	23/10/2006	PUP GOTECH Sp. Zoo
4	Grinder	1	0.39	27/09/2006	Zerma Machinery & Recycling
5	Other Office equipments	-	4.05	10/11/2006	Management Estimate
6	Vehicles	12	1.50	29/09/2006	Management Estimate
7	Taxes & Duties	-	1.68	-	Management Estimate
8	Inland transportation, Insurance, clearing & Forwarding Freight, Erection & Commissioning charges	-	0.47	-	Management Estimate
	<b>Total</b>		<b>68.30</b>		

## TIME TECHNOPLAST LIMITED

### Electrical Fittings & Equipments:

We will need certain electrical fittings & equipments which will be installed in the unit. The details of the Electrical fittings & Equipments yet to be ordered are as under:

Sr. No.	Name of Machine	Units	Total Cost (Rs. mn)	Date of Quotation	Quotation received from/ Proposed Supplier
1	Electrical cables system feeding machines	1	1.98	26/10/2006	Gotech Sp.ZOO
2	transformer Station	1	1.89	26/10/2006	Gotech Sp.ZOO
3	External Lighting	1	0.77	26/10/2006	Gotech Sp.ZOO
4	Air Conditioning in server room	1	0.07	26/10/2006	Gotech Sp.ZOO
5	Taxes & Duties	-	1.04	-	Management Estimate
6	Inland transportation, Insurance, clearing & Forwarding Freight, erection & commissioning charges	-	0.30	-	Management Estimate
	<b>Total</b>		<b>6.05</b>		

### C. Repayment of Term Finance availed from IL&FS

Our Company has been sanctioned a Term Loan of Rs. 400 million by IL&FS Ltd. (Infrastructure Leasing & Financial Services Ltd.) vide its letter no. BBY/STL/2006/02/106 dated February 27, 2006 for the purpose of takeover of Tainwala Polycontainers Ltd. (now known as TPL Plastech Limited) and for other working capital requirements. For details of Tainwala Polycontainers Ltd. (now known as TPL Plastech Limited) refer to the section titled "Subsidiaries" under the chapter titled "History and Certain Corporate Matters" on page 98 of this Prospectus.

We have been disbursed the amount in two tranches pursuant to our Term Finance Agreement entered into with IL&FS dated March 11, 2006. The break-up of the funds (availed by loan) utilized as certified by Raman S. Shah & Co. vide their certificate dated October 04, 2006 is as follows:

(Rs. in Million)

Sr. No.	Particulars	Amount
1.	Buying of Promoter's stake of TPL	172.00
2.	Non compete consideration to the Promoters of TPL	40.00
3.	Open Offer	25.18
4.	Working Capital & Other expenses	162.82
	<b>Total</b>	<b>400.00</b>

### The terms and conditions of this loan are as under:

Amount : Rs. 400 Mn.

Purpose : Acquisition of Tainwala Polycontainers Ltd. & other working capital requirements

Tenor : 12 Months from the date of disbursement

Interest : 11.00% p.a. payable monthly

Repayment : Repayment to be done as stated below;

In two equal installments payable at end of 9 and 12 months from the date of disbursement or,

On receipt of IPO proceeds whichever is earlier

IL&FS vide its letter dated December 15, 2006 rescheduled the instalment payable at end of 9 months from the date of disbursement to 12 months from the disbursement or IPO whichever is earlier. The Loan amount outstanding is Rs. 150.00 million and IL&FS Ltd. vide its letter dated March 19, 2007 have intimated the Issuer Company that the same would have to be repaid within 3 months from the date of rollover i.e: by June 20, 2007 or IPO proceeds whichever is earlier at an interest rate of 13.50% p.a. payable quarterly in arrears.

**D. To acquire entire 49% holding of Time Securities Services Pvt. Ltd. in the Singapore based Joint Venture Mauser Holding Asia Pte. Ltd. with Mauser Holding Netherlands B.V. holding remaining 51%. MHA recently acquired – Pack Delta Public Company Limited, Thailand, a Polymer Packaging Company (drums and containers)**

Time Securities Services Pvt. Ltd., one of the Promoters of our Company has entered into a Shareholder's Agreement dated November 03, 2006 with Mauser Holding Netherlands B. V. They together have incorporated Mauser Holding Asia Pte Ltd. (MHA) in Singapore on June 1, 2006. For details of MHA refer to the section titled "Group Companies on page 194 of this Prospectus. MHA has acquired Pack Delta Public Company Limited. a Polymer Packaging Company (drums and containers).

Our Company has subsequently entered into a MOU with one of our Promoters Time Securities Services Pvt. Ltd. (TSSPL) dated December 11, 2006 for the purchase of TSSPL's stake of 49% in MHA. Pursuant to this our Company has entered into a Share Purchase Agreement dated April 23, 2007. As per the terms & conditions of the Share Purchase Agreement, the transfer of 49% shareholding in MHA by TSSPL to our Company is subject to completion of IPO and RBI approval, if any, under FEMA which inturn would be subject to such conditions as RBI may consider appropriate. For details of the Share Purchase Agreement refer to the section titled "History and Certain Corporate Matters" on page 98 of this Prospectus.

MHA recently in the year 2006 have acquired Pack Delta Public Company Limited (Pack Delta). Pack Delta was established in 1988. In the year 1993, Pack Delta changed its status to a public company and listed on the Market for Alternative Investment (MAI) on December 01, 2003. MHA acquired a total of 91.89% shareholding of Pack Delta by acquiring 71.75% from the promoters and their related persons of Pack Delta and the rest 20.14% by Open Offer route.

**Summary of the acquisition Pack Delta made by MHA is as follows:**

Particulars	No. of Shares (1 THB each)	% of total shareholding
Total Paid-up capital of Pack Delta	40 mn	100.00%
Shares acquired from Promoters	28.70 mn	71.75%
Shares acquired from Open Offer	8.05 mn	20.14%
Total Shares acquired	36.75 mn	91.89%
Rate of acquisition of per share (in THB)		8.50
Total Cost of Acquisition (in THB Mn.)		312.38
Expenses towards Brokerage, Consulting & Legal charges (in THB Mn.)		4.15
Total Cost (in THB Mn.)		316.53
Total Cost (in Indian Rupees Mn)		389.33
Mauser's Share of total cost (51%) (Rs. mn)		198.56
TSSPL's share of total cost (49%) (Rs. mn)		190.77

Assumption: \* The amounts in THB have been converted into Indian Rupees at the average rate of THB1 = Rs. 1.23

TSSPL's has taken a loan from UTI Bank Ltd., carrying interest rate at 3.25% below Bank's PLR or at 9.75% for Rs. 175.00 mn vide loan agreement dated September 20, 2006, for the purpose of investment in MHA which was ultimately used for the above mentioned acquisition. The interest details and the repayment schedule as per Term Loan Agreement dated September 29, 2006 are as follows:

## TIME TECHNOPLAST LIMITED

- a. The Loan will carry interest at 3.25% below Bank's PLR or at 9.75% per annum calculated and payable with monthly rests, or such other rests as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower.
- b. The principal amount of the Loan shall, if not demanded earlier by the Bank, be repaid by the Borrower to the Bank within a period of 5 years from date of disbursement, by 4 yearly installments of Rs. 437.50 lacs each.

Our Company proposes to buy entire 49% of TSSPL's stake in MHA at cost plus other incidental expenses incurred or to be incurred by TSSPL till the date of transfer of 49% stake to our Company. As on December 15, 2006 Rs. 191.97 million has been spent by TSSPL towards acquisition of 49% stake in MHA which will be funded out of the Issue Proceeds.

### E. General Corporate Purpose

Our Company is regularly evaluating various opportunities for organic and inorganic growth. In addition to the aforesaid in our industrial packaging segment, we regularly incur expenditure on new product development.

For the aforesaid inorganic opportunities / diversification opportunities / general purposes (primarily product development and reengineering of existing products), we have earmarked a sum of Rs. 238.14 million.

### F. Issue Expenses

Issue related expenses includes underwriting and issue management fees, selling commission, distribution expenses, legal fees, Printing and stationery costs, advertisement expenses and listing fees payable to the Stock Exchanges etc.

The total estimated expenses are Rs. 92.42 million, which is 7.48% of the Issue size. For further details please refer to section titled 'Other Regulatory and Statutory Disclosures' beginning on page 257 of this Prospectus.

### SCHEDULE OF IMPLEMENTATION

The details of schedule of implementation are as follows:

Activity	Thane - Baddi (H.P) for Disposable Medical Devices	Silvassa (UT) Injection Moulding Facilities	Mid - East Sharjah (UAE)	Europe (Poland)
Acquisition of Land	Completed	Completed	Completed	Completed
Site Development & civil work	July 2007	August 2007	April 2007	July 2007
Finalization of machinery/ equipments order	June 2007	June 2007	Completed	June 2007
Erection of machineries /equipments	September 2007	September 2007	May 2007	August 2007
Trial Run	September 2007	September 2007	May 2007	September 2007
Commercial Production	October 2007	October 2007	June 2007	October 2007

### FUNDS DEPLOYED

Our statutory auditors M/s. Raman S. Shah & Co., Chartered Accountant have vide their certificate dated April 21, 2007 certified that our Company has spent Rs. 439.71 million as on April 15, 2007 for our above mentioned project out of which Rs. 307.71 million has been funded out of our internal accruals/share capital and Rs. 132.00 million out of term loan.

**BALANCE FUND DEPLOYMENT**

(Rs. in Million)

Sr. No.	Particulars	Q1 (2007-08)	Q2 (2007-08)	Q3 (2007-08)	Q4 (2007-08)	Total
1.	Project at Thane – Baddi (H.P.) for disposable medical devices	64.65	135.85	94.75	44.88	<b>340.13</b>
2.	Injection moulding facility at Silvassa	64.50	53.80	11.56	20.04	<b>149.90</b>
3.	New project in Mid East (Sharjah – UAE) for packaging (plastic drums and containers, coni pails) and life style products (Garden furniture)	55.60	18.59	-	-	<b>74.19</b>
4.	Production facility in Europe (Poland) for auto components (anti spray devices) and life style products (entrance matting and turf)	72.60	36.30	2.41	-	<b>111.31</b>
5.	To repay term loan availed from IL&FS	150.00	-	-	-	<b>150.00</b>
6.	To acquire 49% holding in Singapore based Joint Venture Mauser Holding Asia Pte. Ltd., between Time Securities Services Pvt. Ltd. and Mauser Holding Netherlands B.V.	191.97	-	-	-	<b>191.97</b>

**INTERIM USE OF THE ISSUE PROCEEDS**

Pending utilization of the issue proceeds for the 'Objects of the Issue', we intend to temporarily invest the Issue proceeds in high quality interest bearing liquid instruments including money market mutual fund, deposits with banks, for necessary duration or we may temporarily utilise the proceeds for reducing our outstanding overdrafts. Such investments and other utilisations would be in accordance with investment policies approved by our Board or any committee thereof duly empowered, from time to time.

**MONITORING OF UTILIZATION OF ISSUE PROCEEDS**

There is no requirement for a monitoring agency in terms of Clause 8.17 of the SEBI Guidelines as the Issue Size is less than Rs. 5000 million. The Audit Committee appointed by our Board of Directors will monitor the utilization of the Issue proceeds.

## TIME TECHNOPLAST LIMITED

### ISSUE STRUCTURE

The present Issue of 3,921,500 Equity Shares comprising of a Net Issue of 3,660,400 Equity Shares and an Employee Reservation Portion of up to 261,100 Equity Shares, at a price of Rs. 315 for cash aggregating Rs. 1235.27 million is being made through the Book Building Process.

Particulars	QIB Bidders	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees/ Employee Reservation Portion
Number of Equity Shares available for allocation*	Atleast 2,196,240 Equity Shares or Net Issue (including Mutual Fund Portion) less allocation to Non-Institutional Bidders and Retail Individual Bidders.	Upto 366,040 Equity Shares or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Upto 1,098,120 Equity Shares or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to 261,100 Equity Shares.
Percentage of Issue size available for allocation	At least 60% of the Net Issue	Upto 10% of the Net Issue	Upto 30% of the Net Issue	Issue less Net Issue
Basis of Allocation if respective category is oversubscribed	Proportionate as follows:(a) Equity Shares shall be allocated on a proportionate basis to Mutual Funds in the Mutual Funds Portion;(b) Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount exceeds Rs 100,000	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount exceeds Rs 100,000	20 Equity Shares	20 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid does not exceed the Issue, subject to applicable limits	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount does not exceed Rs. 100,000	10,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form.
Bid / Allotment Lot	20 Equity Shares in multiples of 20 Equity Shares	20 Equity Shares in multiples of 20 Equity Shares	20 Equity Shares in multiples of 20 Equity Shares	20 Equity Shares in multiples of 20 Equity Shares
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share

Particulars	QIB Bidders	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees/ Employee Reservation Portion
Who can Apply **	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, Mutual Funds, foreign institutional investors registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, FVCIs, State Industrial Development Corporations, permitted insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 Million and pension funds with minimum corpus of Rs. 250 Million in accordance with applicable law.	Resident Indian individuals, Eligible NRIs and HUF (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts	Individuals, including Eligible NRIs and HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.	A permanent employee of the Company including the Director of the Company, whether a whole time Director, part time Director or otherwise, except any Promoters or members of the Promoter Group, as of April 30, 2007 and based and present in India as on the date of submission of the Bid cum Application Form.
Terms of Payment	Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Non Institutional Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Eligible Employees at the time of submission of Bid cum Application Form to the Syndicate Members.
Margin Amount	Atleast 10% of Bid Amount	Full Bid Amount on bidding	Full Bid Amount on bidding	Full Bid Amount on bidding

\* Subject to valid Bids being received at or above the Issue Price. Under subscription, if any, in the Non-Institutional Portion and Retail Individual Portion would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLMs. If at least 60% of the Net Issue cannot be allotted to QIB Bidders, then the entire application money will be refunded. However, if the aggregate demand by Mutual Funds is less than 109,812 Equity Shares (QIB Portion is 60% of the Net Issue size, i.e. 2,196,240 Equity Shares), the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event the aggregate demand in the QIB Portion has been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs. Under subscription in the Employee Reservation Portion shall be allowed to be met through oversubscription in the Retail Portion, Non-Institutional Portion and QIB Portion at the discretion of the Company and the BRLMs Under-subscription, if any, in any category, except the QIB Portion, would be met with spill over from other categories at our sole discretion of our Company in consultation with the BRLMs.

\*\* In case the Bid Cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid Cum Application Form.

## TIME TECHNOPLAST LIMITED

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### Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue at anytime after the Bid/ Issue Opening Date but before Allotment, without assigning any reason therefore.

### Letters of Allotment or Refund Orders

Our Company shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allocation. Applicants residing at 15 centres where clearing houses are managed by the RBI, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit & RTGS. We shall ensure despatch of refund orders, if any, of value up to Rs.1,500 by "Under Certificate of Posting" and shall dispatch refund orders above Rs.1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 15 days of the Bid/Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be send a letter through ordinary post intimating them about the mode of credit of refund within 15 days of closure of Issue.

### Interest in Case of Delay in Despatch of Allotment Letters/ Refund Orders.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- (i) Allotment shall be made only in dematerialised form within 15 days from the Bid/ Issue Closing Date;
- (ii) Despatch of refund orders shall be done within 15 days from the Bid/ Issue Closing Date; and
- (iii) We shall pay interest at 15% per annum, if Allotment is not made, refund orders are not despatched and/ or demat credits are not made to investors within the 15 day time prescribed above.

We will provide adequate funds required for despatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

### Bid/Issue Programme

#### Bidding Period/Issue Period

<b>BID/ISSUE OPENED ON : FRIDAY, MAY 18, 2007</b>
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<b>BID/ISSUE CLOSED ON : WEDNESDAY, MAY 23, 2007</b>
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Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form except that on the Bid/Issue Closing Date, Bids shall be accepted between **10 a.m. and 1 p.m.** (Indian Standard Time) and uploaded till such time as permitted by the BSE and the NSE on the Bid/Issue Closing Date. Bids will only be accepted on working days i.e. Monday to Friday(excluding public holiday). Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time and such bids that could not be uploaded may not be considered for allocation.

The Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the price band advertised at least one day prior to the Bid/Issue Opening Date.

**In case of revision in the Price Band, the Bidding/ Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/ Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate.**



## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the BRLMs on the basis of assessment of the market demands for the Issue by way of book-building Process. **The face value of Equity Shares is Rs. 10 and the Issue Price is 31.5 times of the face value.**

### Qualitative Factors

- Polymer focus
- Diversified product portfolio
- Strategic Locations of Manufacturing Facilities
- Recognised brands
- Consolidated technology platform
- Strong Marketing & Distribution Network
- Sourcing ability
- Research & Development Capabilities
- Customers confidence
- Professional Promoters and management team

Please refer to the Section title "Our Business" on page 68 of this Prospectus

### Quantitative Factors

- (i) Information presented in this section is derived from our restated financial unconsolidated statements prepared in accordance with Indian GAAP.

#### Earning Per Share (EPS) (as adjusted for changes in capital)

Particulars	Face value per share (Rs. 10 per share)	
	Rupees	Weight
Year ended March 31, 2004	4.38	1
Year ended March 31, 2005	6.81	2
Year ended March 31, 2006	15.62	3
<b>Weighted average</b>	<b>10.81</b>	

#### Earnings per Share (EPS) (as adjusted for changes in capital)

Particulars	Face value per share (Rs. 10 per share)	
	Unconsolidated	Consolidated
Nine Months Period ended December 31, 2006	17.13	17.72

- (ii) Price Earning ratio (P/E ratio)

P/E based on the Issue Price of Rs. 315/- and on the EPS of the year ended March 31, 2006 of Rs. 15.62: 20.17

## TIME TECHNOPLAST LIMITED

Industry P/E* (Plastics Products)		
i)	Highest:	41.8
ii)	Lowest:	3.0
iii)	Industry Composite:	20.3
Industry P/E* (Packaging)		
i)	Highest:	190.1
ii)	Lowest:	3.9
iii)	Industry Composite:	30.6

\* P/E are based on trailing twelve month earnings

Source: Capital Market Vo. XXII/04 April 23-May 06 , 2007

(iii) Average Return on Net Worth in the last three years.

Particulars	RONW %	Weight
Year ended March 31, 2004	7.11	1
Year ended March 31, 2005	10.05	2
Year ended March 31, 2006	18.30	3
<b>Weighted Average</b>	<b>13.69</b>	

(iv) Minimum Return on Increased Net Worth required to maintain pre -issue EPS as on March 31, 2006 is 10.12%

(v) Net Asset Value per Equity Share.

Net Asset Value per Equity Share for the Year ended March 31, 2006 is Rs. 85.31.

Net Asset Value per Equity Share for the Nine months period ended December 31, 2006 is Rs. 102.27.

Post Issue Net Asset Value (based on December 31, 2006 NAV) per Equity Share after the Issue, based on the Issue Price of Rs. 315 : Rs. 154.28

Issue Price: Rs. 315

(1) Net Asset Value per Equity Share represents shareholders' equity as per restated financial statements less revaluation reserves and miscellaneous expenses as divided by weighted average number of Equity Shares outstanding as of date.

(vi) Comparison with industry peers

	EPS (Rs)	P/E	RONW%	BV (Rs.)
Time Technoplast Limited	15.62		18.30	85.31
At Issue price of Rs. 315/-	-	20.17	-	-
<b>Peer Group*</b>				
Sintex Industries	9.4	22.5	16.6	68.7
Balmer Lawr. Vanl.	2.1	15.7	13.2	22.0
Essel Propack	2.7	27.1	7.5	35.1
Supreme Industries	11.1	17.3	12.8	71.4

\* EPS and P/E are based on trailing twelve month earnings

Source: Capital Market Vo. XXII/04 April 23 - May 06, 2007

The BRLMs believe that the Issue Price of Rs. 315 is justified in view of the above qualitative and quantitative parameters, see section titled "Risk Factors", "Our Business" and "Financial Statements" beginning on pages xi, 68, and 132 of this Prospectus to have a more informed view.



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## STATEMENT OF POSSIBLE TAX BENEFITS

### **The Board of Directors**

Time Technoplast Limited  
102, Todi Complex, 35,  
Saki Vihar Road,  
Andheri (east)  
Mumbai - 400 072

Dear Sir,

We hereby confirm that the enclosed annexure, prepared by the Company, state that the possible tax benefits available to TIME TECHNOPLAST LTD. and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the Annexure No. 1 are disclosed under two categories as special tax benefits and general tax benefits and not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consider in his or her own case the implications of investments in shares.

We neither express any opinion nor provide any assurance as to whether:

- The company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been / would be met with.

The contents of the annexure are based on the information, explanations and representations obtained from the company and on the basis of our understanding of the business activities and operations of the company.

This statement is provided solely for the purpose of assisting the Company to which it is addressed in discharging their responsibilities under the Securities & Exchange Board of India (Disclosure & Investor Protection Guidelines, 2000) and paragraph B (1) of Part II of Schedule II to the Indian Companies Act.

**For Raman S. Shah & Co.**  
**Chartered Accountants**

**Raman S . Shah**  
**Proprietor**  
**M. No.: 33272**

**Place : Mumbai**

**Date : 21.04.2007**

The following tax benefits shall be available to the Company and the prospective shareholders under the current tax laws in India.

### A. TAX BENEFITS AVAILABLE UNDER THE INCOME TAX, 1961:

#### 1. TO THE COMPANY :

##### a) GENERAL TAX BENEFITS

#### 1.1 Dividend Income:

Under Section 10(34) of the Act, dividend income referred to in section 115(O) (whether interim or final) received by the company from any other domestic Company (in which the company has invested) is exempt from tax.

Under section 10(35) of the Act, the income received by the Company from distribution made by any mutual fund specified under section 10(23D) of the Act in respect of which tax is paid by such mutual fund u/s. 115R of the Act or from the Administrator of the specified undertaking or from the specified companies is exempt from tax.

#### 1.2 Capital gains:

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Shares held in a Company or any other securities listed on a recognized stock exchange in India or units of UTI and specified Mutual Fund / Zero coupon Bonds are considered as long-term capital assets if these are held for a period exceeding 12 months. Capital gains arising on transfer of long-term capital assets are considered as 'long-term capital gains'. Capital gains arising on transfer of these assets held for a period of 12 months or less are considered as 'short-term capital gains'.

Under Section 48 of the Act, if any shares are sold by the Resident shareholders after being held for period exceeding twelve months, the gains (in cases not covered under section 10(38) of the Act) if any will be treated as long term capital gains and the gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition. The benefit of indexation is not available in respect of long-term capital gains arising from the transfer of long-term capital assets like bonds and debenture other than capital indexed bonds issued by the Government.

Long term capital gain arising from transfer of an 'eligible' Equity Share' in a Company Purchased on or after the 1st day of March, 2003 and before the 1st day of March, 2004 (both days inclusive) and held for a period of 12 months or more is exempt from tax under section 10 (36) of the Act.

Under section 10(38) of the Act, long term capital gains on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to Securities Transaction Tax shall be exempt from tax As per the provisions of section 112(1) (b) of the Act, other Long-term Capital gains arising to the company are subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, as per the Proviso to that section, the long-term capital gains resulting from transfer of listed securities or units (not covered by section 10(36) and 10(38) of the Act), are subject to tax at the rate of 20% on long-term capital gains worked out after considering indexation benefit (plus applicable surcharge and education cess), which would be restricted to 10% of long-term capital gains worked out without considering indexation benefit (plus applicable surcharge and education cess).

As per the provisions of section 111A of the Act, Short-term Capital Gains arising to the company from transfer of Equity shares in any other company through a recognized stock exchange or from sale of units of any equity oriented mutual fund are subject to tax @ 10% (plus applicable surcharge and education cess), if such a transaction is subjected to Securities Transaction Tax.

Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight assessment years immediately succeeding the assessment year for which the loss was first computed for claiming set-off against subsequent years' short-term as well as long-term capital gains.

Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains except loss on sale of listed shares & securities wherein security transaction tax is paid. Balance loss, if any, could be carried forward for eight assessment years immediately succeeding the assessment year for which the loss was first computed for claiming set-off against subsequent years' long-term capital gains.

Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains not exempt under sections 10(36) & 10(38) of the Act and arising to the Company on transfer of shares shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

Under Section 54ED of the Act and subject to the conditions and to the extent specified therein, long-term capital gains not exempt under section 10(38) of the Act and arising to the Company on transfer of listed securities or units shall not be chargeable to tax to the extent such capital gains are invested in acquiring equity shares forming part of an 'Eligible issue of capital' within a period of six months after the date of such transfer and held for a period of at least one year. 'Eligible issue of capital' means any issue of equity shares which satisfies the following conditions namely:

- a) the issue is made by a public company formed and registered in India;
- b) the shares forming part of the issue are offered for subscription to the public.

If only a part of the capital gain is so invested, the exemption shall be proportionately reduced.

### **1.3 Depreciation / Business Loss:**

Under Section 32 of the Act, the company is entitled to claim depreciation allowance at the prescribed rates on all its tangible and intangible assets acquired and put to use for its business.

Unabsorbed depreciation can be carried forward in future years.

Business losses can be carried forward for eight assessment years immediately succeeding the assessment year for which the loss was first computed for set off against subsequent business profits.

However the carry forward and set off of the business losses are subject to restrictions specified in section 80 of the Act.

### **1.4 Preliminary Expenditure:**

Under section 35D of the Act, the Company shall be eligible for amortization of preliminary expenditure as specified in said section including the expenditure on proposed public issue of shares subject to meeting the conditions and limits specified in that section.

### **1.5 Minimum Alternate Tax:**

Under Section 115 JAA of the Act, the company can claim credit for the difference of tax paid for any assessment year under subsection 1 of section 115JB and the amount of tax payable by the company on its total income computed in accordance with the other provisions of the Act. Such credit shall be allowed to be carried forward and set off in accordance with the provisions of said section. The carried forward tax credit shall not be allowed beyond 5<sup>th</sup> assessment year immediately succeeding the assessment year in which tax credit becomes allowable.

### **1.6 Banking Cash Transaction Tax:**

Under Section 36 (1) (xiii) of the Act, the Company is entitled to claim deduction of Banking Cash Transaction Tax paid on Taxable Banking Transactions entered into by it from 1st April, 2005.

## TIME TECHNOPLAST LIMITED

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### b) SPECIAL TAX BENEFITS

#### 1.7 Tax holiday under Sec 80-1B of the Act:

Subject to the conditions specified under Section 80-1B of the IT Act, the company is eligible for deduction of 100 % for first 5 years and 30 % for next 5 years in respect of profits and gains from Industrial Undertakings located in an industrially backward state and its begins to manufacture/produce articles/things specified in Eighth Schedule and the commencement of production is in between April 1, 1993 and March 31, 2004.

#### 1.8 Tax holiday under Sec 80-IC of the Act

Subject to the conditions specified under Section 80-IC of the IT Act, the company is eligible for 100% deduction for first 5 years and 30% for next 5 years in respect of profit and gains from the Industrial Undertaking which begun or begins to manufacture or produce any article or thing not being any article or thing specified in the Thirteen Schedule during 7<sup>th</sup> day of January, 2003 and ending before the 1<sup>st</sup> day of April, 2012 in the state of Himachal Pradesh or The State of Uttaranchal.

## 2. TO SHAREHOLDER

### a) GENERAL TAX BENEFITS

#### 2.1 RESIDENT SHAREHOLDER

##### 2.1.1 Dividend Income:

Under Section 10(34) read with section 115 O of the Act, dividend (whether interim or final) income received from a domestic company is exempt from tax in the hands of the resident shareholders.

##### 2.1.2 Capital gains:

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Shares held in a Company are considered as long-term capital assets if these are held for a period exceeding 12 months. Capital gains arising on transfer of long-term capital assets are considered as 'long-term capital gains'. Capital gains arising on transfer of these assets held for a period of 12 months or less are considered as 'short-term capital gains'.

Under Section 48 of the Act, if any shares are sold by the Resident shareholders after being held for period exceeding twelve months, the gains (in cases not covered under section 10(38) of the Act) if any will be treated as long term capital gains and the gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition.

Under section 10(38) of the Act, Long Term Capital Gains on sale of equity shares of the Company where the transaction of sale is chargeable to Securities Transaction Tax shall be exempt from tax.

Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight assessment years immediately succeeding the assessment year for which the loss was first computed for claiming set-off against subsequent year's short-term as well as long-term capital gains.

Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, Long term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money. Where the benefit of section 54EC of the Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

Under Section 54ED of the Act and subject to the conditions and to the extent specified therein, long-term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains are invested in acquiring equity shares forming part of an 'Eligible issue of capital' within a period of six months after the date of such transfer and held for a period of at least one year. 'Eligible issue of capital' means any issue of equity shares which satisfies the following conditions namely:

- a. the issue is made by a public company formed and registered in India;
- b. the shares forming part of the issue are offered for subscription to the public.

If only a part of the capital gain is so invested, the exemption shall be proportionately reduced. Where the benefit of section 54ED of the Act has been availed of on investments in specified equity shares, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

As per the provisions of Section 54F of the Act and subject to conditions specified therein, any long-term capital gains (not being residential house) which are not exempt under 10(38) of the Act, arising to shareholder who is an individual or Hindu Undivided Family are exempt from capital gains tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer.

If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. Under proviso to the said section the shareholder should not own more than one residential house, other than the new asset, on the date of transfer of the original asset. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the shareholder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

As per the provisions of section 111A of the Act, Short-term Capital Gains arising to the Resident shareholder from transfer of Company's shares through a recognized stock exchange are subject to tax @ 10% (plus applicable surcharge and education cess), if such a transaction is subjected to Securities Transaction Tax.

As per the proviso to section 112(1) of the Act, the long term capital gains resulting on transfer of listed securities of the company (not covered by section 10(38) of the Act), are subject to tax at the rate of 20% (plus applicable surcharge and education cess) with indexation benefit or 10% (plus applicable surcharge and education cess) without considering indexation benefit at the option of the shareholder.

### **2.1.3 Rebate:**

As per Section 88E of the Act, the STT paid in respect of the taxable securities transactions entered into in the course of business would be eligible for rebate from the amount of income tax on the income chargeable under the head 'Profits and Gains of Business or Profession' arising from taxable securities transactions.

### **2.1.4 Income of minor child:**

In accordance with the provisions of Section 10 (32) of the Act, any income of minor child clubbed with the total income of the parent under Section 64(1A) of the Act will be exempt from tax to the extent of Rs. 1500/- per minor child per year.

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### 2.2 NON-RESIDENT / NON-RESIDENT INDIAN SHAREHOLDER:

#### a) GENERAL BENEFITS:

##### 2.2.1 Dividend Income:

Dividend (both interim and final) income, if any, received by the non-resident /non-resident Indian shareholders from the domestic company shall be exempt under Section 10(34) read with Section 115-O of the Act.

##### 2.2.2 Capital gains:

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Shares held in a Company are considered as long-term capital assets if these are held for a period exceeding 12 months. Capital gains arising on transfer of long-term capital assets are considered as 'long-term capital gains'. Capital gains arising on transfer of these assets held for a period of 12 months or less are considered as 'short-term capital gains'.

Section 48 of the Act contains special provisions in relation to computation of capital gains on transfer of an Indian company's shares by non-residents. Computation of capital gains arising on transfer of shares in case of non-residents has to be done in the original foreign currency, which was used to acquire the shares. The capital gain (i.e., sale proceeds less cost of acquisition / improvement) computed in the original foreign currency is then converted into Indian Rupees at the prevailing rate of exchange.

Under section 10(38) of the Act, Long Term Capital Gains on sale of equity shares of the Company where the transaction of sale is chargeable to Securities Transaction Tax shall be exempt from tax. In case investment is made in Indian rupees, the long-term capital gain is to be computed after indexing the cost. According to the provisions of Section 112 of the Act, long term gains as computed above that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20% (plus applicable surcharge and education cess).

However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20% with indexation benefit exceeds the tax on long-term gains computed at the rate of 10% without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10% (plus applicable surcharge and education cess).

As per the provisions of section 111A of the Act, Short-term Capital Gains arising to the Shareholders from transfer of Equity shares in the company through a recognised stock exchange or from sale of units of any equity-oriented mutual fund are subject to tax @ 10% (plus applicable surcharge and education cess), if such a transaction is subjected to Securities Transaction Tax.

Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains.

Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, Long term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted **53** earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money. Where the benefit of section 54EC of the Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

Under Section 54ED of the Act and subject to the conditions and to the extent specified therein, long-term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains



are invested in acquiring equity shares forming part of an 'Eligible issue of capital' within a period of six months after the date of such transfer and held for a period of at least one year. 'Eligible issue of capital' means any issue of equity shares which satisfies the following conditions namely:

- a. the issue is made by a public company formed and registered in India;
- b. the shares forming part of the issue are offered for subscription to the public.

If only a part of the capital gain is so invested, the exemption shall be proportionately reduced. Where the benefit of section 54ED of the Act has been availed of on investments in specified equity shares, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

As per the provisions of Section 54F of the Act and subject to conditions specified therein, any long-term capital gains (not being residential house) which are not exempt under 10(38) of the Act, arising to shareholder who is an individual or Hindu Undivided Family are exempt from capital gains tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer.

If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. Provided that the said shareholder should not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the shareholder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

### **2.2.3 Rebate:**

As per Section 88E of the Act, the STT paid in respect of the taxable securities transactions entered into in the course of business would be eligible for rebate from the amount of income tax on the income chargeable under the head 'Profits and Gains of Business or Profession' arising from taxable securities transactions.

### **2.2.4 Tax Treaty Benefits:**

As per Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident/non-resident Indian shareholder. Thus, a non-resident/non-resident Indian shareholder can opt to be governed by the beneficial provisions of an applicable tax treaty.

### **2.2.5 Capital gains tax – Options available to a non-resident Indian under the Act**

Non-resident Indian:

As per Section 115-C(e) of the Act, a 'non-resident Indian' means an individual, being a citizen of India or a person of Indian origin who is not a 'resident'. As per the Explanation to the said clause, a person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

Where shares have been subscribed in convertible foreign exchange, the non-resident Indians (as defined in section 115C(e) of the Act), being shareholders of the company, have the option of being governed by the provisions of Chapter XII-A of the

Act, which, *inter alia*, entitles them to the following benefits in respect of income from shares of the company acquired, purchased or subscribed to in convertible foreign exchange :

## TIME TECHNOPLAST LIMITED

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As per the provisions of section 115D read with section 115E of the Act and subject to the conditions specified therein, long term capital gains (in cases not covered under section 10(38) of the Act) arising on transfer of the Company's shares, will be subject to tax at the rate of 10% (plus applicable surcharge on tax and education cess on tax and surcharge), without indexation benefit.

As per the provisions of section 115F of the Act and subject to the conditions specified therein, gains arising on transfer of a long term capital asset (in cases not covered under section 10(38) of the Act) being shares in the company, shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accrued as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

As per the provisions of section 115G of the Act, non-resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

Under section 115H of the Act, where the non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

As per the provisions of section 115I of the Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing the return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

### **2.3 SHAREHOLDER BEING FOREIGN INSTITUTIONAL INVESTORS (FIIS)**

#### **a) GENERAL TAX BENEFITS**

##### **2.3.1 Dividend Income:**

Dividend (both interim and final) income, if any, received by the FII shareholder from the domestic company shall be exempt under section 10(34) read with Section 115O of the Act.

##### **2.3.2 Capital Gains:**

Under Section 115AD of the Act, income (other than income by way of dividends referred in Section 115-O) received in respect of shares of the company shall be taxable at the rate of 20% (plus applicable surcharge on tax and education cess on tax and surcharge).

Under Section 115AD, capital gains arising from transfer of shares of the company which are not exempt under Section 10(38), shall be taxable as follows:

Securities which are held for the period of upto or less than twelve months and where such transaction is chargeable to Securities Transaction Tax levied under Chapter VII of the Finance (No. 2) Act of 2004, shall be taxable at the rate of 10% (plus applicable surcharge on tax and education cess on tax and surcharge). Securities held for the period of upto or less than twelve months and where such transaction

is not chargeable to Securities Transaction Tax levied under Chapter VII of the Finance (No. 2) Act of 2004 shall be taxable at the rate of 30% (plus applicable surcharge on tax and education cess on tax and surcharge); Securities which are held for the period of twelve months or more shall be taxable at the rate of 10% (plus applicable surcharge on tax and education cess on tax and surcharge). Such capital gains would be computed without giving effect of indexation as provided in the first and second proviso to Section 48. In other words, the benefit of indexation, as mentioned under the two provisos would not be allowed while computing the capital gains.

### **2.3.3 Exemption of capital gains from income-tax:**

Long term capital gains arising on transfer of equity shares in the Company, which is held for the period exceeding twelve months and where such transactions is chargeable to Securities Transaction Tax, shall be exempt from tax under Section 10(38) of the Act.

Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, Long term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

Under Section 54ED of the Act and subject to the conditions and to the extent specified therein, long-term capital gains not exempt under section 10(38) of the Act and arising to the shareholders on transfer of their shares in the company shall not be chargeable to tax to the extent such capital gains are invested in acquiring equity shares forming part of an 'Eligible issue of capital' within a period of six months after the date of such transfer and held for a period of at least one year. 'Eligible issue of capital' means any issue of equity shares which satisfies the following conditions namely:

- a. the issue is made by a public company formed and registered in India;
- b. the shares forming part of the issue are offered for subscription to the public.

If only a part of the capital gain is so invested, the exemption shall be proportionately reduced.

### **2.3.4 Rebate:**

As per Section 88E of the Act, the Securities Transaction Tax paid in respect of the taxable securities transactions entered into in the course of business would be eligible for rebate from the amount of income tax on the income chargeable under the head 'Profits and Gains of Business or Profession' arising from taxable securities transactions.

### **2.3.5 Tax Treaty Benefits:**

As per Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the FII's. Thus, a non-resident can opt to be governed by the beneficial provisions of an applicable tax treaty.

## **2.4 BENEFITS AVAILABLE TO MUTUAL FUNDS:**

### **a) GENERAL TAX BENEFITS:**

In case of a shareholder being a Mutual fund, as per the provisions of Section 10(23D) of the Act, any income of Mutual funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India are exempt from income-tax, subject to such conditions as the central government may by notification in the Official Gazette specify in this behalf.

## TIME TECHNOPLAST LIMITED

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### 2.5 BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES / FUNDS:

In case of a shareholder being a Venture Capital Company / Fund, any income of Venture Capital Companies/ Funds registered with the Securities and Exchange Board of India, are exempt from income-tax, subject to the conditions specified in Section 10(23FB) of the Act.

### B. TAX BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

'Asset' as defined under section 2(ea) of the Wealth Tax Act, 1957, does not include share in companies. Hence, the shares are not liable to Wealth Tax.

### C. BENEFITS AVAILABLE UNDER THE GIFT TAX ACT, 1958

Gift tax is not livable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares will not attract gift tax.

#### Notes for above benefits:

1. The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of ordinary shares. The statements made above are based on the tax laws in force as also under the Finance Act, 2006 and is interpreted by relevant taxation authorities as of date.
2. All the above benefits are as per the current direct tax laws and will be available only to the sale by first named holder in case the shares are held by joint holders.
3. In respect of non-residents the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and country in which the non-resident has fiscal domicile.
4. In view of the nature of tax consequences, being based on all the facts, in totality, of the investors, each investor is advised to consult his/her own tax advisor with respect of specific tax consequences of his/her participation in the scheme.

### D. TAX BENEFITS AVAILABLE UNDER CENTRAL EXCISE & CUSTOM ACT

#### SPECIAL TAX BENEFITS:

The Units of the company situated in the State of Himachal Pradesh are eligible for exemption in respect of payment of Excise duty. Therefore the Company units manufacturing Healthcare Products, Turf & Matting Products and Construction Products are eligible for excise duty exemption in terms of Notification No.49/2003 C.E. dated 10.06.03 and Notification No 50/2003 CE dated 10.06.03 subject to fulfilling of the conditions prescribed in the aforesaid notifications.

### E. TAX BENEFITS AVAILABLE UNDER SALES TAX ACT

#### SPECIAL TAX BENEFITS:

#### a) TO THE COMPANY

The Units of the company are eligible for exemption/ deferment / concessional rate of tax in respect of payment of Local Sales Tax and Central Sales Tax for manufacture of various products/Articles subject to fulfilling of the conditions prescribed in the respective notifications.

#### b) TO OUR SUBSIDIARY

##### TPL Plastech Limited (Formerly known as Tainwala Polycontainers Ltd.)

M/s TPL Plastech Limited , Situated at Plot no- 5 , Khadoli Village, Silvassa, Dadra & Nagar Haveli, Which is registered as an Industrial Unit with DISTRIC INDUSTRIES CENTER Vide registration no- DIC/1/MEMO/265/93/1797 dt 03/11/1993 & Holding Local Sale Tax Registration no- DNH/ST/1378 w.e.f.: 02/09/1994 (TIN NO:- 26000001378 ) is exempted from Local Sale Tax Vide Sale Tax Exemption Certificate No- ADM/DNH/EXEMPT/ST/99/438 DTD- 03/06/1999 & Holding Central Sale Tax Registration no- DNH/CST/1318 w. e. f.:02/09/1994 is also exempted from Central Sale Tax Vide Central Sale Tax Exemption Certificate No- ADM/DNH/EXEMPT/CST/99/438 DTD- 03/06/1999 , For the Goods Manufactured / Processed / Assembled In the UNION TERRITORY OF DADRA & NAGAR HAVELI with EFFECT from 10/06/1995 TO 09/06/2010 for a Period of 15 Years.

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## SECTION IV - ABOUT THE ISSUER COMPANY

### INDUSTRY OVERVIEW

*The information in this section is derived from various government publications and other industry sources. Neither we, nor any other person connected with this Issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.*

Disclaimer: All information contained in ICRA's Report titled "Indian Plastic Industry" (dated June 2005) ("Said Report") has been obtained by ICRA from sources believed by it to be reliable. Although reasonable care has been taken to ensure that the information in the Said Report is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation, express or implied, as to the accuracy, timeliness, authenticity or completeness of any such information. All information contained in the said Report must be construed solely as statements of opinion, and ICRA shall not be liable for any losses, direct or indirect, arising from the use of the Said Report or its contents.

Our business is broadly divided into the following 5 business divisions that cater to diverse industry verticals. These industry verticals have business dynamics that are by and large different and independent of each other although some of them have common factors that impact the businesses. The most common factor affecting these industry verticals is economic condition of the country. Similarly the aggregation of all the factors affecting these various industry verticals may broadly cover almost all the factors that may affect the polymer business industrial sector as a whole. The polymer business is broadly based on the changing dynamics of the user industry. The industrial growth which contributes to the growth of the economy is a prime driver for the growth in the polymer business. Additionally, changing preferences and costs of packaging are other factors that affect growth.

The Industry review covers each of the Strategic business divisions in which our Company operates in namely:

- Packaging
- Auto components
- Lifestyles
- Healthcare
- Construction

#### **India: Economic Snapshot**

India, the fourth largest economy globally, in terms of size as measured by GDP (PPP) has emerged as one of the fastest growing economies in the world. India is hailed by international agencies like The World Bank and IMF as one of the economies predicted to play a key role in shaping the global economic landscape in the coming years.

#### **Macro economic Overview**

India's economy is estimated to grow by 8.1% in the current fiscal year ending March, 2006, boosted by strong growth in manufacturing and services. This is the fastest growth in nearly two years. The economy grew by 8.5% in 2003-04, boosted by the best monsoon rains in nearly a decade.

## TIME TECHNOPLAST LIMITED

### Real Growth Rates

(% change over previous year)	2002-03	2003-04	2004-05	2005-06 (est.)
Real GDP (at factor cost)	3.8	8.5	7.5	8.1
Agriculture & Allied Activities	-6.9	10	0.7	2.3
Foodgrains production	-17.90	22.14	-4.17	2.30
Industry	7	7.6	8.6	9
Manufacturing	6.8	7.1	8.1	9.4
Services	7.3	8.2	9.9	9.8
Electricity, gas & water supply	4.8	4.8	4.3	5.4
Imports	14.5	24.1	48.5	48.4*
Exports	20.3	23.3	23.9	21.9*
Inflation (WPI)	6.5	4.6	5.1	4.3**

\* Figures of Export & Import for Fiscal 2005-06 is for Period Apr – Sept.

\*\* WPI based inflation for 2005-06 is for week ending 28<sup>th</sup> Jan. 2006

Source: Economic Survey 2005-06

### Industry Sectors

As the Company's Products are manufactured out of different kinds of polymers, it is necessary to understand Petrochemical and Polymer industry in India as well.

#### Petrochemical Industry in India: Review & Outlook

The petrochemical industry in India had witnessed rapid growth in the past, growing at 1.5 to 2.5 times the GDP growth rate with soaring demand in the individual segments of the petrochemical industry. The phenomenon of the petrochemical sector growing at multiples of GDP growth rate continued till the onset of the global economic slowdown in 2000 when the US, EU and Japan economies simultaneously experienced recessionary trends causing a broad based slowdown in the global economy which adversely affected demand for petrochemicals.

Source: CPMA report on Indian Petrochemical Industry - Review 2005 & Outlook 2006

#### Review of 2005 & Outlook for 2006 for Key Segments of the Petrochemical Industry in India

##### Polymers

In 2005, the polymer sector witnessed a positive growth of 7% over the negative growth of 1% in polymer demand in 2004.

All polymers	2002	2003	2004	2005	2006#	2007#
Capacity **	4305	4335	4570	4939	5385	5685
Production	4098	4438	4672	4668	5169	5519
Imports *	390	454	405	559	682	765
Exports *	772	771	1016	869	954	777
Net Trade	382	317	611	310	272	12
Demand	3716	4121	4061	4358	4897	5507
Demand Growth %		11%	-1%	7%	12%	12%

\* Prorated number, Exports Jan. '05 to Sep. '05 actual – DGCIS

\*\* Financial year capacity      Production : Actual till 2005    # : Projected

### Outlook for the Overall Indian Petrochemical Industry

It is expected that the polymer demand will register a robust growth of 12% for the year 2006 and 2007 due to strong economic performance.

Source: CPMA report on Indian Petrochemical Industry Review 2005 & Outlook 2006

### Packaging :

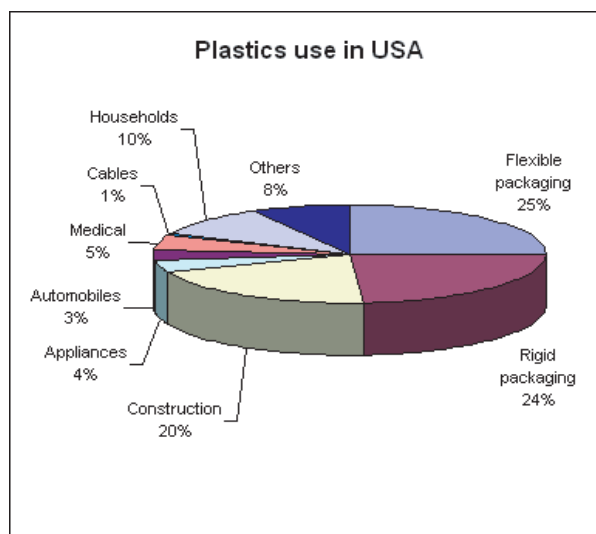
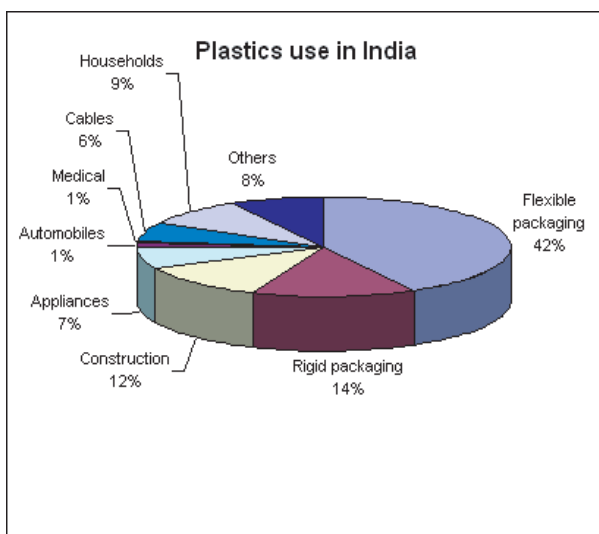
Plastic Packaging (including flexible and rigid packaging) conveys the image of high quality, freshness and convenience. It is more cost effective than any other packaging material and is the largest single market for plastic resin consumption (packaging uses more than 40% of all plastic produced).

Source: ICRA report on Indian Plastic Industry, June 2005

Unstable resin prices (increase being as high as 70% in some case) have not slowed growth or stopped consumers from demanding the benefits of plastic packaging. Source: ICRA report on Indian Plastic Industry, June 2005. Various plastic materials for packaging include Polyethylene, Polypropylene and PET.

### Plastics in Packaging

The various markets where plastics finds use are packaging, construction, appliances, automobiles and others. The shares of these applications in India vis-à-vis mature market like USA is presented in the following chart:



Note: Only Commodity thermoplastics considered

Source: ICRA report on Indian Plastic Industry, June 2005

It may be observed that in a mature market like USA, rigid packaging share 24%, while in India it is just 14%. Most of the rigid packaging demand (over 70%) in India is from drums and containers used for storage / packing of lube oils, chemicals and other liquids.

Source: ICRA report on Indian Plastic Industry, June 2005

These barrels / containers are used for packing by users in Specialty Chemicals, Paints, Inks, Pharmaceutical Intermediates, FMCG Intermediates, Construction Chemicals, Additives, Lube Oils & Additives and food industry among others.

The chemical industry is a significant component of the Indian economy with revenues at approx. USD 28 billion. It constitutes 6.7% of India's GDP and 10% of total exports. With the current levels of performance, the Indian Chemical Industry ranks 12<sup>th</sup> in the world production of chemicals and enjoys the impressive growth rate.

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- The Chemical Industry has achieved a growth rate of 8.6% over the last few years making it one of the fastest growing sectors in India.
- Industry growth rate has been twice the Asian growth rate over the last 5 years.

Source: KPMG report on The Indian Chemical industry for Chemtech foundation

### Potential for high domestic demand

Demand for the chemical industry is yet to reflect its real potential in India. The per capita consumption of chemical products in India is much below consumption levels in developed economies and even in most developing economies.

Item	Polyesters	Plastics	Synthetic rubber	Synthetic Fibre	Polymers
India	1.4	3	0.2	1.63	1.8
World	3	17	2.1	4	17

Source : KPMG report on The Indian Chemical industry for Chemtech foundation

Indian consumption of petrochemical derivatives is a very small fraction of the world levels indicating a potential for the future. Consumption is expected to rise with economic development and an improvement in life style.

The Indian chemical industry is a marginal player in the international market accounting for 1.9 percent of the global chemicals market, while India trade (exports plus imports) accounts for just 1.3 percent of the world chemical trade of USD 545 billion. Although certain sectors (such as petrochemicals and pharmaceuticals) enjoy a trade surplus, the industry remains a net importer with an annual trade deficit of USD 1.3-1.8 billion.

Source : KPMG report on The Indian Chemical industry for Chemtech foundation

### Outlook for growth more in the specialty segments

According to KPMG survey, when the chemical industry grows in the line with GDP growth as projected in the 10<sup>th</sup> plan, it could achieve a size of around USD 60 billion from the current USD 28 billion. However, KPMG analysis indicates industry to have higher potential to grow to a size of 100 billion by 2010.

Source : KPMG report on The Indian Chemical industry for Chemtech foundation

### Outlook on Industrial packaging

The Indian economy is buoyant and expected to grow consistently above 8%. Growth in the Polymers is also buoyant with easier availability of raw material, significantly added by robust growth in the Petrochemical industry. 56% of all plastics produced are used for packaging and the thrust on the same could be more evident. Rigid packaging in particular, which is only 14% share of plastic also has to see an improvement as the availability and the user industry experiences buoyancy. There would be an increase on pressure on metal packaging as plastics will rapidly continue to replace steel. There is enough scope for replacement of steel drums by plastic drums as well.

## INDUSTRY OVERVIEW: AUTOMOTIVE & AUTOMOTIVE COMPONENTS

Our Company is engaged in manufacture of Radiator Tanks, Fuel Tanks, Air Ducts, Vents and Anti Spray Devices. These are primarily used by commercial & passenger vehicles. India is gradually harmonizing its automotive norms with global norms and the Government has already approved the proposal to join the world forum (World Forum For Harmonization Of Vehicle Regulations)(Wp-29) as an observer. Introduction of newer regulations and standards with stringent norms especially in line with the Euro norms throws up opportunity for newer components. Automotive Industry standards are being implemented in making it necessary for the vehicle operators and the OEMs to bring about these changes. Some of the recent examples are Spray Suppression Systems, rear view mirrors, improved mudguards, lighting and light signal devices, warning triangles, protection rods fitted on commercial vehicles, etc.

### Automobiles – Domestic Performance

The production and domestic sales of the automobiles in India have been growing strongly. The domestic automobile market (OEMs & Auto Component manufacturers) has been growing at 14.2% CAGR over the past 4 years (2000-01 to 2004-05), while the auto components market has been growing at 19.2% CAGR (2000-01 to 2003-04). The industry



(OEMs and suppliers together) contributed nearly 4% to the country's GDP in 2003-04. Since nearly all macro-economic indicators – GDP, infrastructure, population demographics, interest rates, etc. are showing a favourable trend, the domestic market for automobiles in India is expected to continue on its growth trajectory.

Source: Report prepared by KPMG for India Brand Equity Foundation (IBEF); [www.ibef.org](http://www.ibef.org)

## Commercial Vehicles

### Growth

This segment can be divided into three categories – heavy commercial vehicles (HCVs), medium commercial vehicles (MDVs or MCVs) and light commercial vehicles (LCVs). The commercial vehicle production in India increased in the last 4 years have been experiencing a CAGR of 23.5%. Source: Report prepared by KPMG for India Brand Equity Foundation (IBEF); [www.ibef.org](http://www.ibef.org)

The key trends facilitating growth in this sector are the development of ports and highways, increase in construction activities and agricultural output. With better roads and highway corridors linking major cities, the demand for larger, multi-axle trucks is increasing in India.

### Auto Components Industry

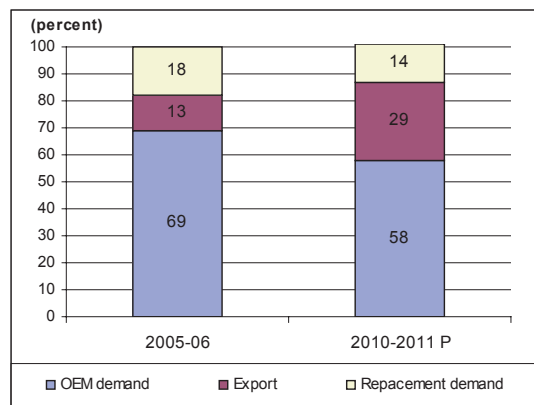
The Indian Automotive Component Industry produces the entire range of parts required by the domestic automotive industry and also for exports of automotive components. An automobile consists of more than 20,000 components with each performing different functions.

According to Automotive Components Manufacturers Association in India (ACMA), the output of auto component industry in India has increased at a CAGR of around 25 percent for the past three years from US\$ 4470 million in 2002 to US\$ 8700 million in 2005. With booming domestic sales and increasing demand from exports, the confidence of industry players is high. This is reflected in the increase in investments in capacity creation and expansion. Investments in this sector have increased from US\$ 2300 million in 2002 to US\$ 3950 million in 2005, a CAGR of 20%.

Source: Report prepared by KPMG for India Brand Equity Foundation (IBEF); [www.ibef.org](http://www.ibef.org)

### Demand Prospects

The market for Automotive Components can be segmented into the following 3 categories, based largely on the identifying of the buyer; OEM, replacement (on maintenance & spares) & exports. Crisil Research estimates that Rs.443.00 Billion (2005-06) Automobile Ancillary Industry derived its demand as follows:



### OEM

As per Crisil Research estimates, the production value of demand from OEMs stood at about Rs. 306.00 billion into 2005-06. While the industry witnessed a high demand growth from the OEMs in 2003-04 and 2004-05, the slower growth in auto production reduced the growth to 11.5% in 2005-06. The production value of OE off take is expected to grow by 14% to Rs.350.00 billion in 2006-07 and at a CAGR of 11% for the 5 year period to reach a production value of Rs. 520.00 billion in 2010-11.

Source: CRIS INFAC

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### Replacement demand to grow at a healthy pace

The Auto Ancillary derived about 18% of its demand from the replacement market in 2005-06. The production value of this segment stood at Rs.80.00 billion during the year. The production value for replacement off take is estimated to CAGR of about 9% between 2005-06 and 2010-11. Accordingly the production value of replacement off take will increase to nearly Rs.125.00 billion by 2010-11.

Source: CRIS INFAC

### High exports potential

Auto Ancillary units in America and Europe are on the second stage of cost reduction drive looking at low cost reduction basis to outsource components. Low reduction growth has also forced them to look at countries with better growth potential. China, India and Thailand have been regarded as low cost countries (LCC) and coupled with high vehicle growth in the local markets, they will continue to be the key markets. Many global automobile manufacturers have identified India as a manufacturing base for some of their models (which are then exported to other countries).

Exports have been growing at a consistently high rate in the past 4 years. Crisil expects this trend to continue in future and estimates the off take from this segment to increase to Rs.260.00 billion (production value) in 2010-11 and should account for an export value of in excess of Rs.350.00 billion.

Source: CRIS INFAC

### INDUSTRY OVERVIEW - LIFESTYLE

For the Consumers, our Company offers Garden Furniture, Turfs and entrance mattings. Company also has brands in this sector which are Regal for Garden Furniture and Duroturf & Durosoft for Mattings.

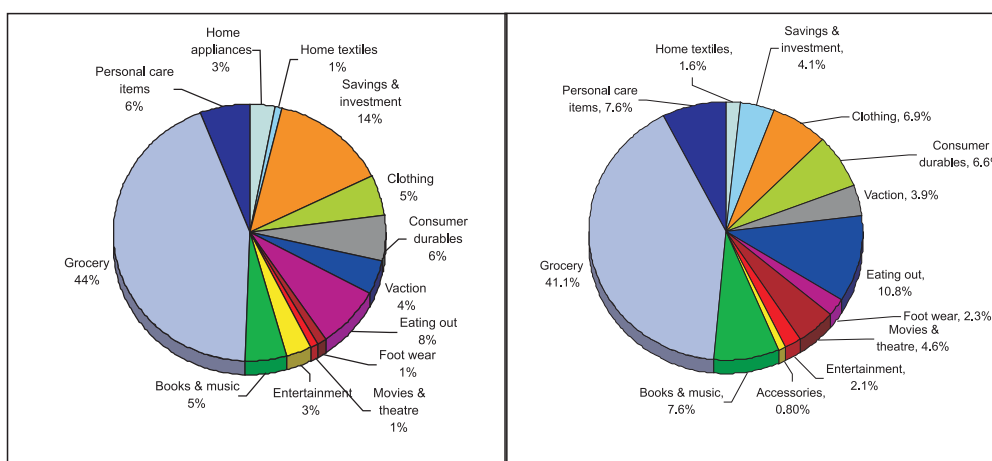
Rising Per Capita income, increasing urbanization exposure during international travel, media blitz, all contribute to changing life styles. Consumers propensity is to go for better products, spend more on life style accessories and incline towards branded goods. Some of the factors contributing to changing life style are reviewed.

India is the largest economy in the world in terms of Purchasing Power Parity (PPP) after USA, China & Japan. The total Consumer spending in the country in 2004-05 was Rs.18,540 bn – out of which, the Retail Sales contributed to 55% - Rs.10,200 bn (USD – 2276 bn) & growing @ 5% p.a.

Source: Images Yearbook Vol.III No.I-2006

### Shift in Consumer Consumption

The current economic boom has lead to changing consumption pattern. Consumers are spending more, as is visible from the chart, reduced savings & Investments in the total consumer shopping basket and lesser spend on Groceries.



Source: Marketing White book 2005 Business World

Per capita is expected to double by 2014 & Indians are getting richer. Discretionary spending has witnessed 16% rise for the Urban upper & middle class.

*Source: Images Yearbook Vol.III No.1-2006*

### **Demographic Profile Advantages**

The composition of the Indian population is shifting and the median age of the Indian Consumer is among the youngest in world. Larger working population would mean higher purchasing power driving consumption.

### **Nuclear Families & working women**

The average size of the family has dropped down from 5.6 to 5.4 person /family, resulting increasing per capita consumption.

Growing number of educated & employed women media proliferation have all lead to growing consumerism. Working women population has increased 22% in 1991 to 26 % in 2001 – resulting change in the purchasing habits. Working womens propensity to for spending is also higher compared to housewife.

### **Rising Income Level**

There are more than 1.6 mn Households in India that earn more than Rs. 40 Lacs p.a. This number is growing at about 14% per year & likely to cross 3 mn households by 2010. The middle & high Income household in Rural India are expected to grow 80 mn to 111 mn – where as in the same period in Urban the growth in this category from current 49 mn to 59 mn households.

*Source: Images Yearbook Vol III No.1-2006*

### **Change in outlook on branded products and Growth in the number of retail malls**

In the last 4-5 years, Indian markets have witnessed a strong shift towards branded products as Indian consumers have started feeling that branded goods offer better quality and greater value for money. This increase in the awareness of branded goods has been the highest in the case of apparel. Increased exposure to international consumerism trends and fast-changing lifestyles can result in a 10-15 per cent growth in branded goods.

## **INDUSTRY OVERVIEW: HEALTHCARE**

Company manufactures Health Care products such as Auto Disable Syringes, Blood Collection Devices & Multi Layer Face Mask. India is at the threshold of major explosion on health care with increasing growth in medical tourism, diagnostic & clinical trials, outsourcing R&D and not to forget the burgeoning population.

### **Overview**

Healthcare has emerged as one of the largest service sectors in India. In 2004, national healthcare spending equalled about 5.2 percent of nominal GDP, or about US\$ 34.9 billion. Healthcare spending in India is expected to rise by 12 percent per annum through 2005-09 (in rupee terms) and scale up to about 5.5 percent of GDP, or US\$ 60.9 billion, by 2009. Other estimates suggest that by 2012, healthcare spending could contribute 8 percent of GDP and employ around 9 million people.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF) ; www.ibef.org*

### **Key Opportunities - Concern over infections transmitted through injections**

About 40% of all the health injections given in 2000 were performed with reused needles. Unsafe injection practices throughout the world result in millions of infections which may lead to serious diseases and deaths. Each year over-use of injections and re-use of dirty syringes and needles combine to cause an estimated 8-16 million Hepatitis B infections, 2.3-4.7 million Hepatitis C and 80000-160000 HIV infections.

*Source: WHO*

Recognition of the risks associated with unsafe injections has led to improvements in injection-control practices, sufficient supplies and appropriate waste disposal strategies. In some countries, however, the introduction of disposable equipment with adequate education, supplies and waste management has caused a widespread re-use of injection equipment without sterilization. Unauthorized repacking of needles and syringes for re-sale is also common. While the purpose of all

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vaccination programmes is to prevent disease, re-use of needles and syringes is the cause of most immunization-related infections and diseases. The use of auto-disable syringes during routine immunization is an effective way of preventing injury, infection and the spread of disease.

### **Growth in Pathology Services**

The US\$ 500 million domestic pathology industry has been growing over the last five years at an estimated Compound Annual Growth Rate (CAGR) of 20% per annum. It currently comprises almost 2.5% of the overall healthcare delivery market. Around 70% of treatment decisions in the country are based on lab results.

Presently, the lab testing market is largely serviced by small unorganized players and hospitals. Believing that diagnostics is a high-margin and asset-intensive business, many focused players are in the process of developing national networks – such as Dr. Lal's Pathlabs, Metropolis, SRL Ranbaxy, Thyrocare and Nicholas Piramal.

### **Preventive healthcare and health insurance drive domestic opportunity**

Increasing health consciousness among common people has created avenues for preventive healthcare. The various health check-up packages offered include a combination of CBC, blood sugar, cholesterol, urine, stool, digital chest X-Ray, ECG, general examination, blood group, blood sugar, liver profile, proteins, lipid profile, cholesterol and renal profile.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF); www.ibef.org*

### **Diagnostics, clinical trials and R&D**

Industry experts cite emergence of the country as a preferred global R&D hub, expansion of the clinical trials market, opening up of the health insurance industry for privatization, consolidation amongst organized players, increased health awareness and quality consciousness in urban India resulting in an increased test prescription rate and Public-Private Partnerships (PPP) as the major reasons for the boom. By 2010, two million patients are expected for clinical trials in India; translating into 20 million tests.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF); www.ibef.org*

### **Medical Tourism**

Medical tourism has gained momentum in India over the past few years, a trend underpinned by India's low-cost advantage and the emergence of new high-quality healthcare service providers.

In India, approximately 1,80,000 patients arrived in 2004 from across the globe for medical treatment. The medical tourism market in India, estimated at US\$ 333 million in 2004 grew by about 25 percent and is predicted to become a US\$ 2 billion-a-year business opportunity by 2012.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF); www.ibef.org*

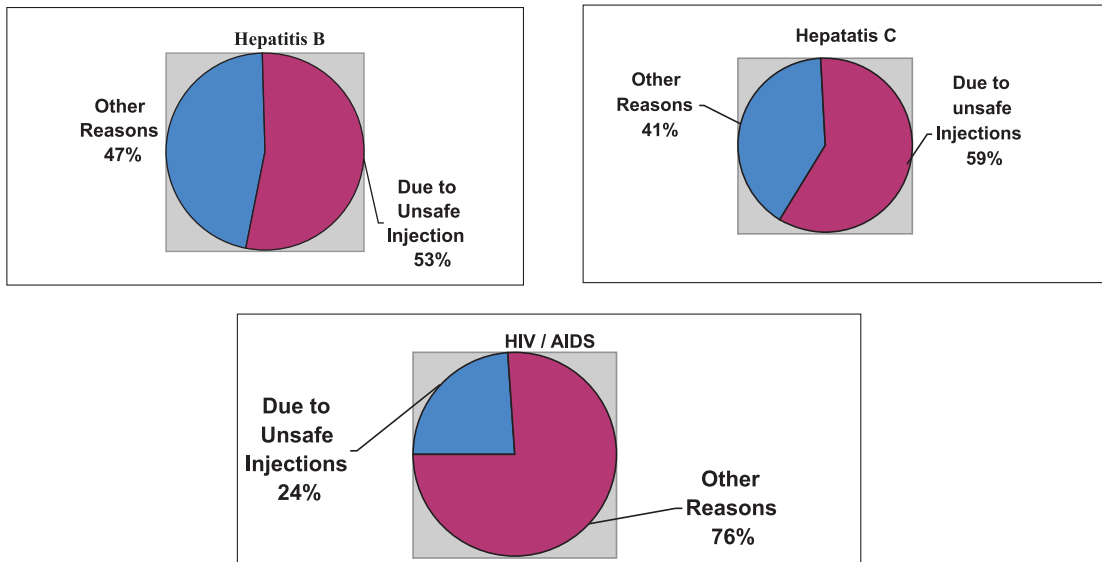
### **Government backed immunization programme**

India has one of the world's largest immunization programmes in a country where vaccine-preventable illness still poses a major public health threat. The World Bank had earlier reported that upto 70% of 4 billion injections given in India each year for curative or prevention purposes were either incorrectly administered or given with improperly sterilized needles.

*Source: GAVI – Global Alliance for Vaccines & Immunization*

This highlights the compelling need to include safe injection practices to keep HIV and Hepatitis infections at bay.

**Unsafe injection: Major cause of Injections in South East Asian Region**



Source: WHO - Department of Essential Health Technologies, WHO, Switzerland & Division of Viral Hepatitis, National Centre for Infectious Diseases, Centres for Disease Control, and Prevention, Atlanta, GA, USA

**Auto-Disable Syringes and Blood Collection Devices**

Large number of infections caused by unsafe injection practices could be contained or reduced by using syringes / devices which would get disabled after single use. Such Auto-Disable devices serve no residual value after its first use and hence does not have any potential threat to aid unsafe injection practices.

The WHO, UNICEF and UNFPA had recommended that all member countries use only Auto-Disable syringes in immunization programmes starting from 2003

Source: WHO, UNICEF & UNFPA – Joint Statement

Further, the Union Ministry of Health and Family Welfare has made the use of auto-disable syringes mandatory for immunization programmes. This measure will go a long way in making sure the chances of HIV or other blood borne infections are eliminated in the child immunization programmes.

**The benefits of Auto-Disable Syringes**

Annually, unsafe injections cause an estimated 1.3 million early deaths, a loss of 26 million years of life, and a burden of US \$535 million in direct medical costs. Fortunately, with the growing awareness of the benefits of AD syringes, there has been an increase in their supply and a corresponding decrease in their cost. In 2002, AD syringes for routine vaccinations were used in 42% of developing countries. During the course of the same year, there has been a worldwide increase in the distribution of AD syringes, with some 410 million of these syringes supplied by the United Nations Children’s Fund (UNICEF).

Source: Fact Sheet by International Council of Nurses (ICN)

**Increasing awareness for Auto-Disabling products**

The Union Ministry of Health & Family Welfare has made the use of Auto Disabling Syringes mandatory for immunization purposes. Recently in a circular issued by the Directorate of Health Services (DHS) on October 28, 2006, all Delhi Government hospitals and dispensaries were directed to switch to Auto-Disable Syringes for areas where risk of unsafe injection is maximum like immunization and drawing of blood samples.

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### **INDUSTRY OVERVIEW – CONSTRUCTION**

Warning and safety nets are used for cordoning of construction areas for reasons of warning and safety, used between the layers during construction to provide support and prevent sagging of layers, used as warning nets for all underground piping, cabling etc. These nets also find wide range of uses in agriculture as anti soil erosion nets, crop protection nets from birds and other destroying insects, sapling cones for poultry and horticultural farms, etc.

Construction is a second largest economic activity after agriculture in the country. The investment in construction accounts to nearly 11% of Indian GDP and nearly 50% of its gross capital formation. Construction is direct beneficiary as we experience growth in infrastructure projects related to roads, ports, airports, housing units, SEZs, retail boom, tourism, etc.

#### **Infrastructure Development**

The country has witnessed a major surge in infrastructure development across various segments. Of course this is merely scratching the surface of the potential infrastructure opportunity with USD 191.51 billion of investments committed over the next 5 years. The sector is estimated to grow at CAGR of 15% over the next few years.

#### **Roads**

Successive Governments have appreciated the need on improving road connectivity across the country. As per the National Highway Authority of India, a total of 23,500 kms. of road would be constructed in the next 2 years

#### **Ports**

To handle increasing import export traffic, India has an extensive coast line of 7517 kms. with 12 major ports. In addition, there are 185 minor and intermediate ports controlled by the states. Indian ports handle 90% of foreign trade in terms of volume and 70% by way of value.

India has been registering 10.4% growth in containerized cargo and 6% growth in bulk cargo. National Maritime Development Program (NMDP) envisages an investment of over USD 13.33 billion for augmenting the present capacity and modernization of existing ports.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF) ; [www.ibef.org](http://www.ibef.org)*

#### **Realty Sector**

Over the next 5 years the number of household are expected to increase at a higher rate than the population growth itself. The growth in the urban household will be higher than the rural household. The prime moves are the growth in urbanization, increasing affordability and nuclearisation of families. The Census Of 2001 indicates that an urbanization rate of 27.78% which is expected to grow up to 41% in the next 20 years.

*Source: 10<sup>th</sup> 5 year plan 2002-2007*

#### **IT Industry**

Knowledge base industry in India is facing a boom. Software and BPO sectors are doing remarkably well and India would continue to be the preferred destination. This growth propels demand for commercial space which leads to an increase in construction activities for commercial space.

#### **Malls**

Construction boon is also evident in the entertainment and shopping space. A study by Knight Frank Real Estate Consultancy outfit, believes that no less than 25 million square feet of organized retail space will come up across the country by 2005. Large corporates have entered the retail sector. Mall development activity across India is expected to grow to the tune of 55 billion in next 5 years. Construction Industry would be the beneficiary of the same.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF) ; [www.ibef.org](http://www.ibef.org)*

#### **Multiplexes**

Multiplex growth has been driven by favourable government policy. The Union Budget of 2004-05 has provided for a tax deduction of 50% on the profit earned by the multiplex constructed between April 2001 to March 2005. Multiplex projects are also coming up in smaller towns.

## **Airports**

The Domestic Passenger Segment is likely to grow at the rate of 12% p.a., international passenger at 7% p.a. and international cargo at 12% p.a. Number of passenger is expected to grow at 19 million annually to 50 million by 2010. Air bus indicated that demands for planes from India could go to 1000 in the next two decades.

Airports need to undergo modernization and free limited terminal capacity, parking capacity, delay in passenger clearances, bunching up of flights and traffic.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF); www.ibef.org*

## **Special Economic Zones**

Government reforms through Special Economic Zones (SEZs) are driving growth in industrial parks. 11 SEZs are operational and another 42 are granted to be set up. Exports from SEZ have experienced growth of 38% in 2003-04. 45 nos. projects worth over USD 33.33 billion in investment having flagged off.

*Source: Report prepared by Ernst & Young for India Brand Equity Foundation (IBEF); www.ibef.org*

## **INDUSTRY OVERVIEW – AGRICULTURE**

Agriculture contributes 18.5% to the GDP of the country and is a key sector of the Indian economy, providing food & employment opportunities.

### **Indian Agriculture - A Quick Perspective**

- Agriculture remains a key sector of the Indian economy accounting for 18.5 percent share in the gross domestic product (GDP) and about 13 percent of the total export earnings.
- In recent years, there has been a considerable emphasis on crop diversification towards horticulture (fruits, vegetables, ornamental crops, medicinal & aromatic plants and spices), plantation crops (coconut, cashew nuts and cocoa) and allied activities.
- Creation of critical infrastructure for cold storage, refrigerated transportation, rapid transit, grading processing, packaging and quality control measures open major opportunities for investment.

### **Revolution in Agriculture**

Apart from traditional food grains and cash crops, a conscious coordinated effort is being made to develop in array of horticultural crops such as foods, vegetables, floricultural plants, plantation crops, spices and medicinal & aromatic plants.

### **Horticultural Growth**

It includes a diverse range of product spanning fruits, vegetables, spice, coconuts, medicinal & aromatic plants, mushrooms, cashews, cocoa, etc. It also generates additional non forming employment opportunities.

Production of vegetable increased from 58.5 million tons in 1991-92 to 90 million tons during 2003-04 and is currently second only to China. India is among the leader in cauliflower, onion, cabbage and potato.

Floriculture has also been witnessing an unprecedented growth and is getting increased acceptability in the world market, estimated at USD 50 billion. The floriculture industry has been growing at an annual rate of 17% with number of corporates participating. Cut flowers are being exported in a major way.

Exports have risen from USD 14 million in 1996-97 to 20 million in 2002-03.

*Source: Report prepared by Crisil for India Brand Equity Foundation (IBEF); www.ibef.org*

### **Corporate Farming**

National agricultural policy envisages that private sector participation will be promoted through contract farming and land leasing arrangement to allow accelerated technology transfer, capital inflow and have assured market for crop production. Contract farming is defined as a system for producing and supplying agricultural / horticultural product under a forward contract between producers and buyers.

*Source: Report prepared by Crisil for India Brand Equity Foundation (IBEF); www.ibef.org*

## TIME TECHNOPLAST LIMITED

### OUR BUSINESS

We are engaged in manufacture and sale of technology based polymer products serving growing sectors of Indian economy viz., Industrial and Consumer Packaging Solutions, Lifestyle Products, Auto Components, Healthcare Products and Construction and Infrastructure related products.

We started our operations in 1991 as a SSI unit in single product segment Industrial Packaging with technology partner Mauser, Germany joining in 1993. We had a vision to grow and establish as one of the leading polymer product company. In the years that followed, we set up our production facilities at six different locations.

Pursuant to the order of High Court of Bombay dated June 30, 2006 filed with RoC on July 15, 2006, approving the scheme of amalgamation, effective from April 01, 2005, we merged our group companies Shalimar Packaging Private Limited and Oxford Moulding Private Limited catering to Lifestyle Products and Healthcare Products. We believe this merger will bring in further efficiency in the operation by integration of all our polymer based businesses and create a diversified product portfolio and create consolidated technology platform for all our products. We manufacture products under three designs & three patents of which one application is pending before design and patent authorities.

To further consolidate our market share and to serve user industry more efficiently and cost effectively in the Industrial Packaging, we acquired 75% stake in our competitor TPL Plastech Limited formerly known as Tainwala Polycontainers Ltd. with effect from July 14, 2006, a company listed on Bombay Stock Exchange.

We have over the years developed a nationwide marketing and distribution infrastructure for sale and distribution of our products to institutional and retail customers. Our products are sold under brands recognised by our institutional and retail customers.

Brand	Business Segment
'Time Mauser'	Packaging Product – Drums / Containers,
'Conipails',	Packaging – Pails
'Ecopet',	Packaging – PET Sheet
'Meadowz'	Lifestyle – Turf,
'DuroTurf' , 'Duro Soft'	Lifestyle – Entrance Mattings
'Regal',	Lifestyle – Garden Furniture
'3S'	Auto Components – Anti Spray Device
'Genex'	Healthcare – Medical Devices.

We are now setting up projects overseas to replicate our business model. A 100% subsidiary Elan Incorporated FZE in Sharjah Airport Free Trade Zone – U.A.E. for production of Packaging products and Life Style products (Garden Furniture) and a 100% subsidiary Novo Tech Sp Z O.O. in Kostryzn Slubice Special Economic Zone, Poland for manufacturing Auto Components (Anti Spray Device) and Life Style Products (Matting and Turfs).

Our technology partner Mauser in industrial packaging joined hands with us to form a joint venture in 2004 under the name of Time Mauser Industries Pvt. Ltd. (TMIPL) in India where Mauser Group holds 51% and we hold 49 % for manufacture of Intermediate Bulk Containers (IBC) of 1000 ltr. capacity. We are now setting up manufacturing facility for Mild Steel drums of 200 ltr capacity in the same joint venture company. Our understanding with Mauser is now extended to set up and acquire businesses in the Asian Region. Our promoter company "Time Securities Services Pvt. Ltd" (TSSPL) and Mauser Holding, Netherlands B.V. formed a joint venture company on June 01, 2006 styled as Mauser Holding Asia Pte. Ltd. Singapore (MHA). MHA has acquired 91.88% of Pack Delta Public Company Limited (PDPL) an existing industrial packaging company based at Bangkok, Thailand, listed on Market For Alternative Investments since December 01, 2003.

### COMPETITIVE STRENGTHS

We believe that our strength lies in our product portfolio which are innovative and cater to growing segments of Indian economy allowing us to improve and maintain our presence in the markets in which we are established. Our consolidated technology platform, allows us to develop new products and improving existing products and support them through marketing and distribution network.



### **Our polymer focus**

Our focus on polymer products and processes enabled us to develop new products aimed at growth sectors. Our focus on polymers has given us opportunity to expand our technology platform and the product portfolio. In this process we have been able to build economy of scales and the cost efficiencies that come along with it.

We believe that we are well positioned to avail of new growth opportunities in polymers products, with polymer finding more and more use in new applications and value added products.

### **Diversified product portfolio**

Over the years we have developed and rolled out a broad range of products. Our product portfolio comprises of industrial and consumer packaging solutions, lifestyle products, automotive components, healthcare products and construction related products. We believe that our broad range of products allows our customers to source most of their product requirement from a single vendor and enables us to expand our business from existing customers, as well as address a larger base of potential new customers.

### **National Presence**

Over the years, we have made investments in our processes, infrastructure and systems to become a national player. We have manufacturing facility spread over six locations, eleven regional/ area marketing offices and distribution / dealer network spread over 345 cities and towns to offer our product range across the country. We believe that our multi-location operations allow us to leverage the competitive advantages of just-in-time delivery to our institutional customers and requisite logistic capabilities to feed distribution and dealer network efficiently and cost effectively.

### **Our brands**

In each of our major business segments, we have been able to build brands for our products: Time Mauser for packaging products, Ecopet for PET sheets, Meadowz for Turf, DuroTurf & Durosoft for mattings, Regal for garden furniture, 3S for Anti Spray Devices (Automotive component) and Genex for healthcare products. We believe that our brands command respect and credibility and offer us competitive advantages when we bring in new products or enter new markets.

### **Consolidated technology platform**

While remaining focused on products made out of polymers, we have built a consolidated technology platform of three technologies in polymer processing viz blow moulding, injection moulding and extrusion. Our knowledge of these technologies enables us in developing innovative products and produces them in a cost efficient manner.

### **Marketing & Distribution Network**

We have developed our marketing and distribution network to reach our institutional clients and retail consumers. Our team of Marketing & Sales professionals service over 500 institutional clients and our distribution / dealer network spread over 345 cities and towns. Our marketing and distribution network enables us in launching new products within a short time at less cost.

### **Our sourcing ability**

Polymers comprise the major part of our product costs and polymers experience volatility in pricing. Over the years we have developed understanding of polymer price and market trends and have built relationships with polymer suppliers in India and overseas. Our size of operation and experience in polymer business enables us in sourcing our inputs at appropriate times and at competitive prices.

### **Research & Development Capabilities**

Our emphasis on research and development has enabled us to evolve our own process technologies and products. We believe that continued focus on R&D will enable us to further develop new processes and products, re-engineer and improve existing products and possibly enter into new lines of business. Also, while developing our own process technologies and products we may be able to emphasise on cost advantages.

## **TIME TECHNOPLAST LIMITED**

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### **Customers confidence**

We focus on maintaining and establishing long-term relationships with our customers. We believe that we have an ability to address the varied and expanding requirements of our customers. This also has in the past resulted in us introducing new products and thereby obtaining additional business from existing customers and also marketing such products to other potential customers and consequently expanding in new markets.

### **Professional Promoters and management**

Our Promoters are qualified professionals with almost two decades of experience in the polymer process and products. Emphasis on systems, rather than individuals has enabled us to build capabilities to operate at different locations. Empowerment of management by delegation of authority have in the past assisted in meeting management expectations and have helped the Company in building a team of qualified personnel. We believe that our experienced management and technical teams have contributed to growth of our operations and the development of in-house processes and new products.

### **OUR STRATEGY**

We believe in increasing our focus on the Indian market while expanding our presence in international markets. While we will endeavour to expand our capacities and capabilities in our existing businesses, we will also endeavour to grow our business through strategic acquisitions and alliances on merit. We do believe that our technology platform and ability to innovate newer products and processes would continuously provide us opportunities to grow in India and overseas.

### **Strategic focus on Indian market**

We believe the Indian market would continue to provide opportunities to grow and expand and the segments that we service have potential and appetite to accept and absorb new products falling within our area of competence. We believe that the existing network and distribution chain across India would provide us with an opportunity to market and distribute innovative products to the users.

### **Technology based innovative products**

Encouraged by our past performance, we believe that remaining focused on technology based innovative products would be a productive strategy to adopt. We will endeavour to absorb and assimilate technologies available and adapt them to bring products which may have utility in the Indian environment. We also believe that where there are no existing markets for certain products, markets for such products may be developed. We also aim to emphasis on our own internal R&D initiative which we believe would help us develop products where time tested technologies and products are not readily available.

### **End to end capabilities**

On one hand, we have the capabilities to design, develop and innovate products and processes made out of polymers and on the other we have marketing and distribution networks to convert such products into business opportunities. To translate concepts into products, we are focusing on machine building programme to enable us shorten the product development period and reduce development cost.

### **Presence in international growth markets**

We will endeavour to launch our products in overseas growth markets as and when the products are time tested and matured. Our initiative for setting up subsidiaries in UAE and Poland and initiative to participate in a joint venture in Thailand may assist in meeting this object. We consider Asia and Africa as potential international markets that may provide such growth opportunities.

### **Growing business through strategic acquisitions and alliances**

We intend to evaluate from time to time potential acquisition targets and alliance partners that offer opportunity to grow our business and expand our capabilities. Guided by this principle, we have recently completed the acquisition of our competitor in packaging space in India (namely TPL) and have forged alliances with our technology partner Mauser.

### Integrating manufacturing facilities

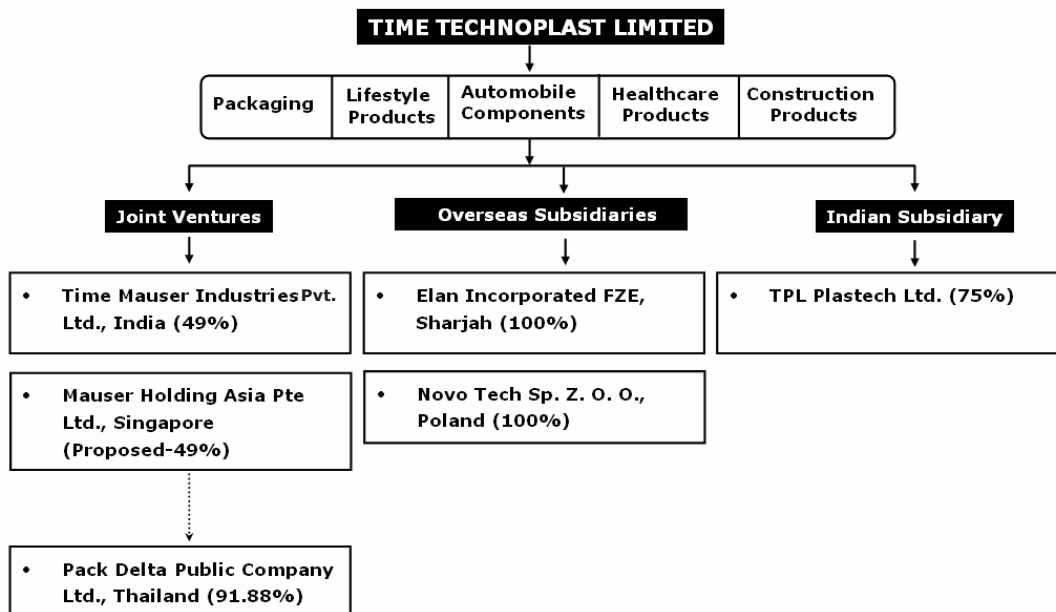
Recent merger gives us opportunity to integrate our production facilities to bring operating efficiency and unlock unutilized production capacities. We believe that it will help us utilize our resources more productively and reduce manufacturing costs and overheads.

### Expanding product portfolio

We endeavour to expand our product portfolio to encompass newer technology based products. For each of our verticals, we have identified products aimed at existing users through our present distribution channel. We also endeavour continuously to upgrade our product portfolio to include such products which may have business potential.

Our user base and continuous interface with it would help us launch specific products to suit users' requirement.

### Corporate Structure



## **TIME TECHNOPLAST LIMITED**

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### **OUR INDIAN SUBSIDIARY**

#### **TPL Plastech Ltd. (Formerly known as Tainwala Polycontainers Ltd. - TPL)**

We have in the FY06-07 acquired 75% in TPL Plastech Limited ("TPL") formerly known as Tainwala Polycontainers Ltd. TPL is engaged in manufacture of HM-HDPE drums / barrels – products that are similar to products manufactured and sold by us.

TPL has plant at Silvassa (U.T.) with an installed capacity of 6,000 metric tonnes. In the FY 05-06 company has achieved turn over and profit after tax of Rs. 428.01 mn and Rs. 12.56 mn respectively. Based on limited review in the first 6 months of the current financial year. TPL has recorded a turnover and profit of Rs. 275.71 mn and Rs. 15.20 mn respectively showing increase in the turnover and profit at 36 % & 196 % compared to the corresponding 6 months of the previous financial year. TPL has declared interim dividend of 10% in the last financial year.

### **OUR OVERSEAS SUBSIDIARIES**

#### **Elan Incorporated FZE - Sharjah (U.A.E)**

We have incorporated a 100% subsidiary Elan Incorporated FZE for manufacturing of Packaging products and Life Style products (Garden Furniture) in Sharjah – U.A.E. at Sharjah Airport Free Trade Zone. The unit is proposed to be operational by June 2007 and we propose to sell products in the UAE.

#### **Novo Tech Sp. Z. o. o. - Poland**

We have incorporated a 100% subsidiary Novo Tech Sp. Z. o. o. in Poland for manufacturing Auto Components (Anti Spray Device) and Life Style Products (Mattings and Turfs) at Koszary Slubice Special Economic Zone. This unit is expected to commence production in October, 2007 and is intended to cater to the European Market.

### **JOINT VENTURE WITH MAUSER GROUP**

Our Company has an understanding with Mauser Group to establish/acquire non competing industrial packaging businesses of TTL in India whereas to establish/acquire industrial packaging business in Asia excluding India.

#### **Time Mauser Industries Private Limited, India**

In the year 2004 our collaborators Mauser, Germany and we joined hands to form a joint venture under the name of Time Mauser Industries Pvt. Ltd. (TMIPL) in India where Mauser Group holds 51% and we hold 49 % . TMIPL has set up a new production facility at Daman (U.T.) for manufacture of Intermediate Bulk Containers (IBC) of 1000 ltr. capacity.

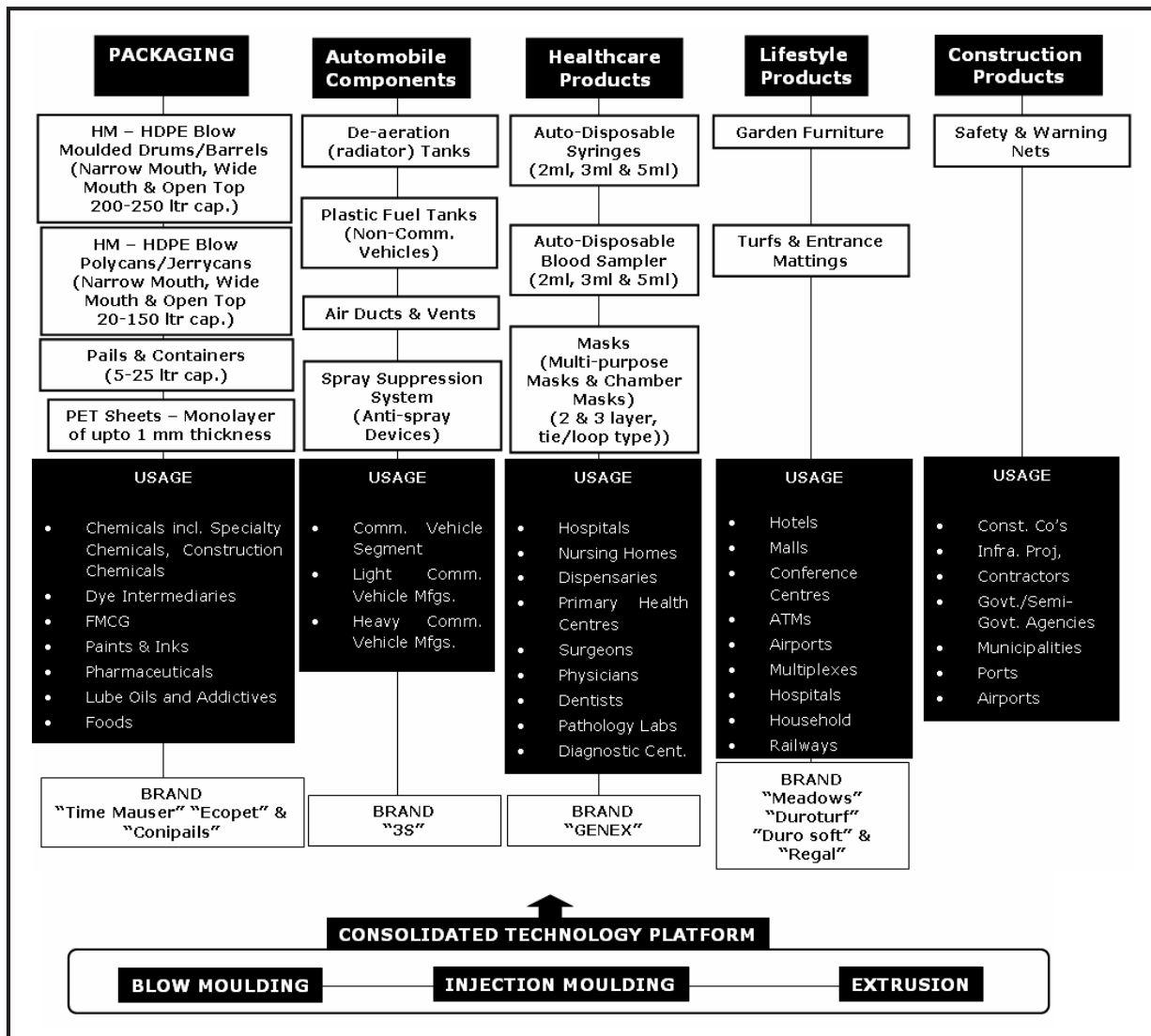
In the month of February 2006, we signed Additional Protocol with Mauser to set up a new production facility at Pen in the state of Maharashtra for manufacture of M. S. drums of 200 ltr. capacity in Tight Head and Narrow Mouth versions essentially to service lube oil and chemical industry. The project is expected to commence production from June, 2007

#### **Mauser Holding Asia Pte. Ltd., Singapore**

Our Promoter company Time Securities Services Pvt. Ltd. (TSSPL) and Mauser Holding, Netherlands B.V. formed a joint venture company on June 01, 2006 styled as Mauser Holding Asia Pte. Ltd., Singapore (MHA). MHA has acquired 91.89% of Pack Delta Public Company Limited (PDPL) an industrial packaging company based at Bangkok, Thailand. PDPL is listed on Market For Alternative Investments since December 01, 2003. We have entered into a Share Purchase Agreement April 23, 2007 with our Promoter company TSSPL to acquire its stake in MHA, Singapore at cost and other incidental expenses incurred by TSSPL.

**OUR DIVISIONS:**

To retain focus on diversified product portfolio and to maintain internal accountabilities and profit centre responsibilities, we have created strategic business divisions for each segments encompassing specific products based on product application or user segments.



**PACKAGING PRODUCT DIVISION**

We started our business essentially with packaging products and over the years it has built more than 50 different packaging solutions in rigid plastic packaging space for wide and varied applications. We in collaboration with Mauser Group offer user industry the technology, adopting internationally acclaimed and accepted designs and features. Our product range could be broadly categorized as under :

## TIME TECHNOPLAST LIMITED

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(i) Present Products

- (a) HM-HDPE Blow Moulded drums / Barrels - Narrow Mouth, Wide Mouth & Open Top in 200 – 250 ltr. capacity
- (b) HDPE Polycans / Jerrycans – Narrow Mouth, Wide Mouth and Open Top in 20 – 150 ltr. capacity
- (c) Pails & Containers in 5 – 25 ltr. capacity
- (d) PET Sheets – Monolayer of up to 1 mm thickness

(ii) Future Products

Multi layer high performance PET sheets of up to 2 mm thickness.

### Plastic drums

Plastic drums / barrels, Polycans / Jerrycans are manufactured through extrusion blow moulding process out of special grades of polymers. Such packaging products are made through a fully automated continuous process without any welds or joints. They are fitted with special stoppers, plugs, bungs, inserts, caps, handles to meet customer specific design / performance requirements.

#### Key products features are as follows:

- Strong and Sturdy : The products are made out of special grade High Molecular – High Density Polyethylene which offers mechanical strength against tough and multiple handling conditions.
- Compatibility: The polymers used in the manufacture of such products are inert to most chemicals including hazardous and aggressive chemicals. Therefore, they offer compatibility and long shelf life for filled in goods.
- International Designs: Our products follow the international designs in the packaging products and offer inter-stackability and optimal decantability. The dimensions of the products are chosen for palletizing and optimum utilization of container capacity.
- Conformity with packaging standards: We follow national and international packaging standards.
- Adaptable: The design and dimension of the packaging offered by us are such that they can find instant compatibility with the user's filling and handling systems.
- Easy Handling: It is an important criterion of selection of packaging products. We lay emphasis on design and construction of packaging products so as to make them convenient for handling and transportation. For instance HM-HDPE XL-Ring drums are provided by integrated and built in L-Rings at the top and bottom for turning, rolling and lifting of the drums.
- Safe & Secure: Due to lack of mechanical handling equipment in the supply chain of user industry, such packagings are subjected to multiple handling in hostile environmental and handling conditions. Our products have built in safety margins to ensure dependable performance. These products also have built in features to make them tamper evident to avoid pilferage of precious filled in goods.
- Long service life: Our products are designed and processed to ensure long service life under different storage conditions.
- Environmental friendly: We believe our Packaging products ensure avoidance of spillage of chemicals into the environment. Products also have design / profile for optimal drainability to minimize residue on emptying, which otherwise ends up damaging the environment. The polymers used in the manufacture of these products can be fully recycled without straining the environment.
- Price competitive: Our packaging products are engineered to impart requisite strength for performance with optimum use of polymers thereby making them price competitive.

## Customers

These barrels / containers are used for packing by users in Speciality Chemicals, Paints, Inks, Pharmaceutical Intermediates, FMCG Intermediates, Conception Chemicals, Additives, Lube Oils & Additives and food industry among others. Break up of our Industrial Packaging Division Revenue

S. No.	User Segment (Intermediate and End User)	Share of business
1.	Specialty Chemicals	31%
2	FMCG	29%
3	Paints and Inks	12%
4	Pharmaceuticals and Interm.	5%
5	Construction Chemicals and Adhesives	13%
6	Lube Oil and Additives	5%
7	Food	3%
8	Others	2%
	<b>Total</b>	<b>100%</b>

## Plastic Pails

Plastic Pails are made out of high quality and high performance polymers through injection moulding process. They essentially comprise of a fully nestable conical jar with specially designed sealing profile and surfaces. These jars are fitted with specially designed injection moulded lid of the same polymer which has a suitable profile and surfaces which on fitment with the jar can make the complete Pail leakproof. Both jar and lids specifically designed that on being press fitted once, they irrevocably lock themselves and cannot be opened / removed without damaging the lock or the lid itself. It ensures that the pail is leakproof and pilfer evident. These pails have capacities between 5 to 25 litres with or without gurgle free spout and or threaded opening. Available Pails have the variance of double / triple lock and with or without gasket for sealing.

### Key product features

Some of the features of this Pails are tight fitting lid, leakproof sealing, stacking strength, tamper evident locking, nestable, gurgle free, controlled flow dispensing spout, available in attractive shapes, varied range of sizes, customized multicolour printing, corrosion free, rust free & no contamination, different colour options.

### Applications

The Pails are used for Inks, Grease, Paints & distempers, Detergents, Chemicals, Food & food products, Edible oils, Lube oils.

## PET SHEETS

Polyethylene Terephthalate (PET) Sheet is relatively a new material development and is a substitute of Polystyrene, PVC and in some cases even Polycarbonate. We are presently manufacturing mono layer PET sheet with 0.15 – 1 mm thickness. However, additional capacity is being put on stream for manufacturing of multi layer PET sheets (A / B / A configuration) between A PET, G PET and C PET.

The characteristics of PET are :-

- Impact strength : Stronger than many other plastics particularly at low temperature.
- Transparency and polishing : High transparency and can be flame polished
- Bendable : Can be cold bent or heat bent for heavy gauge sheet will bend twice as quick as Acrylic without stress whitening.
- Fabrication : Can be drilled, polished, sawn and cut easily.
- Barriers and radiation resistance : Good gas, odour barrier and resistant to Gamma radiation or sterilization with ethyleneoxide
- Environmentally safe : Combustible with no toxic gases
- U.V. Protection : Protects package contents from ultraviolet light

## TIME TECHNOPLAST LIMITED

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### Applications

The characteristics facilitate following applications :-

- Food / Beverage Packaging : Ketchup, Paste, Jam, Honey and Pickle containers, Candy cubes, Ice cream cups / tubes, Bakery and confectionery trays and containers, Mineral water cups
- Pharmaceutical : Blister packaging for Tablets, Capsules, Syringes, I.V Injection unit trays for packaging medical devices and implements. Containers for medical and chemical supplies
- Consumer products : Blister packaging for toys, Stationery, Tooth Brushes, Shaving blades, Dry Cells, Writing Instruments, Food serving trays.
- Advertising : Displays, point of sales, Glow Signs, Other demanding sheet applications
- Industry : Machine covers, Vending machine, Stockage and internal transport of components, industrial indoor glazing (office, walls), Lighting fixtures, stationery items
- Construction : Balconies, South proof walls, Factory over-glazing, Storefronts, Educational and Institutional glazing, Covered walkways.
- Agriculture : Green house.
- Luggage : Brief cases, luggage sideboard

### Marketing Arrangements

The Packaging Products are normally bought by institutional customers and therefore products are directly sold to customers without any intermediary. We have a Corporate Marketing Group which is fully supported by Regional / Area Sales.

### AUTO COMPONENTS

We are engaged in manufacture of auto components through one or more than one processing technology available with our Company. They broadly are classified in following categories:

- De-aeration (Radiator) Tanks
- Plastic Fuel Tanks (PFT) for non commercial vehicles
- Air Ducts & Vents
- Spray Suppression System (Anti Spray Device)

#### De-aeration (Radiator) Tanks

De-aeration Tank is a polymer tank with inlet, outlet and openings for ventilation. Engines of HCVs and LCVs when loaded generate enormous amount of heat which is taken out through Radiators in which the coolant is allowed to flow under pressure. The coolant takes away heat from the Radiator and is stored in a Radiator tank which works as a reservoir for equalization of temperatures and pressures. Radiators have the following requirements:

- Complicated geometry / shape to fit into the recess / available space
- Capable of withstanding high internal pressure
- Heat resistant to withstand temperature going up to 90 Deg C without deformation / leakage
- Inert to the coolant and other additives – free of rust and scaling
- Strong , sturdy and long life
- Light in weight

We produce De-aeration Tank / Radiator Tank out of blow moulded process which are strong and can withstand internal pressures (pressure pulses) at high temperatures.

#### Plastic Fuel Tanks (PFTs)

Conventionally the Fuel Tanks are made out of sheet steel duly welded without any internal coatings. Such metal Fuel Tanks suffer due to rusting and internal corrosions contaminating thereby fuel which in turn adversely influences engine



performance and its life. Besides metal fuel tanks, in the event of an accident or fire allow internal pressure to built up , which beyond a point leads to explosion jeopardizing the safety of the passengers. Over the years, technology has undergone change and it is quite possible to produce Plastic Fuel Tanks which are able to hold gasoline without leakage or permeation. Plastic fuel tanks are light in weight, corrosion free, inert to the fuel, strong and sturdy. In the event of any accident or fire, plastic fuel tanks do not allow internal pressure build up and leak locally rather than exploding. Fuel tanks in general require complex shapes and geometry which is quite possible in plastics than steel.

Initially Plastic Fuel Tanks in India did not get acceptance as statutory bodies had not included them in the specification for vehicles and it was not quite possible to get proper homologation certification. However, such restrictions were not applicable for non commercial, non-passenger vehicles such as tractors, tillers. Keeping an eye on the future plastic fuel tank business that is likely to grow in the country, we made an entry level presence by making plastic fuel tanks for non-commercial non passenger vehicles especially for tractors. Ministry of Surface Transport, Govt of India has eventually included in the specifications prescribed for automotive industry plastic fuel tanks w.e.f April 01, 2006.

### **Air Ducts**

Airconditioning in a vehicle engages lot of hollow air ducts for passage of air from and to the airconditioning equipment fitted in the vehicle. These air ducts are to be hollow, light weight and complicated in shape and size. Metal ducts are much heavier and difficult to fabricate whereas aluminium ones are far too expensive. Air ducts made out of plastic can be Blow moulded in any shape and geometry keeping the weight very low. They are strong, sturdy and is free of corrosion and rusting.

We manufacture Air Ducts for the commercial vehicles through blow moulding process.

### **Anti Spray Devices**

With the advent of Express Ways, commercial vehicles are quite able to ply at high speeds. It is established that truck tyres while running on wet road, specially during monsoon, pick up huge amount of water and throw it back which on impact gets pulverized and converts into fine spray. It is clearly visible as dense cloud of fine water droplets behind running truck which disables rear visibility of the driver . Overtaking vehicles are not quite able to see the road ahead due to this fine spray and are prone to accidents.

Some countries in Europe and North America have set out certain standards for Anti Spray devices which are to be fitted right behind the tyre in specified shape, size and configuration to prevent pulverization of water. These Anti Spray Devices trap the water by absorbing its energy and allow water to fall out without converting itself into spray which otherwise impairs visibility. Ministry of Surface Transport through its Technical Standing Committee have set out certain standards in this behalf to harmonize the Indian standards with Europe's requirements in regard to Spray Suppression System of automotive vehicles. Based on ECE directive 91/226/EEC, Automobile Reasearch Association of India (ARAI) has put their own standards AIS 013 whereby effective from April 01, 2005 it has become mandatory for certain commercial vehicles with GVW exceeding 7.5 T to necessarily have Spray Suppression System (Anti Spray Flaps).

We have in house developed Anti Spray Flaps and got homologation approvals from ARAI right from the day of implementation of AIS-013. Manufactured through intricate technology engaging extrusion and injection moulding process, we have developed such Anti Spray Flaps through in-house product development and research. Branded as '3S' ( Spray Suppression System) , these Anti Spray Devices are being used by manufacturers of commercial vehicles to whom these standards apply.

### **Customers**

OEMS – Manufacturers of MHV commercial vehicles, Tractors & Trillers, Earth Moving equipment and Construction machineries. We service all major manufacturers of HVs & MHVs.

### **Marketing Arrangement**

It is essentially an institutional product and is being handled directly by the Company through its Regional / Area offices.

## TIME TECHNOPLAST LIMITED

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### HEALTHCARE PRODUCTS

We have the following product in this category :

#### Syringes

- Auto Disable Syringes of 2 ml – Auto Break 2
- Auto Disable Syringes of 3 ml – Auto Break 3
- Auto Disable Syringes of 5 ml – Auto Break 5

#### Blood Sampler

- Auto Disable Blood Sampler 2 ml – Auto Collect 2
- Auto Disable Blood Sampler 3 ml – Auto Collect 3
- Auto Disable Blood Sampler 5 ml - Auto Collect 5

#### Masks

- Multipurpose Masks – 2 layers , tie / loop type
- Chamber Masks - 3 layers , tie / loop type

### Syringes

Currently most consumers use disposable syringes which can only be considered safe if they are destroyed / incinerated after the use. However, hospital waste which includes disposable syringes is not safely incinerated and it finds its way into wrong hands. There is an inherent risk that lot of disposables including syringes may be recycled after clinking / cleaning. Such syringes however are unsafe and may lead to cross contamination, some time fatal, if the syringes was used previously on patients having infections or fatal diseases, HIV, Hepatitis B / C, .

On the other hand Auto Disable Syringes by design get disables (out of use) after the first use and cannot be recycled/reused eliminating thereby the risk of cross contamination. The awareness is growing very fast about Auto Disable Syringes amongst hospitals, doctors and patients alike.

Sensing this change we have entered into healthcare business by introducing Auto Disable syringes in 2 ml, 3 ml and 5 ml size. Launched under brand 'Genex' , these syringes with Auto Disable feature are called Auto Break 2, 3 & 5. It comprises of Barrel and Plunger with gasket made out of special polymer. They apparently look like normal disposable syringes. However, after first use the gasket attached to the plunger gets locked to the entry of the barrel ensuring thereby that neither the barrel nor the plunger can be reused either separately or together as a syringe.

### Blood Sampler

Auto Collect is a single device which is used for drawing blood, break piston to disable multiple use and cap it for storage and centrifuge testing. Auto Collect offers the convenience of safe storage, preservation, dispensing and testing of blood samples. Sterile, non-toxic and non-pyrogenic, it negates the contamination risk in all the above steps. Moreover it offers the ease of operation by eliminating the transfer of blood from syringe to glass bulk, test tube and avoiding the reuse of syringes, needles, glass bulbs and test tubes. It gives a clear measure of the blood collected, which can be used for various analytical tests.

### Face Masks

Protective masks are used in Operation theatres, Critical care departments, Quarantine areas. High protective masks are required which not only protect in a bacterial air-borne environment, but will also protect the wearer from blood and body fluid splash or splatter. These masks are also used for protection against air-borne infections in areas such as OPD, wards, fumigation and cleaning areas, laboratories, clinics. Unfortunately majority of the masks available in the market today are manufactured using low-tech processes and low quality material. Products from the unorganized sector cannot ensure high bacterial filtration efficiency and have poor fluid penetration resistance.

We have developed 'OTSafe Masks' –masks that reduce the exposure to potentially infectious hazards. Available in two variants – 'Chamber Mask' & 'Multi-Purpose Mask' – Manufactured on a fully automated plant and ultrasonically sealed, the filters ensure bacterial filtration efficiency apart from fluid penetration resistance in the case of OT Safe Chamber Mask.

#### **Customers**

Hospitals, Nursing Homes, Dispensaries, Primary Health Centres, Surgeons, Physicians, General Practitioner, Dentists, Pathological Labs, Diagnostic Centres.

#### **Marketing Arrangement**

We have a two tier arrangement. Sales to hospitals, diagnostic centres, multi-nodal Pathological labs, are being carried out directly by our Company. However, the product is sold to the doctors, small nursing homes, patients through distributors & dealers. However, it is supervised by Regional / Area offices.

### **LIFESTYLE PRODUCTS**

#### **Garden Furniture**

We manufacture garden furniture including mono block chairs, executive chairs, folding chairs, baby chairs, tables, stools, trolleys, shoe racks, centre tables, coffee table, with different designs, sizes and special features, out of special grade of polymers through injection moulding process. Branded as 'REGAL' our products are strong, impact resistance, scratch resistance, easy to maintain, weather proof and termite proof. They come in different shades and colours to meet individual tastes of the users. We put additives in our products to make them resistant to UV radiations which help long useful life and reduce dust accumulation. Moulded garden furniture are eco friendly, as they replace wooden furniture and the polymer used in its manufacture are completely recyclable. Garden furniture is normally used in homes, hotels, restaurants, clubs, eateries, resorts, amusements parks, gardens, sports complexes.

We have a presence in the garden furniture business and cater to users who value quality and comfort.

#### **Turf & Entrance Mattings**

##### **Meadowz Instant Lawn**

It's a Turf which looks like natural grass having underlining and uniform base with tufts which looks like bunch of grass. Branded as 'MEADOWS', this Turf is used as instant lawn and greatly resembles as natural grass. It is used in amusement park, water park, terrace garden, drive ways and side walks, clubs, porches, stadiums and sport complexes.

##### **Features**

Meadows are easy to lay, last long, maintenance free and is aesthetically appealing. It is stink free and resists insects. It comes in shade of green to suit user's choice.

##### **DuroTurf – Entrance Matting**

It is an entrance matting made out of polymers. DuroTurf is used as an entrance matting to trap dirt / muck from entering. It is soft but strong tufts scrape dirt from the footwear and allow it to settle into its crevices thereby keeping the dirt outside and out of sight. DuroTurf has a strong reinforced base with special rubberized coating to make it skid resistance. DuroTurf is available to consumers in several colours in form of rolls or standard cut mats with anti curled edge guards.

##### **Features**

Efficient anti-skid elegant and stylish, weather proof, water proof, durable and maintenance free. It is hygienic and non-toxic and stink resistance. It is used as an entrance mat in lobbies, passages, showrooms, shops, theatres, houses, offices, commercial establishments, malls.

##### **DuroSoft – Entrance Matting**

It is a soft, synthetic mat with unique random loop structure which combines elegance and cleaning efficiency. It has a finish of carpet and cleaning quality of effective doormat. It is offered in several attractive colours in the form of rolls or standard cut size mats with or without customization. Durosoft is used in hotels, malls, conference centers & auditoriums, ATMs, airports, multiplex, etc.

# TIME TECHNOPLAST LIMITED

## Customer

Corporate Offices, Household, Hospitals, Hotels, Shopping Malls, Conference Centres & Auditoriums, Educational institutions, Restaurants, Railways, Airports, Multiplexes, etc.

## Marketing Arrangement

This is sold country wide through more than 400 distributors & dealers. We have presence through our distributors in more than 345 cities / towns in the country and the retailers may end up to few thousands. It is supervised by our Regional / Area offices.

## CONSTRUCTION PRODUCTS

Safety is becoming increasingly important at construction and project sites where activities relating to civil work, installation, erection, commissioning etc are in progress which may cause damage to the workers and others present at the location. The norms require that a construction site, areas under civil work are cordoned off, the ditches / trenches are covered and there should be a safety net overhead to avoid debris falling on people engaged in construction activities.

We are proposing to launch in August 2007 warning and safety nets made out of special polymers which are used for cordoning off construction area and these nets work both for the warning and safety. These are also used in the trenches for segregating layers to avoid damaging the the layers. With each level of laying, one layer of warning net is placed to ensure that at the time of digging these nets work as a warning for careful digging further.

## Customers

Construction companies, infrastructure projects such as road, rail, airport, contractors, government / semi government agencies, municipalities, local governments, housing societies, ports, etc.

## Marketing Arrangement

It is proposed to be sold directly to the end users. Our Company has also planned to establish distribution network as and when acceptance of the product grows.

## Competition

We face competition from other existing domestic producers and potential entrants to the industry in which we operate that may adversely affect our competitive position and our profitability. We also face competition for customers from other players in the organized and unorganized markets. We expect competition could increase with new entrants coming into this industry and existing players consolidating their positions.

## OUR MANUFACTURING FACILITIES



We have a National presence through our production facilities at six locations, in North at Baddi – Thane, (H.P.), Sahibabad near Delhi and Pantnagar (Uttaranchal), in Western India at Daman (U.T.), Mahad (Maharashtra) and in South at Hosur (Tamil Nadu), eleven regional/area marketing offices and distribution / dealer network spread over 345 cities and towns to offer our product range across the country.

We are in the process of setting up additional production facilities at Silvassa – U.T. in India and overseas through our Subsidiaries at Sharjah and Poland. Since we have a diversified product portfolio, some of the production facilities manufacture products for more than one business division. Details of our existing production facilities are as under:

#### **Daman (Union Territory)**

We commenced operations in Daman in 1993 by setting up manufacturing facility for packaging products (Plastic drums / barrels). Over the years, additional production facilities were put up at Daman to include Life Style products (Garden Furniture, Turfs and Mats). We further added a new plant to enhance our capacity to produce packaging products (Drums / Barrels, Polycans / Jerry Cans, Pails & PET sheets). Daman is the biggest manufacturing location for us.

Daman is located at 180 kms. north of Mumbai on Mumbai-Ahmedabad highway and is centrally located for the industrial belt from North Gujarat and South Maharashtra for many user industry segments for packaging products and also major consumption centres for consumer products. Being notified as backward area as Union Territory, it offers tax incentives viz. exemption from Income Tax and Sales Tax which we are availing. It has well developed infrastructure, availability of power, labour and developed logistics / support services. Our production facility at Daman is ISO 9001 certified for its quality systems.

#### **Baddi - Thane (Himachal Pradesh)**

To establish our presence in North, we set up first production facility in Baddi (H.P) in 1996 for manufacturing of packaging products (drums / barrels). Subsequently we added new units for manufacturing of packaging products (Polycans / Jerry cans) essentially to service its customers located in Punjab, Haryana, J & K, Western U.P. and Uttaranchal.

Keeping in view the locational advantages and proximity with the end users / consumers, we have added new units for manufacture of Healthcare products (Medical devices) and Life Style products (Turfs and Entrance Mats) in 2006.

Baddi is located about 35 kms from Chandigarh and has developed reliable infrastructure and logistics / support services. Baddi offers tax incentives such as exemption of Income Tax, Excise Duty and concessional Sales Tax for varied period. Baddi belt is emerging as a major hub for Pharmaceutical, food and FMCG products and has provided impetus to the demand for our products in North India. Our another new unit for manufacturing of construction / infrastructural products (Fencing and Safety Nets) is also being set up here.

#### **Hosur (Tamil Nadu)**

Recognizing the need of existing and prospective users of packaging products and growing demand for consumer products in the year 1995, we set up a production facility at Hosur (T.N.), 35 kms from Bangalore, Karnataka for manufacturing of Packaging Products and Automotive Components. located on the border of Tamil Nadu and Karnataka. This facility has an access to the customers in Andhra Pradesh, Karnataka, Tamil Nadu and Kerala, thus caters to South India. Hosur is an industrial areas providing infrastructure, power and labour force.

#### **Sahibabad (Uttar Pradesh)**

We had set up a production facility in Sahibabad (U.P.) - close to New Delhi. The product range manufactured here includes packaging products such as Narrow Mouth & Open Top drums, Jerry Cans, Plastic Conical Pails and Garden Furniture including chairs, stools, tables, etc. The unit has been set up to take care of additional demand arising in Northern India. This unit caters to the demand of U.P., Uttaranchal , Rajasthan . This unit also caters to the some demand arising in Eastern India including Kolkata.

#### **Mahad (Maharashtra)**

Over the years freight cost has steadily gone up putting substantial burden on delivery cost of voluminous packaging products for user industry segments located in South Maharashtra and Goa which were being catered from Daman. In 2006 we set up a new manufacturing facility at MIDC, Mahad, 200 kms, south of Mumbai (on Mumbai-Goa Highway) for production of packaging products (Drums / Barrels). Mahad unit caters to our customers in South of Maharashtra. Mahad is an industrial town of Maharashtra with number of companies in the field of Chemicals, Petrochemicals, Agro Chemicals and Specialty Chemicals having production base there.

## **TIME TECHNOPLAST LIMITED**

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### **Pantnagar (Uttaranchal)**

Government of Uttaranchal has created an infrastructure conducive to Indian companies for them to make large investments in the state. Additionally it offers tax incentives such as exemption from Income Tax, Excise Duty and concessional Sales Tax.

For the reason that the number of users of our products are located in Uttaranchal or nearby areas, in 2006 we decided to set up a production facility for manufacturing of packaging products and Auto Components (Anti Spray Flaps).

### **Future Locations**

#### **Silvassa (U.T.)**

We are setting up integrated injection moulding facility at Silvassa (U.T.) for augmenting production capacity for plastic Pails and Auto components and for consolidation of its injection moulding operations to ensure optimum utilization of capacity. Silvassa is located on Mumbai-Ahmedabad highway and complements our major production facility in Daman. Silvassa is declared as a backward area. Government offers tax incentives by way of concessional Sales Tax, good quality power at special rates. Silvassa offers infrastructure facilities and also benefits from infrastructure available at Vapi – one of the industrial cities of North Gujarat.

### **Overseas locations**

#### **Sharjah (U.A.E) - Elan Incorporated FZE**

We are setting up a production facility in Sharjah-U.A.E. at Sharjah Airport Free Trade Zone through our 100% subsidiary Elan Incorporated FZE for production of Packaging products and Life Style products (Garden Furniture). Sharjah in United Arab Emirates has access to neighbouring countries viz., Saudi Arabia and Oman. It also has sea, land & air links and access to consumers in GCEE, CIS, African and Asian countries. The unit is located in SAIF Zone and enjoys certain tax benefits viz (i) 100% exemption from Corporate Tax, (ii) 100% exemption from personal Income Tax, (iii) 100% repatriation of Capital and Profits (iv) 100% exemption of import goods.

#### **Novo Tech Sp. Z. o. o. - Poland**

We are through our 100% subsidiary Novo Tech Sp. Z. o. o. setting up a production facility in Poland for manufacturing Auto Components (Anti Spray device) and Life Style Products (Mattings and Turfs) at Kostryzn Slubice Special Economic Zone. The facility is located close to Polish-German border (80 kms. from Berlin). Kostryzn in Poland has access to the markets in Germany, U.K., France, Czech Republic. It offers Corporate Tax exemption for 100% profits up to 65% of Investment value, double taxation treaty with India and full support by way of developed infrastructure and support services.

## **MANUFACTURING PROCESSES**

### **Blow Moulding**

The raw material polyethylene, colouring matter and the regrind material are mixed together in batch mixer in preset percentages and charged into the hopper of the Blow Moulding Machine.

The granular mixture is fed continuously into the extruder driven by a DC motor and gearbox. The rate of extrusion can be infinitely varied by a thyristor drive built into the machine depending on the production rate required. The extruder is externally heated by electrically operated heater bands for maintaining and controlling of the temperature.

The molten mass after homogenizing is collected in a accumulator from where it is pushed out in a cylindrical hollow shape called parison by a push out cylinder. Once the parison of desired weight, length and thickness has been pushed out and falls on the blow pins, the mould at predetermined rate and time automatically closes while the air blowing is also started simultaneously. The parison gets welded at the top and bottom and gets blown in the shape of the mould by air pressure.

The mould, cooled by re-circulating chilled water cools the blow container from the outside and the circulating air within cools it from inside. After a predetermined period of time, the mould is made to open and the container is ejected out. The excess material on top and bottom called flashes are cut manually and put into the cutting mill for grinding and reuse.

The container is then subjected to finishing process, aftercooling, checking, testing etc. Accessories are then fitted to the containers and are then ready for storage and eventual despatch to the users. Printing is done by screen printing process as per customer's specifications.

### **Injection Moulding Process**

The process for the manufacture of the articles is based on conventional injection moulding method. This involves mixing of raw materials with pigment of required colour in a mixture which is then fed to the injection moulding machine. The process parameters of the injection moulding machine are set depending upon the specifications of the final product. The critical process parameters are temperature and speed of injection into the mould. Thereafter sufficient time is required for allowing the setting of material to requisite shape. The product is then cooled and subsequently removed from the mould. The detailed process involves the following sequential stages :

- Physical mixing of basic plastic compound with inorganic pigment in a mixer for imparting desired colour to the plastic material.
- This material is then fed to an injection moulding machine by material loaders where it is melted by electric heaters and it flows by way of screw conveyor to the injection cylinder under constant mixing action.
- The molten coloured plastic from the injection cylinder of the injection moulding machine is pumped through various flow channels into the cavities of the mould where it is shaped into the desired object by the contours of the mould cavity.
- The mould is then opened to remove the moulded plastic article after the material is kept confined in the mould under pressure for a period of time, adequate enough to impart shape to the molten plastic and allowing it to cool to a temperature where it retains its final form.
- The moulded plastic product from the machine is then hand worked for removing any protrusions and other visual defects.

### **Extrusion (Sheet Line)**

The process of sheet & turf manufacture is based on Extrusion moulding method. The steps involved in the manufacturing process are:

- Drying of material, batching & mixing of material & masterbatch in mixer in required ratio.
- Dried and mixed batch of material is loaded in the Hopper of machine by Hopper Loader. From Hopper the material is fed to horizontal extruder where it is melted by electric heaters and flows to front.
- On front of extruder screen changer is fixed which filters the molten material and passes it to T-Die fixed on front of screen changer.
- T-Die is having electrical heating for keeping material in molten state. The profile of T-die spreads the material along the length of Die and it moves in form of flat layer and falls on roller stack.
- Roller stack is water cooling and used for controlling the thickness and cooling the film. The film moves on the rollers and cools to become stable.
- The thickness is continuously monitored for any variation.
- The cool sheet moves on roller table to winder or stalk table, sides are trimmed before the winder.
- Length of sheet is controlled by length counter fixed before Nip roller and sheets are cut to size as per pre determined and desired length.
- The finished sheets are then packed in specified packing , marked for batching, lot no etc. and stored for despatch.

### **Plant & Equipment**

#### **Machines**

Extrusion Blow Moulding Machines, Injection Moulding Machines, Extrusion Lines, etc.

## TIME TECHNOPLAST LIMITED

### Moulds & Dies

- Blow Moulds for L-Ring Drums, Blow Moulds for Open Top Drums, Blow Moulds for Jerry Cans, Blow Moulds for Fuel Tanks, Blow Moulds for De-aeration Tanks & Ducts, Injection Moulds for Garden Furniture, Centre Tables, Dining Table, Stools, Writing Desk, etc. Injection Moulds for Pails, Spout Flowers, Spout Covers, Caps, Rings, Handles etc.
- Injection Moulds for Drum Accessories i.e. Lids, Caps, Closures, Handles, pins, Lugs, De-gassification devices, Protection caps, Pilferproof locks, seals etc.
- Extrusion Dies for PET sheet, HDPE Sheet, PVC sheets, PVC Loops, Tufts, etc.
- Sets of Injection Moulds for Syringes i.e. Barrel, Piston, Gasket, etc
- Sets of Injection Moulds for Auto Collect i.e. Barrel, Piston, Gasket, Bush, Cover, etc.
- Set of moulds for Cutting & Sealing of Masks & Strap, etc.

### Auxiliary equipment

Material batching & feeding system, Material Mixer, After Coolers, Leak Testers, Drilling Devices, Unloaders, Unloading Trolleys, Grinders, Collectors, Cap fixing tools, Conveyors, Oil Filtration system, Accessories storage system, Air Handling Unit, Clean Room Air Purifying system, High Speed Mixers, 3 Roll Grinding Mill, Oil Heating System, etc.

### Printing & Assembly Equipments

Pre-treatment devices, Drying Ovens, Drums Printing Machine, Paint Curing Ovens, Screen Embossing Tables, Sealing Machines, Stretch Sealing Machine, Shrink Sealing Machine, Clincking Presses, Gilatine Cutter, Circular Saws, Mechanical Press, Syringe Printing machine, Syringe Assembly Lines, Packing Line, Sterilising Unit, Cutting & Sealing line for masks, Packing machine for masks.

### Utilities

Air Compressors, Air Dryers, Air Filtration System, Receiver Tanks, Chilling Plants, Cooling Towers, Pumps, Water Filters, Water Softening Plant, Mould Temp. Controller, D.G. Sets, Control Panel, Distribution Panels, Transformers, Sub-Station equipments, Cabling, Air Pipeline, Water Pipelines, Material Handling Trolleys, Air Curtains & Filters, Water Harvesting System, Water Treatment System, etc.

### Tool Room Equipments

Lathe Machines, Drilling Machines, Milling Machines, Surface Grinders, Bench Grinders, Radial Drilling Machines, Welding Sets, Presses, Marking Table, Measuring Equipments, Cutting Tools, etc.

### Capacity Utilization

We have total installed capacity of 35,410 MT in Financial Year 2006 which has grown from 17,650 MT in Financial Year 2003. Details of the capacity utilization over the last three years is as under :

(Figures In MT)

Particulars	Period Ended		
	31.03.2006	31.03.2005	31.03.2004
<b>Existing</b>			
Aggregate Installed capacity	35410	21850	19450
Actual Production	30429	18772	17983
Capacity Utilization %	85.93 %	85.91 %	92.46 %



### Key Raw materials

Following are the key raw materials for manufacture of our products :

#### Polymers

HM-HDPE, HDPE, Polypropylene (Homo Polymer), Poly Propylene (Co Polymer), LDPE, PVC, PET, LDPE, Additives, UV Stabilizers, Platicizers, Anti blocks, Antistatic agents

#### Masterbatches

Colour Master batches, Process Aids

Our Company procures polymers from both the domestic and international market. For the FY06 we have imported 34.60% of our total raw material procured compared to 65.40% procured from the domestic market.

#### Power

Our main source of energy is electricity which is used from local electricity authorities / companies. We use diesel generators as captive power units a standby to meet exigencies and to operate plant during power breaks / power off.

#### Water

Our requirement of water is minimal and we generally have our own source of water by way of Tube Wells.

### HUMAN RESOURCES

#### Employees

Our Company has a total strength of 1772 Employees as on March 31, 2007. Our Company also utilises the services of contract labour as and when required.

Employee details as on March 31, 2007:

Sr. No.	Grade	Number of Employees
1	Managers	139
2	Staff	496
3	Workers	1,137
	<b>Total</b>	<b>1772</b>

#### Human Resource Policy

The Human Resource Policy of our Company is based on the premise that success of our Company is primarily dependent upon its people and that the development of potential of the employee is good both for the employee as well as the business and therefore the Company. We believe in making extraordinary people out of ordinary people.

The prime focus of our Human Resource Policy is to recruit and retain people through campus placements and direct recruitments, providing in house training and sponsoring seminars at educational institutions to remain visible.

The guiding principles of our Human Resource Policies are:

- To be fair and competitive
- To facilitate and encourage employees potential and growth and have people focus system towards selection, training, communication and rewards.

#### Recruitment

Our Company's recruitment policy is to attract the talent at induction level and after suitable familiarizing, offer a fair and open field for development and growth purely on performance and business success.

## **TIME TECHNOPLAST LIMITED**

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The recruitment process has the following objectives:

- To ensure that all positions identified in the organization structure are filled with people who have the requisite skill, knowledge, experience and qualifications to perform effectively.
- To provide career and growth opportunities for deserving personnel in line with their skills and potential.
- To infuse fresh ideas and caliber in the organization.
- To help alleviate current organization ills, wherever required and possible.

### **Training**

Human Resources have been recognized within our Company as a very important resource. The training policy is geared towards enabling the individual employee to enhance his / her capability at the same time contributing towards the company's growth and achievements of other corporate objectives.

In order to improve efficiency and effectiveness, the necessary skills are imparted within the organization through the combination of organizational development and training and development activities. Training aims to help the employees improve their performance on-the-job, while programmes aimed at development expose them to new ideas and techniques, which also include attitude change.

The objectives of training and development for our Company are:

- To upgrade the existing skill set of its staff
- To expose them to modern techniques and systems of Management
- To encourage employees with potential to take on higher responsibilities
- To inculcate a sense of appreciation for other functional areas and an understanding of the linkage of their activities with other areas; and
- To bring about changes in attitude

### **Employee Retention and care**

We strive to promote a feeling of well being in our employees through care and respect. We have several processes including employee monitoring, grievance management and corporate ethics programmes which are intended to facilitate a friendly and cohesive organizational culture. We have created an environment, which promotes an open community culture among our employees.

### **Compensation Policy**

Our compensation policy is performance based. Our compensation packages are adjusted annually based on industry salary correction, compensation surveys and individual performance. We believe in offering compensation commensurate with responsibilities, performance and achievements.

### **Technical Collaboration**

We have an on going Know-How and Licensing Agreement with – Mauser-Werke GmbH of Germany. Mauser is a Euro 786 Mn (USD 1.1 bn) company. Mauser Group operates 10 subsidiaries and 3 Joint Ventures in Europe, North America, Brazil, Thailand, Singapore & India. It also operates 2 licensing network – one for Plastic Packaging and the other for Steel Drums and together they have 40 licensees in 34 countries and make Mauser quality products and services available world wide. Pursuant to this agreement Mauser has made available to our Company know-how relating to manufacture of plastic drums with L Ring design. Mauser has agreed to provide to our Company until termination of this agreement all information, experience and methods, present and future including special technique that are required to enable technicians of every qualification to produce the plastic containers referred to in the agreement. Mauser has also agreed to train technicians of our Company to enable us to manufacture the plastic containers.

### **Research & Development**

We lay a lot of emphasis on continued Research & Development. May it be product, process or plant and equipment, we continuously work on them to optimize performance and bring commercial advantages to our Company thereof. Our team of qualified people in our technical group who innovate design and implement products, ideas and processes.

We believe the technology platform and ability to evolve new processes and products shall keep us ahead of competition and give opportunity to bring new products to create niche markets. Our cost optimization programme is governed by product re-engineering and development of newer products to offer better performance.

We have created machine building capabilities in-house to safeguard our proprietary technologies and products made thereon. It has further helped us in upgradation of our existing equipment and making them more efficient continuously with minimal cost and incorporate technological advancements as an on going process.

### **Design & Process**

We have a separate Design Development department. We have a team of qualified and experienced professionals. We have backup support from Mauser, Germany. Our Engineers are getting trained at R&D Centre & manufacturing facility of Mauser and other overseas suppliers to keep abreast of the latest global inventions and developments.

Our design & developments team develops and improves the new / existing products as per customers needs in very short lead time which help our customers in growing their business and building strong relationship.

Our design & development team also develops products as per Indian conditions. We also develop & improve machines to have better product and quality.

### **Product Testing & Quality Control**

For all bought out parts, raw materials, semi finished / finished goods, part assemblies, etc we carry out various tests to certify and ensure the quality. These are

#### **MFI Test**

This test is carried out on the plastic raw material to check the flow rate of raw material at fixed temperature and load. The standard MFI testing equipment is used for the test.

#### **Bulk Density**

Bulk density is checked for all the plastic raw materials to ensure the granule sizes and weight.

#### **Test relating to packaging products**

#### **Weight**

All the items are checked for the weight immediately after production. Permitted weight should be within specified limit for the product.

#### **Dimension test**

Dimensions of the product are measured to ensure whether it is within specified tolerance limit to fit in filling lines, etc.

#### **Thickness**

Final products are cut in 2 pcs and thickness is checked at fixed points to ensure thickness profile is as per standards and recorded.

#### **Leak & Vibration tests**

Product is filled with water and kept in upside down position for certain time to check leakages and then it is subjected to vibration for seeing leakage through closures under adverse condition.

#### **Internal pressure test**

The empty articles are closed with the closures and sealed. Product is dipped into the water and air pressure is applied inside. Product is kept under water for certain time to check for any leakage through closures / gaskets.

#### **Drop Test**

This test is carried out to ensure that product is not breaking or bursting during transport. Product is filled with water and caps / lids are closed, then it is dropped from a pre-determined height on solid floor. Drop is subjected at various angles and points.

## TIME TECHNOPLAST LIMITED

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### Compression test

Product is closed with the closures and sealed. It is put into compression testing machine wherein pre-determined load is applied at constant speed to check deformation and buckling of the product. This gives indication of quality when subjected to vertical load during storage and transit.

### Hydro Test

Product is filled with water up to the top, pre-determined pressure is applied and maintained to check if walls are stretching and leakage from any point. Under this test product should not leak from anywhere.

### Dimension test

All the products are checked for dimension and fitment as per the specified drawings and standard.

### Spray Suppression test

Rainflaps are subjected to spray suppression test. In this specified quantity of water is sprayed on the flaps at fixed rate. Results are measured in terms of percentage of water collected in the specified time.

### Pulsating test

This test is carried out on De-aeration Tank. DAT is filled with water at 90 Deg C and 0.5 kg pressure. Pressure is applied and released at certain intervals. Product is tested for 1.5 lakhs such cycles.

### Burst Test

This test is also carried out on DAT. 6 kg air pressure is applied and kept for certain time. Product should not leak or burst during the test.

### Healthcare Products

#### Dimension Test

Products are tested for dimensions and see fitment. Parts are checked for easy movement and locking. Special equipments are used for checking the operations / movements.

#### Scratch Test

Articles are checked under microscope and other magnifying equipment for any roughness or scratch mark on the surface or for loose particles which may affect the performance.

#### Leakage test

AD / AC syringes are filled with liquid and kept under certain conditions to check leakages.

#### Parasonic test

This test is carried out to check the bacterial growth in the product. Packed & sterilized product is brought to laminal flow desk and subjected to prescribed procedure to check the presence of bacteria.

### Environmental matters

Our manufacturing processes namely Blow Moulding, Injection Moulding and Extrusion do not engage any air, water or noise pollution. We do not have any emissions or discharges from the plant / processes which have any adverse impact on environment.

We do not engage any boilers in our processes and there are no stack emissions. Diesel generator sets conform to the local regulations specifying noise levels.

We conduct our business in accordance with the following environmental related matters:

- Compliance with statutory norms and requirements
- Adoption of environmental management practices
- We provide clean and healthy environment for our staff and workers to work in

### Child Labour

We have not engaged any child labour either directly or through contractors.

### Certification & Product Compliance

Most of our products conform to the latest national and international standards governing the said products.

Our packaging products are tested and approved by National Laboratory on packaging – has accredited our products under IS:6312 and UN Packaging code for packing and transportation of hazardous and non-hazardous goods. One of our units / activities have received accreditation under ISO 9001-2000.

Our Automotive products have been approved by accredited agency and have received requisite homologation. Besides, we have received CE Certification by TUV. We also have FDA approval for Healthcare products and further accreditation under CE & GMP is in progress.

We have been awarded symbol of quality by Mauser International Packaging Institute (MIPI).

### INSURANCE

We generally maintain insurance covering our assets and operation at levels that we believe to be adequate and appropriate for our business at reinstatement values. And accordingly we have various insurance policies covering our factory units. Our insurance includes coverage for our factory buildings, plants and machinery and our stocks. Our Company has not obtained any third party product liability insurance in respect of any of our products. We do not have insurance cover for our Promoters and Key Managerial Personnel.

### Intellectual Property Rights & Technical Know-How

Our Company uses two sets of intellectual property rights: one owned by our technology partners viz. Mauser-Werke GmbH and another owned by one of our Promoters Mr. Anil Jain who allow us use thereof under licensing and know-how arrangements. The following is a summary of the IPRs which are either, already granted or are in the process of being granted and which, though not registered under our name, are being used by us as we have license agreements granting us the rights to use the same:

#### A. Trade Marks:

Trademark No.	Description	Dated	Expiry Date	Issuing Authority	Held by
589880	Time	February 03, 1993**	February 03, 2007	Trade Marks Registry	Time Packaging Limited
826990*	Regal		November 2008		Mr. Anil Jain
826989*	Regal		November 2008		Mr. Anil Jain
Application No. 1350470*	3 S Rainflaps	Application dated April 12, 2005		Trade Marks Registry	Applied in the name of Mr. Anil Jain

\*\* Our Company is in the process of renewing the same.

## TIME TECHNOPLAST LIMITED

### B. Designs:

Design No.	Description	Dated	Expiry Date	Issuing Authority	Issued to
199874	Canister with Cap*	June 3, 2005	June 2015	Patent Office, Designs Branch	Mr. Anil Jain
198905	Rain Flap*	March 14, 2005	March 2015	Patent Office, Designs Branch	Mr. Anil Jain

### C. Patents:

Mr. Anil Jain the MD of the Company has applied for a patent in respect of an auto disable blood sampler.\*

### D. Copyrights:

We do not hold any copyrights.

\* Pursuant to a agreement dated December 15, 2006, Mr. Jain has granted rights to our Company to use these Trade Mark, Patents and Designs

### Our Immovable Properties

Our Registered Office is located in Daman and the main facilities are located at in the Union Territory of Daman, Maharashtra, Uttaranchal, Himachal Pradesh and Tamil Nadu. We own some of the premises or operate through leased properties for conducting our operations. The details of our main property are as follows:

Sr. No.	Description of property	Registration Status	Document Date	Area	Ownership/Lease hold
1.	The plot bearing survey No. 360/11, Shree Ganesh Industrial Estate situated at Village Kachigam, Daman.	Registered	Sale Deed 23/04/1993	1677 sq. Mts.	Ownership
2.	The plot bearing survey No. 360/10, Shree Ganesh Industrial Estate situated at Village Kachigam, Daman.	Registered	Sale Deed 23/04/1993	1590 sq. mts.	Ownership
3.	Plot of Land bearing khasra No. 958/773,960/774,775,796,798 in Village Thane, Pargana Dharampur, Sub- Registration Tehsil of Nalagarh Solan, H.P	Registered	Sale Deed 22/02/1996	5 bighas 14 biswas	Ownership
4.	Land bearing Khasra No. 10 (1-7) situated at Village Dharampur, Solan H.P.	Registered	Sale Deed 30/11/2005	1 bighas 7 biswas	Ownership
5.	Survey No. 377/1(3) Village Kachigam, Daman	Registered	Sale Deed 25/03/1998	3014.50 sq. mts.	Ownership
6.	Survey No. 377/1(4), Village Kachigam, Daman	Registered	Sale Deed 24/10/1997	2093.85 sq. mts.	Ownership
7.	Survey No. 377/1(5), Village Kachigam, Daman.	Registered	Sale Deed 29/01/1998	2155.87 sq. mts	Ownership
8.	Plot bearing Survey No.377/1(6) situated at village Kachigam, Daman	Registered	Sale Deed 25/03/1998	2155.87 sq. mts	Ownership
9.	Land bearing khasra No. 797 (0-16), 968/800 (1-5) and 988/846 (1-18) situated at area of Village Karuana, Taluka Nalagarh, and district of Solan (H.P.)	Registered	Sale Deed 15/01/2002	3 bighas 19 biswas.	Ownership

Sr. No.	Description of property	Registration Status	Document Date	Area	Ownership/Lease hold
10.	Plot No. W-162, Tarapur Industrial Estate, Village Saravali, District Thane, Maharashtra	Registered	Lease Dated 03/07/1991	800 sq. mtrs.	Lease Hold(95 Years w.e.f July 1,1991)
11.	All that piece and parcel of land known as Plot Nos. 57 and 63, Sector 4 in the Industrial Area Estate, Pant Nagar, bearing Khasra No.388 within the Village limit of Kalyanpur, Udham Singh Nagar District, Uttaranchal	Registered	Lease Deed dated December 2005	7164 sq. mts.	Lease Hold(90 Years w.e.f. December, 2005)
12.	Plot No. 145 of Survey No. 343 (part), 344 (part) and 345 (part), SIPCOT Industrial Complex, Hosur, Tamil Nadu	Registered	Sale Deed dated 06/12/1994	2 acres	Ownership
13.	Plots bearing (i) Khasra No. 8/2/5 (1-1), 9/2/1(3-13) and 8/2/3/ (0-15) and (ii) Khasra No. 8/1/2(2-6) and 9/1(3-1) situated at Village Dharampur, Solan, H.P.	Registered	Sale Deed dated 30/11/2005	5 bighas 9 biswas and 5 bighas 7 biswas	Ownership
14.	Residential flat No. 101, Shree Kaila bhawan at Kachigam Road, Village Vapi, Daman.	Registered	31/01/1996	550 sq. ft.	Ownership
15.	Residential flat No. 102, Shree Kaila bhawan at Kachigam Road, Village Vapi, Daman.	Registered	Sale Deed dated 31/01/1996	550 sq. ft.	Ownership
16.	Residential flat No. 201, Shree Kaila bhawan at Kachigam Road, Village Vapi, Daman.	Registered	Sale Deed dated 31/01/1996	550 sq. ft.	Ownership
17.	Residential flat No. 202, Shree Kaila bhawan at Kachigam Road, Daman.	Registered	Sale Deed dated 31/01/1996	550 sq. ft.	Ownership
18.	Residential flat No. 301, Shree Kaila bhawan at Kachigam Road, Daman.	Registered	Sale Deed dated 01/02/1996	550 sq. ft.	Ownership
19.	Residential flat No. 302, Shree Kaila bhawan at Village Vapi, Daman.	Registered	Sale Deed dated 01/02/1996	550 sq. ft.	Ownership
20.	Residential flat No. 305, Tirthdarshan at Village Vapi, Daman.	Not Registered	Agreement dated 06/11/1999	815 sq. ft.	Ownership
21.	Residential flat No. 104, Tirthdarshan at Village Vapi, Daman	Not Registered	Agreement dated 06/11/1997	831 sq. ft.	Ownership
22.	Unit No. 102, Todi Udyog Kendra 35, Saki Vihar Road, Sakinaka, Mumbai 400 072	Not Registered**	Agreement for sale dated 25/01/1996	63.73 sq. mt	Ownership
23.	Unit No. 103,Todi Udyog Kendra 35, Saki Vihar Road, Sakinaka, Mumbai 400 072	Not Registered**	Agreement for sale dated 25/01/1996	97.13 sq. mts	Ownership
24.	Plot No. 232 Industrial Area, Baddi-Thane Solan, H. P	-	Allotment Letter and Agreement both dated 14/01/1999	1454 sq. mts.	Allottee and in possession

## TIME TECHNOPLAST LIMITED

Sr. No.	Description of property	Registration Status	Document Date	Area	Ownership/Lease hold
25.	Plot No. 224A Industrial Area, Baddi-Thane Solan, H. P	-	Agreement dated 16/10/1995	1277 sq. mts	Allottee and in possession
26.	Flat No. 213 situated at Sabri Complex, Kachigam, Nani Daman	Registered	Sale Deed dated 12/01/2006	550 sq. ft	Ownership
27.	Shree Ganesh Industrial Estate, Plot bearing Survey No. 360/9, situated at Village Kachigam, Daman.	Registered	Sale Deed dated 23/04/1993	833 sq. mtr.	Ownership
28.	Non Agricultural Industrial Plot in the Shree Ganesh Industrial Estate bearing Survey No. 361/10 at Village Kachigam, Daman.	Registered	Sale Deed dated 22/08/1996	1220 sq. mtr.	Ownership
29.	Plot of land bearing Khasra Nos. 8/1/1 (2-B-9B) and 8/2/1 (1B-0B), Kitata-2 situated at village Dharampur, Tehsil Nalagarh, Dist. Solan, H. P.	Registered	Sale Deed dated 30/10/ 2006	3 bighas 9 biswas	Ownership
30.	Plot No. D-65 in the Mahad Industrial Area, Birwadi District Raigad, Maharashtra #	Registered	Lease Deed dated 11/05/2006	2726 sq. mtr.	Leasehold (95 years w.e.f. May 1, 1990)

\*\* Our Company has already paid stamp duty @10% of the Agreement value.

#Transferred in our Company's name vide letter no. MIDC/ROM/MH/D-65/73 dated January 11, 2007

### Properties of erstwhile Shalimar Packaging Private Limited

Sr. No.	Description of property	Registration	Document Date	Area	Ownership/Lease hold
1.	Land bearing Khasra Nos. 8/2/4(2-6) and 9/2/2(2-9) situated in Village Dharampur, Tehsil Nalagarh, District Solan, Himachal Pradesh	Registered	Sale Deed dated 16/09/2005	4 bighas 15 biswas	Ownership
2.	Unit No. B-4, Todi Udyog Kendra, 35, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.	Not Registered**	Sale Deed dated 06/09/1997	2643 sq. ft.	Ownership
3.	Residential flat No. 205, Sabri Complex at Village Kachigam, Nani- Daman.	Registered	Sale Deed dated 25/04/2006	550 sq. ft.	Ownership

\*\* Our Company has already paid stamp duty @10% of the Agreement value.



**Properties of erstwhile Oxford Mouldings Private Limited:**

<b>Sr. No.</b>	<b>Description of property</b>	<b>Registration</b>	<b>Document Date</b>	<b>Area</b>	<b>Ownership/Lease hold</b>
1.	Residential flat No. 302 at Shanti Deep Housing Colony, Kakaguda Village, Secunderabad Cantonment.	Registered	Sale Deed dated 19/02/2003	775 sq. ft.	Ownership
2.	Flat No. 8 House on Plot No. 27 in Kannaki Nagar at Korattur, Chennai-60080, comprised in Survey No. 1168/1 of Korattur Village	Registered	Sale Deed 17/08/2004	974 sq. ft..	Ownership
3.	Plot No. B-19, site 4, Industrial Area within village limits of Sahibabad, Tehsil Ghaziabad, Dist. Ghaziabad.	Registered	Lease deed dated 26/11/2001	2733 sq. yards.	Lease Deed(59 Years)
4.	101-A of Todi Udyog Kendra, 35 Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.	Registered by Deed of Confirmation	Sale Deed 04/12/1998 and Deed of Confirmation dated 27/12/1999	1800 sq. ft.	Ownership
5.	Plot No. 56, 64 at Sector 4 situated at Industrial Area Estate, Pantnagar, Udham Singh Nagar, Uttaranchal.	Registered	Lease Deed dated December 2005	7164 sq. ft	Leasehold
6.	Factory shed in the Company's Premises on Survey No. 351/1, 351/2, 352/2 at Vapi, Kachigam Road, Daman.	Registered	Lease deed dated 28/10/1998	22,275 sq. ft.	Lease for a period of 10 years, renewable for further period of 10 years at the option of Lessee.

## TIME TECHNOPLAST LIMITED

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### REGULATIONS AND POLICIES

#### Introduction

There are various Central and State acts, regulations and rules governing our business. The important Central and State acts having a bearing on our business have been discussed below.

#### Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945

Our Company is in the business of manufacture for sale of Disposable Hypodermic Syringes i. e. Sterile Disposable Devices for single use. The Sterile Disposable Devices for single use is notified as a drug by the Central Government under the definition of Drugs as defined under Drugs and Cosmetics Act 1940. We are therefore required to obtain a licence under the said Act and Rules made thereunder and manufacture the same in accordance with the conditions of Licence issued by the concerned authority.

#### Environment (Protection) Act, 1986

Environment (Protection) Act, 1986 provides that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollution in excess of such standard as may be prescribed. It further provides that no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safe guard as may be prescribed.

It further provides that whosoever fails to comply with or contravenes any of the provisions of this Act or rules made or order or directions issued thereunder shall in respect of each failure or contravention, be punishable with imprisonment for a term which may extend to five years or with fine which may extend to one lakh rupees or with both.

Every person carrying on an industry, operation or process requiring consent under section 25 of the Water (Prevention and Control of Pollution) Act, 1974, or under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, or both or authorization under Hazardous Wastes (Management and Handling) Rules, 1989 issued under Environment (Protection) Act, 1986 shall submit an environmental statement for the financial year ending on March 31, to the concerned State Pollution Control Board on or before September 30, every year.

#### The Plastics Manufacture, Sale and Usage Rules 1999

Our Company is in the business of manufacturing containers of virgin plastic. Our Company is required to make an application to the State Pollution Control Board for registration of our units under the Plastics Manufacture, Sale, Usage Rules, 1999 ("Plastic Rules") and required to meet the norms prescribed under the Plastic Rules. We are also required to obtain consent under the Water Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control Pollution) Act, 1981 as per the requirement laid down by State Pollution Control Board for the registration of units of our Company under Plastic Rules. The registration granted under the Plastic Rules unless revoked, suspended or cancelled is valid for a period of three years.

#### Factories Act, 1948

Under the Factories Act, 1948 State Governments are empowered to make Rules inter alia requiring the previous permission in writing of the State Government or the Chief Inspector to be obtained for the site on which the factory is to be situated and for the construction or extension of any factory or class of description of factories requiring the registration and licensing of factories or any class or description of factories and prescribing fees payable for such registration and licensing and for the renewal of licences.

We have our factories situated in the State of Maharashtra, Tamil Nadu, Himachal Pradesh, Uttaranchal, and Union Territory of Daman. We are governed under the rules, made under the Factories Act, 1948 by the Central Government and the State Governments where our Factories are situated such as Maharashtra Factories Rules, 1963, Tamil Nadu Factories Rules, 1950, U. P. Factories Rules, 1950.

#### Central Excise Act, 1944

Central Value Added Tax (CENVAT) is levied on all excisable good (excluding good produced or manufactured in Special Economic Zone) which are produced or manufactured in India at rate as specified thereunder. In the event of any duty of excise not paid, short levied or short paid or delay in payment, the manufacturer shall be liable to pay the excise duty along with interest and penalty as specified therein.

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### **The Standards of Weights and Measures Act, 1976**

The Standards of Weights and Measures Act, 1976 establishes the standards of weights and measures, to regulate inter state trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for matters connected there with or incidental thereto. Whoever uses any weight or measure or makes any numeration otherwise than in accordance with the standards of weights and measures or standards of numeration as the case may be shall be punishable with imprisonment for term which may extend to six months or with a fine upto Rs. 1000 or with both.

### **Sales Tax**

The tax on the sale of movable assets within India is governed by the provisions of the Central Sales Tax Act, 1956, or the state legislations depending upon the movement of the goods pursuant to such sale. If the goods move inter-state pursuant to a sale arrangement, then the taxability of such sale is determined by the Central Sales Tax Act, 1956. On the other hand the taxability of an arrangement of sale of movables assets which does not contemplate movement of goods outside the state where the sale is taking place is determined as per the local sales tax legislations in place within the states. At present, the sales tax legislations which used to determine the taxability of intra-state sales, are being replaced by the Value Added Tax ("VAT") legislations in the states.

VAT is a multi-point levy as opposed to the system of single point levy under the previous sales tax regime. The cornerstone or the basic principle of the VAT legislation is that it proposes to tax only the addition of value on successive sales transactions. Therefore, the basic principle of VAT envisages that the VAT paid by any seller and recovered from a purchaser would be allowed as credit to the purchaser. The credit so availed shall be allowed to be utilized by the purchaser against his output VAT liability when he makes any further sales of the products within the state.

### **The Customs Act, 1962**

The Customs Act, 1962 deals procedure, valuation, levy of custom duty etc. for the goods imported into, or exported from, India. Any person chargeable with the duty fails to pay such duty within three months from the date of such determination; he shall be liable to pay such duty along with interest specified therein. The Custom officer may arrest a person who knowingly evades or attempts to evade the custom duty.

### **Importer Exporter Code**

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

### **Employees State Insurance Act, 1948**

The Employees State Insurance Act is applicable to all factories and to such establishments as the Central Government may notify, unless a specific exemption has been granted. The employers in such factories and establishments are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from the aforesaid requirement if the employees are receiving benefits which are similar or superior to the benefits prescribed under the Employees State Insurance Act.

### **Employees Provident Funds and Miscellaneous Provisions Act, 1952**

Under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, an establishment employing more than 20 (Twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employees provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund, subject to a minimum contribution of 10 (Ten)% of the basic wages, dearness allowance and retaining allowance, if any, payable to each of the employees.

## **TIME TECHNOPLAST LIMITED**

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### **Payment of Gratuity Act, 1972**

An employee, who, after having completed at least 5 (Five) continuous years of service in an establishment, resigns, retires or is disabled due to an accident or disease, is eligible to receive gratuity upto a maximum of Rs. 350,000. To meet this liability, employers of all establishments to which the legislation applies are liable to contribute towards gratuity.

### **Labour Laws**

The employment of workers is regulated by a wide variety of generally applicable labour laws, including Industrial Disputes Act, 1947, Workmen's Compensation Act, 1923, Provident Funds Act, 1925, the Contract Labour (Regulation & Abolition) Act, 1970, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Wages Act, 1936 Trade Unions Act, 1926 and Employees State Insurance Act, 1948, Factories Welfare Rules, 1955.

### **Other Laws relating to our manufacturing and other business activities**

Our manufacturing activities and other business activities are regulated by various laws including Excise Laws, Central Sales Tax Act, 1956, Local sales tax, Goa, Daman and Diu (Administration) Act, 1962, and Income Tax Act, 1961

### **Intellectual Property Laws**

#### **Trade Marks Act, 1999**

The Indian law on trademark is enshrined in the Trade Marks Act of 1999. Under the existing Act, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'Mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination thereof or a combination of colours and so forth. The trademark once it is applied for is advertised in the trademarks journal, oppositions, if any, are invited and after satisfactory adjudication of the same, is given a certificate of registration. The right to use a mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fees.

#### **Patents Act, 1970**

The patent system in India is governed by the Patents Act, 1970 as amended by the Patents (Amendment) Act, 2005 ("Patents Act") and the Patents Rules 2003 as amended by the Patents (Amendment) Rules 2006 (collectively referred to as the "Patents Act"). The Patent Office under the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry administers the grant of patents for new inventions. Patent offices are located in Kolkata, Mumbai, Delhi and Chennai and each office deals with applications for patents originating within their respective territorial jurisdictions. In India, an invention shall be patentable if it meets the three tests of being new, involving an inventive step and being capable of industrial application. A Patent is an intellectual property right relating to inventions and is the grant of an exclusive right for a limited period to exclude others from making, using, selling, importing the patented product, process producing that product or any patented process. A patent is granted by the Government of India to the patentee, in exchange for full disclosure of the invention. The Patents Act provides for certain specific exclusions which are not permitted to be patented in India. Applications for patent have to be filed in the prescribed forms along with the specifications, drawings, abstract, prescribed fees and other prescribed documents. The application for grant of patent may be made by the inventor either alone or jointly with another or by the inventor's assignee or by the legal representative of the assignee. The procedure for grant of patent involves publication of the application, examination of the application by the Patent Office and opposition proceedings. Opposition to the grant of patent may either be pre grant opposition or post grant opposition. Publication of an invention (even by the inventor), use of the invention in public or commercial use of the invention prior to date of filing application for grant of patent would be a fatal objection to the grant of a patent for such invention. The term of a patent in India is 20 years from the date of filing the application for patent in India. During the term of the patent, renewal fees have to be paid annually to keep the patent in force. Patent rights are territorial in nature and a patent obtained in one country is not enforceable in another country. Patents may be assigned or licensed. The Patent Offices in India maintain a register of patents in which are entered the names and addresses of grantees of patents, notifications of assignments, transmissions of patents and licenses under patents and particulars of other matters affecting validity or proprietorship of patents. Any document evidencing assignment or licensing of a patent must be registered and entered in the register of patents failing which such document shall not be admissible in a Court or before the Controller of Patents as evidence of title or interest.

### ***Foreign Investment Regulations***

The new industrial policy was formulated in 1991 to implement the Government's liberalisation programme and consequently, the industrial policy reforms relaxed industrial licensing requirements and restrictions on foreign investment. In subsequent years, the Government has further liberalized the foreign investment regime.

#### **FOR OUR SUBSIDIARIES OVERSEAS:**

ELAN INCORPORATED FZE (SHARAJAH): We are regulated by the rules and regulations of SAIF Zone authority and local regulations of UAE.

NOVO TECH Sp. Z. o. o: We are regulated by the rules and regulation as laid down by Special Economic Zone called Kostrzyn-Slubice and local regulations of Poland.

## TIME TECHNOPLAST LIMITED

### HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on December 20, 1989 in the name and style as Time Packaging Private Limited and in the year 1992 the name of our Company was changed to Time Packaging Limited. In view of diversified polymer products range and technological adoptions the name of our Company was further changed from Time Packaging Limited to Time Technoplast Limited with effect from May 01, 2006.

Our current Promoters are Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan, Mr. Naveen Jain, Time Securities Services Pvt. Ltd., Time Exports Pvt. Ltd and Vishwalaxmi Trading and Finance Pvt. Ltd.

We are engaged in manufacture and sale of technology based polymer products catering to growth sectors of Indian economy i.e. Industrial and Consumer Packaging Solutions, Life Style Products, Auto Components, Health Care Products and Construction and Infrastructure related products.

Our Company started in the year 1991 and over a period of 15 years our Company has established production facilities at six different locations across the country.

Having established business in the country, our Company is now in the process of venturing into overseas markets and to this end our Company is now in the process of setting up manufacturing facilities in the Middle East, Europe and also entering into joint venture with Mauser Group to acquire or set up related business in other Asian countries.

#### Major Events

Year	Key Events
1992	Started as a Small Scale Industry with production facility at Tarapur (Maharashtra)
1993	Technological collaboration with the Mauser Group
1994	Built new production facility at Daman (U.T.) - started manufacture of large size polymer drums
1995	Established presence in South India through production facility at Hosur (Tamil Nadu)
1995	Awarded MIPI symbol of quality as international recognition of product quality and systems
1996	Established presence in North India through plant at Baddi (Himachal Pradesh)
1998	Launched Lifestyle Products – Synthetic Turf & Matting under the brand 'Meadowz' and 'DuroTurf'
1999	Launched Lifestyle Product Garden Furniture under the brand 'Regal'
1999	Built additional production facility at Daman for packaging product expansion
2000	Added new facility at Sahibabad for Garden Furniture & other injection moulded articles
2001	Set up additional plant for PET sheets at Daman
2001	Started production of plastic pails 'Conipails'
2002	Further increased capacity for large size plastic drums at Daman
2003	Further expanded capacity for large size plastic drums at Sahibabad for North India
2004	Established joint venture company with Mauser for manufacture of Intermediate Bulk Containers (IBCs)
2005	Developed & launched Anti Spray Systems (3S)
2005	Set up a 100% subsidiary in UAE, Sharjah
2006	Set up production facility and launched Lifestyle products 'DuroSoft'
2006	Started additional manufacturing facility for production of large size plastic drums at Mahad
2006	Developed & launched 'Genex' medical devices (Auto Disable Syringes, Blood Sampler & Face Masks)

Year	Key Events
2006	Set up a 100% Subsidiary at Poland
2006	Amalgamation of OMPL and SPPL with our Company.
2006	Acquisition of 75% stake in TPL.
2006	Entered into an MoU with TSSPL for acquisition of 49% stake in MHA (joint venture with Mauser Group) at Singapore
2006	Initiated setting up of Steel Drum project in Maharashtra under Time Mauser Industries Pvt. Ltd.
2007	Certificate of Compliance for successfully implementation of Quality Management System in conformance to the requirements of WHO-GMP for our auto-disable syringe & blood sampler factory manufacturing facility at Baddi

#### Changes in the Registered Office:

Previous Registered Office	New Registered Office	Date of Change	Reasons for the same
--	E-14, Chetna Apartment, S. P. S. Road, Bhandup (West), Bombay – 400078	Not Applicable	Not Applicable
E-14, Chetana Apartment, S. P. S. Road, Bhandup (West), Bombay – 400078	604, Vishwananak, Chakala, ICT Link Road, Andheri (East) Mumbai 400099	November 17, 1990	Shifting to a more convenient and spacious place at Andheri
604, Vishwananak, Chakala, ICT Link Road, Andheri (East) Mumbai 400099	102, Todi Complex, 35 Saki Vihar Road, Andheri (East) Mumbai – 400072	February 1, 2001	Administrative Convenience
102, Todi Complex, 35 Saki Vihar Road, Andheri (East) Mumbai – 400072	213, Sabari Apartment, Building No. 1, Kachigam, Daman (U.T.)- 396210. India*	March 27, 2003	In view of ongoing expansion of the Daman Units and to enable improved efficiencies.

\* Our Company changed its Registered Office from the State of Maharashtra to the Union territory of Daman pursuant to the Company Law Board Order No. 212/17/CLB/WR/2003 dated March 27, 2003.

#### Our Main Objects as contained in the Memorandum of Association are as follows:

- To carry on the business of manufacturers, producers, processors, importers, exporters, dealers, suppliers, distributors, agents, traders and marketiers of drums, barrel, cans, containers, decorative cans, decorative containers, crates, boxes, tubes, collapsible tubes, seals, P. P. caps, tin containers, metal containers, bachelites, plastic moulded, blown, extruded containers, bagges, packing containers, boxes, wrapping papers, water proofing papers, tarpaulin, corrugated containers, wrappers of all kinds, multi-laminated, flexible and rigid packaging, pillow packaging, gunny bags, plastic packaging of all kinds including bottles, collapsible hollo gunny bags, sachets, poches, made from plastic, high density polyethelene, low density polyethelene, polypropyleme, nylon, polyester, ethyelene, vinyl, acetate, HDPE, LDPE, PP, BOPP, PVC, PET, paper, metal, foils, films, aerosol containers of metal, aluminium, plastics, fibrous materials and to carry on packaging of every description and kind.
- To carry on the business in India or elsewhere as manufacturers, producers, assemblers, processors, fabricators, designers, formulators, converters, buyers, sellers, dealers, importers, exporters, contractors, hirer, repairers, agents, distributors, stockists and supplier of profile plastics, P. V. C. pipe, moulded industrial articles, industrial component and articles, tubing, films, rolls or their allied and auxiliary plastic products, articles made from different technologies including extrusion process, packaging material, articles made from injection moulding, blow moulding, compressor moulding, vacuum forming, housewares, different sizes and types of material handling crates and / or containers, plastic palettes, plastic luggage articles, suitcases, light and heavy automobiles parts, components and accessories, electrical appliances for T. V. cabinets, computer parts, plastic moulded furniture and other lifestyle products,

## TIME TECHNOPLAST LIMITED

synthetic turfs and mats, mouldings for cornices, decorative mouldings, frames made of plastics, wood, cork, reeds, canes, wickers, horn, bone, ivory, whalebone, shell, amber, mother of pearl, celluloid and substitutes thereof, mouldings for picture frames, profiles, picture frames, pictures, ready — made framed pictures & all other parts, accessories, articles & things associated with or auxiliary to the business of manufacture & trading of foregoing items made from plastic polymers, papers, metals, foils, films, aerosol, aluminium, fibrous materials etc.

3. To carry on the business of manufacturers of, dealers in, seller, purchasers, contractors, importers, exporters and supplier of polythene, polypropylene, ABS, Nylon, polystyrene, PUR, PE, P.V.C. polyester strips, PUR plastic powder and such other articles required to manufacture profile plastic, P. V. C. pipe, moulded household articles, tubing, films rolls.

### Other Objects\*

32. To carry on all or any of the business of mechanical and manufacturers suppliers of implement and machinery, tool makers, smiths, steel and brass foundries, metal workers, machinists, iron and steel workers, metallurgists, motor and automobile spare parts and sugar mills machinery manufacturers of surgical instruments, metals, machinery, implements, rolling stocks and hardware of all kinds.

\* Our shareholders approved this in the EGM held on February 08, 1994

The object clause of the Memorandum of Association of our Company enables us to undertake the existing activities as well as the activities for which funds are being raised through this Public Issue.

### CHANGES IN MEMORANDUM OF ASSOCIATION

Since the date of Incorporation the following changes have been made to the Memorandum of Association of our Company:

Date of Amendment	Amendment
March 1, 1991	The Authorised share capital of our Company was increased from Rs. 100,000/- divided into 1,000 Equity Shares of Rs. 100 each to Rs. 1,500,000 divided into 15,000 Equity Shares of Rs. 100 each.
April 28, 1992	One Equity Share having face value of Rs. 100 each was sub-divided into 10 Equity Shares having face value of Rs. 10 each.
April 28, 1992	The Authorised share capital of our Company was further increased from Rs. 1,500,000/- divided into 15,000 shares of Rs. 10 each to Rs. 20,000,000 divided into 2,000,000 Equity Shares of Rs. 10 each
May 27, 1992	The name our Company was changed from Time Packaging Private Limited to Time Packaging Limited.
March 1, 1993	The Authorised share capital of the Company was further increased from Rs. 20,000,000/- divided into 2,000,000 shares of Rs. 10 each to Rs. 80,000,000 divided into 8,000,000 Equity Shares of Rs. 10 each.
December 29, 1995	The authorised share capital of the Company was further increased from Rs. 80,000,000/- to Rs. 125,000,000 divided into 10,000,000 Equity shares of Rs. 10 each and 2,500,000 Redeemable Preference Shares of Rs. 10 each.
November 30, 2000	One equity share having face value of Rs. 10 each was sub divided into two equity shares having face value of Rs. 5 each.
November 30, 2000	The authorised share capital of the Company was further increased from Rs. 125,000,000/- to Rs. 175,000,000 divided into 30,000,000 Equity Shares of Rs. 5 each and 2,500,000 Redeemable Preference Shares of Rs. 10 each.
July 30, 2001	Two Equity Shares having face value of Rs. 5 each was consolidated into one Equity Share having face value of Rs. 10 each.
June 9, 2003	The Registered Office of our Company was shifted from the State Maharashtra to the Union Territory of Daman.



Date of Amendment	Amendment
April 24, 2006*	The main objects* of our Memorandum of Association were altered by inserting the following clauses: 2. To carry on the business in India or elsewhere as manufacturers, producers, assemblers, processors, fabricators, designers, formulators, converters, buyers, sellers, dealers, importers, exporters, contractors, hirer, repairers, agents, distributors, stockists and supplier of profile plastics, P. V. C. pipe, moulded industrial articles, industrial component and articles, tubing, films, rolls or their allied and auxiliary plastic products, articles made from different technologies including extrusion process, packaging material, articles made from injection moulding, blow moulding, compressor moulding, vacuum forming, housewares, different sizes and types of material handling crates and / or containers, plastic palettes, plastic luggage articles, suitcases, light and heavy automobiles parts, components and accessories, electrical appliances for T. V. cabinets, computer parts, plastic moulded furniture and other lifestyle products, synthetic turfs and mats, mouldings for cornices, decorative mouldings, frames made of plastics, wood, cork, reeds, canes, wickers, horn, bone, ivory, whalebone, shell, amber, mother of pearl, celluloid and substitutes thereof, mouldings for picture frames, profiles, picture frames, pictures, ready-made framed pictures & all other parts, accessories, articles & things associated with or auxiliary to the business of manufacture & trading of foregoing items made from plastic polymers, papers, metals, foils, films, aerosol, aluminium, fibrous materials etc.3. To carry on the business of manufacturers of, dealers in, seller, purchasers, contractors, importers, exporters and supplier of polythene, polypropylene, ABS, Nylon, polystyrene, PUR, PE, P.V.C. polyester strips, PUR plastic powder and such other articles required to manufacture profile plastic, P. V. C. pipe, moulded household articles, tubing, films rolls.
May 1, 2006	The name of our Company was changed from Time packaging Limited to Time Technoplast Limited.
August 12, 2006	The Authorised Share Capital of our Company was further increased from Rs. 17,500,000/- to Rs. 275,000,000 divided into 25,000,000 Equity shares of Rs. 10 each and 2,500,000 Redeemable Preference Shares of Rs. 10 each.

\* Our Company has also made addition to our Other Objects Clause.

#### **SCHEME OF AMALGAMATION**

Oxford Mouldings Private Limited and Shalimar Packaging Private Limited our group companies (hereinafter referred to as the “merged entities”) were merged with us with effect from April 1, 2005 pursuant to the Order of the High Court of Bombay dated June 30, 2006 filed with RoC on July 15, 2006. The restructuring exercise was done with a view to improve efficiencies, better logistics, improved utilisation of resources and to maximise the growth. Some of the salient features of the Scheme of Amalgamation are as follows.

1. All the present and future assets including freehold and/ or leasehold assets and movable assets together with all investments, all present and future liabilities and debts and undertakings of the Oxford Mouldings Private Limited and Shalimar Packaging Private Limited was transferred and vested in our Company.
2. Equity Shareholders of OMPL and SPPL were issued 1 Equity Share of Rs. 10/- each of our Company for every 5 Equity Share of OMPL held by them and 1 Equity Share of Rs. 10/- of our Company for every 4 equity shares of SPPL respectively.

#### **SUBSIDIARIES**

We have three subsidiaries as on the date of filing this Prospectus, namely, Elan Incorporated FZE, Sharjah, (“Elan”), Novo Tech SP. Z. o. o., Poland (“Novotech”) and TPL Plastech Limited (“TPL”), India.

##### **1. Elan Incorporated FZE, Sharjah, (“Elan”)**

Elan was incorporated pursuant to Emiri Decree No. 2 of 1995 on March 28, 2005 inter alia to set up an establishment at SAIF-Zone and carry on the business of manufacturing, general trading, export/import and/or other related activities.

The Registered Office of Elan is at SAIF-Zone, Sharjah, U.A.E. Elan has been incorporated as a subsidiary of our Company. Elan has not yet commenced business.

## TIME TECHNOPLAST LIMITED

Elan has commenced construction of the plant that it proposes to set up and the Company has funded Elan for this purpose with share application money.

### Board of Directors:

Under the applicable law in Sharjah there is no requirement for a company to have a Board of Directors. Accordingly Mr. Anil Jain is the Manager of Elan.

### Shareholding Pattern:

Elan is a 100% subsidiary of our Company. The shareholding pattern of Elan as on March 31, 2007 is as follows:

Sr. No.	Name of Shareholder	Number of shares	% of issued capital
1.	Time Technoplast Ltd.	1 share of Dhs(1,50,000/-) *	100%

\* Additional share application moneys of USD 15,16,000 as on April 15, 2007 has also been advanced to Elan by our Company

### Financial Performance:

Particulars	As on December 31, 2006 (In DHS)
Total Income	-
Profit/loss after tax	-
Equity share capital	150,000
Share Application Money	2,250,864
Reserves and Surplus (excluding Revaluation Reserves)	-
Earnings/loss per share	-
Book Value Per share	150,000

For further details please refer to section titled as "Auditors Report" on page 132 of this Prospectus.

## 2. Novo Tech Spolka z ograniczona odpowiedzialnoscia (Limited), Poland ("Novotech")

Novotech, a limited liability company was incorporated on April 7, 2006 inter-alia to carry on the business of manufacture of chemical fibres, rubber products, plastic products, medical and surgical equipment, orthopaedic devices, manufacture of parts and accessories for vehicles and engines, manufacture of furniture. Novotech has yet to commence business. Novotech has acquired property in a Special Economic Zone called Kostrzyn-Slubice, but is yet to commence construction.

The registered office of the company is at 66-470 Kostrzyn nad Odra, Ulica Orla Bialego 22 Poland.

### Board of Directors:

The board of directors of Novotech has been constituted for an unspecified period of time and it consists of one person, namely Mr. Anil Jain who has been designated as Manager.

### Shareholding Pattern:

Novotech is a 100% subsidiary of our Company. The shareholding pattern of Novotech is as follows:

Sr. No.	Name of Shareholder	Number of shares	% of issued capital
1	Time Technoplast Limited.	100 shares of 500 ZLOTY each*	100%

\*Additional Share application moneys of Euro 1,64,400 as on April 15, 2007 have also been advanced to Novotech by our Company.

**Financial Performance:**

(Rs. in Million)

Particulars	As at December 31, 2006
Total Income	-
Profit/loss after tax	-
Equity share capital	7.57
Reserves and Surplus (excluding Revaluation Reserves)	-
Earnings/loss per share	-
Book Value Per share	0.08

For further details please refer to section titled as "Auditors Report" on page 132 of this Prospectus.

**TPL Plastech Limited ("TPL") (previously known as Tainwala Polycontainers Limited)**

TPL Plastech Limited (previously known as Tainwala Polycontainers Limited) was incorporated under the Companies Act on September 13, 1992. Subsequently the name of the company has been changed to TPL Plastech Limited and a fresh certificate of incorporation was obtained on November 22, 2006. The memorandum of association provides as the main object of inter alia carrying on business of manufacturers and dealers of and in packagings of all kinds including receptacles, bottles, containers, boxes.

The registered office of TPL is at "Tainwala House" Road No. 18, MIDC, Andheri (East) Mumbai – 400093, Maharashtra. TPL is engaged in the manufacture of extrusion blow moulded High Molecular, high density polyethylene (HMHDPE) Containers of upto 250 litres.

TPL was promoted by Tainwala Chemicals & Plastics (I) Limited and Dr. Ramesh Tainwala together with his relatives and associate companies.

Pursuant to Share Purchase Agreement ("**SPA**"), dated March 30, 2006 (SPA) entered by our Company, with (a) promoters of TPL (b) a group of shareholders annexed therein, and (c) TPL, our Company had agreed to purchase 4,290,066 equity shares from the promoter of TPL and maximum upto 1,307,328 equity shares from the group of shareholders named therein at a price of Rs. 40/- per equity shares representing 55% equity and 16.76% share capital of TPL respectively, to ensure that the shares held our Company including equity shares proposed to be acquired in the open offer would not exceed 75% of share capital of TPL.

Our Company made the Public Announcement on April 03, 2006 for acquisition of 20% equity shares from the shareholders of TPL and all formalities relating to open offer completed on July 14, 2006 in compliance with Regulation 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

On July 14, 2006, 629,398 equity shares from Public constituting 8.07% share capital of TPL pursuant to Open Offer and 5,220,728 equity shares constituting 66.93% share capital of TPL transferred to our Company making TPL our subsidiary with approx. 75% shareholding.

As per the terms of the SPA, our Company has paid a sum of Rs 40 million only as non compete fee to Dr. Ramesh Tainwala and Mr. Rakesh Tainwala in equal proportion of Rs. 20 million each.

TPL became our subsidiary consequent to our acquisition of shares of TPL pursuant to the above referred SPA.

**Board of Directors:**

The board of directors of TPL comprise of Mr. Sanjaya Kulkarni, Mr. Mahinder Kumar Wadhwa, Mr. Jagdish Bhuta, Dr. Gyanesh Narayan Mathur, Mr. Surbhil Jain and Mr. Kamlesh Joisher.

## TIME TECHNOPLAST LIMITED

### Shareholding Pattern:

The equity shares of TPL are listed on the BSE. The shareholding pattern of TPL as on March 31, 2007 is as follows:

Name of Shareholder	Number of shares	% of issued capital
<b>Promoters &amp; Promoter Group</b>		
Time Technoplast Ltd.	5,850,126	75.00
<b>Public Shareholding</b>		
Mutual Funds / UTI	8,300	0.11
Financial Institutions / Banks	100	0.00
Bodies Corporate	469,971	6.03
Public & Others	1,471,803	18.86
<b>Total</b>	<b>7,800,300</b>	<b>100.00%</b>

### Financial Performance:

The financial performance of TPL for the last three years is as follows:-

(Rs. in million except per share data)

Particulars	As of March 31		
	2003-04	2004-05	2005-06
Total Income	325.01	414.13	428.00
Profit/loss after tax	(3.80)	17.10	12.56
Equity share capital	780.00	780.00	780.00
Reserves and Surplus	NIL	3.28	16.98
Earnings/loss per share (Rs.)	(0.49)	2.19	1.61
Book Value Per share (Rs.)	8.22	10.42	12.18

For further details please refer to section titled as "Auditors Report" on page 132 of this Prospectus.

### PROMISE Vs. PERFORMANCE

TPL was promoted by Tainwala Chemicals & Plastics (I) Limited and Dr. Ramesh Tainwala together with his relatives and associate companies. TPL Plastech Limited (previously known as Tainwala Polycontainers Limited) made an initial public offer in June 1994. The company made the following performance against the projection due to the reason given as under:

(Rs. in million except per share data)

Sr. No.	Particulars	1995		1996		1997	
		Projection	Actual	Projection	Actual	Projection	Actual
1	Net Sales	97.5	0	113.8	24.42	138.1	97.48
2	Profit/(Loss) After Tax	7.6	0	10.30	(10.4)	16.00	(6.99)
3	Reasons for shortfall	There was a delay of about six months mainly due to the delayed shipment of the main plant and machinery by the foreign suppliers and also in transporting the same to site. The company's commercial production had not begun.		The deviation of the actual from those projected was due to delay in the implementation of the project.		The deviation of the actual from those projected was due to the overall recession in the industry leading to a reduction in the sales turnover and a stiff increase in the raw material prices which are pre-dominantly imported.	

## SHARE PRICE INFORMATION

The equity shares of TPL are listed on the BSE. The monthly high and low of the market price of the equity shares on the BSE for the last six months are as follows:

Month	High (Rs.)	Low (Rs.)
October 2006	46.50	26.60
November 2006	40.00	26.05
December 2006	33.75	25.05
January 2007	40.00	29.65
February 2007	37.10	27.00
March 2007	29.80	21.30

## CHANGE IN CAPITAL STRUCTURE DURING LAST SIX MONTHS

There is no change in the capital structure of TPL during last six months

### Joint Venture

#### Time Mauser Industries Pvt. Limited ("TMIPL")

TMIPL was incorporated on August 14, 2003 as Qpak Industries Pvt. Limited. This company was converted into a public limited company on February 23, 2004 and accordingly the name of this company was changed to QPAK Industries Limited. Thereafter this company was reconverted into a private limited company on June 17, 2004 and accordingly the name of this company was changed to QPAK Industries Private Limited. On April 21, 2005 the name of the company was changed to Time Mauser Industries Pvt. Ltd.

TMIPL a joint venture between M/s Mauser Holding International GmbH of Germany and our Company is set up with the main object inter alia to carry on the business of manufactures of all kinds of drums, barrels, cans etc. TMIPL is in the business of manufacturing of Plastic Articles including Intermediate Bulk Containers (IBCs) of 1000 Ltrs

#### Board of Directors:

The board of directors of TMIPL comprises of Mr. Anil Jain, Mr. Naveen Jain, Mr. Stefan Mueller-Arends, Dr. Detlev Weyrach and Mr. Siegfried Erich Weber.

#### Shareholding Pattern:

The shareholding pattern of TMIPL as on March 31, 2007 is as follows:

Sr. No	Name of Shareholder	Number of shares of Rs. 10/- each	% of issued capital
1.	Mauser Holding International GmbH of Germany	3,570,000	51
2.	Time Technoplast Limited	3,430,000	49
	<b>Total</b>	<b>7,000,000</b>	<b>100</b>

#### Financial Performance:

The brief audited financial details of TMIPL for the last three year as under:

(Rs. in million except per share data)

Particulars	As of December 31		
	2004	2005	2006
Total Income	62.74	169.69	138.40
Profit/loss after tax	1.56	4.00	13.26
Equity share capital of Rs. 10 each	10.00	70.00	70.00
Reserves and Surplus (excluding Revaluation Reserves)	1.56	5.56	16.49
Earnings/loss per share (Rs.)	1.56	0.57	1.56
Book Value Per share (Rs.)	11.28	10.76	12.36

## TIME TECHNOPLAST LIMITED

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### AGREEMENTS

#### Shareholders Agreement

##### A. Agreements with Zephyr Peacock India I

Shareholders Agreement dated March 7, 2007 entered into between Zephyr Peacock India I (hereinafter referred to as “Zephyr”), Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan, Mr. Naveen Jain, Time Securities Services Private Limited, Vishwalaxhmi Trading & Finance Private Limited, Time Exports Private Limited (hereinafter referred to as “the Promoter Shareholders”) and the Company.

Some of the significant provisions of the agreement are as follows:

- (i) Board of Directors of the Company would comprise of one nominee of Zephyr, who would be non-retiring, one nominee of Core International FTZ, four nominees of the Promoters and three independent directors.
- (ii) So long as Zephyr holds at least 3% of the Company's Share Capital, any decision on the following matters shall require an affirmative vote of the director nominated by the Zephyr at a meeting of the Board of Directors (“Reserved Matters”):
  - (a) Mergers, consolidations and divestments of the Company with one or more other corporations, pursuant to which the shareholders of the Company prior to such transaction, or series of transactions, would hold shares representing less than a majority of the voting power of the outstanding shares of the surviving corporation immediately after such transaction or series of transactions;
  - (b) Voluntary commencement of winding-up proceeding for insolvency or bankruptcy of the Company or general assignment for the benefit of their creditors or any consent to the entry of a decree or order for relief from creditors under any applicable laws or any admission by the Company of (A) its inability to pay its debts, or (B) any other action constituting a cause for the involuntary declaration of insolvency or bankruptcy;
  - (c) Acquisition of other businesses (by way of share purchase, business transfer, slump sale, asset sale or any other mode of acquiring a business), creation of joint ventures/ partnerships, creation of a subsidiary or sale of all or substantially all the Company's assets or closure of an existing business/unit/ hotel or commencement of any business beyond the purview of the capital expenditure budget of the Company;
  - (d) Any alteration or modification of authorized or issued share capital, or creation or issue of additional securities (including equity shares, preference shares, non-voting shares, warrants, options and such other instruments) and terms thereof by the Company;
  - (e) Amendments to the Memorandum or Articles of Association (including, without limitation, change in the number of members of the Board of Directors);
  - (f) Any related party transactions between the Company and its Promoters Directors or their Affiliate/s (excluding those transactions with Pack Delta Public Company Limited, Time Mauser Industries Private Limited and TPL Plastech Ltd.);
  - (g) Appointment/Change of internal/external auditors of the Company; and
  - (h) Approval of, or amendment to, the operating expenditure budget and capital expenditure budget of the Company, and any variations to such budgets to the extent of +/- 10%;
  - (i) Increasing or decreasing the size of the Company's Board;
  - (j) Creation or issuance of securities under an employee incentive option plan, restricted stock plan, or similar equity compensation plan, and establishing the vesting and other terms of such equity compensation.
  - (k) Declaration or distribution of dividends or other distributions.
  - (l) Any investment in new or existing joint ventures or creation of new subsidiaries, involving an investment of Rs. 25,000,000/- (Rupees Twenty Five Million) and above.

- iii. Should the Company on the fourth anniversary of the 'Closing' under the agreement, not have completed an IPO or a strategic sale pursuant to which the Investor has sold or transferred all its shares in the Company, the investor shall have right to require the Company to buyback for cash, all the equity shares held by the investor.

#### **Share Subscription Agreement**

Pursuant to Share Subscription Agreement dated March 7, 2007 entered into between Zephyr Peacock India I (hereinafter referred to as "**Zephyr**"), and Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan, Mr. Naveen Jain and the Company, Zephyr has subscribed to 700,000 Equity shares of Rs. 10 each of our Company at a premium of Rs. 265/- per share.

#### **B. Agreement with India Business Excellence Fund I and India Business Excellence Fund**

Share Subscription and Shareholders Agreement dated 13-3-2007

M. Anil Jain, Mr. Bharat Vageria., Mr. Raghupathy Thyagarajan, Mr. Naveen Jain, Time Securities Services Private limited, Vishwalaxmi Trading & Finance Private limited, Time Exports Private Limited, India Business Excellence Fund I and India Business Excellence Fund and the Company have entered into Share Subscription and Shareholders Agreement dated March 13, 2007 for the subscription of (1) 288,000 Equity Shares of our Company by India Business Excellence Fund I (a public limited life company organized in Mauritius and having its office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius and (2) 312,000 Equity Shares of our Company by India Business Excellence Fund, a unit of Business Excellence Trust, a trust created under the Indian Trust Act, 1882 acting through its investment manager, Motilal Oswal venture Capital Advisor Private Limited at a premium of Rs. 315 per Equity Share.

Some of the significant provisions of the agreement are as follows:

- I. In terms of the Agreement, so long as India Business Excellence Fund I and India Business Excellence Fund are the shareholders of our Company, they shall be entitled to nominate one Director on the Board of our Company upon the expiry of one year from the date of 'Closing' under the said agreement. The said Nominee director shall not be liable to retire by rotation.
- II. The investment by Business Excellence Fund I and India Business Excellence Fund is at the lower end of the price band of this IPO ("Minimum Threshold Price"). In the event the Minimum threshold Price is reduced ("Revised Threshold Price") for any reason whatsoever, the Promoter shall compensate India Business Excellence Fund I and India Business Excellence Fund, the difference between the Minimum Threshold Price and the Revised Threshold Price, in proportion to their respective shareholding in the Company, in a manner as may be mutually agreed between the Parties.
- III. In the event the shares of the Company are not listed within 120 days from the 'Closing' the company and the investors shall renegotiate the terms of investment and if they are unable to arrive at an agreement, the promoters shall at the option of the Investors arrange to buyback the investors' equity shares.

#### **Other Agreements:**

Know How Agreement with Mauser-Werke GmbH

Our Company has entered into Know How Agreement dated April 24, 1992 with Mauser-Werke GmbH. Pursuant to this agreement Mauser has made available to our Company know-how relating to manufacture of plastic drums with L Ring design. Mauser has agreed to provide to our Company until termination of this agreement all information, experience and methods, present and future including special technique that are required to enable technicians of every qualification to produce the plastic containers referred to in the agreement. Mauser has also agreed to train technicians of our Company to enable us to manufacture the plastic containers. The term of the agreement was extended upto December, 31, 2010 pursuant to an amendment by an Agreement dated November 6, 2001. Our Company has agreed to pay annual License fees of DM 40,000 to Mauser.

## TIME TECHNOPLAST LIMITED

### LICENCE AGREEMENT

Pursuant to the agreement dated December 15, 2006 entered into between Mr. Anil Jain and our Company (“**the License Agreement**”), Mr. Anil Jain has granted rights to our Company perpetual, exclusive and non-terminable rights to use and commercially exploit the intellectual properties as described below in India.

Sr. No.	Intellectual Property	Description	Reference No.	Date
1.	Design Registration	Canister with cap	199874	03/06/05
2.	Design Registration	3S Rain flaps	198905	14/03/05
3.	Patent Application	Auto Disable Blood Sampler	844/MUM/2004	05/08/05
4.	Trade mark Registration	Regal	826990	11/11/98
5.	Trade mark Registration	Regal	826989	11/11/98
6.	Trade mark Application	3S Rain flaps	1350470	12/04/05

The renewal fees and professional costs and all other expenses in connection with the above Intellectual Properties shall be borne by the Company.

Mr. Anil Jain has executed an Irrevocable Power of Attorney dated December 16, 2006 in favour of our Company to do all necessary things, deeds and matters in connection with above Intellectual Properties.

### Joint Venture Agreement

Our Company entered into a joint venture agreement (JVA) dated February 27, 2004 with Mauser Holding International GmbH (“**Mauser Holding**”) and QPAK Industries Private Limited (now known as Time Mauser Industries Private Limited) (“**Time Mauser**”). Mauser Holding holds 51% and our Company holds 49% of the equity share capital of Time Mauser.

The salient features of this JVA are set out below:

Time Mauser is to undertake the business of manufacture and production of composite intermediate bulk containers and components and auxiliaries thereof and provision of after sales services (“**Business**”). Any change in the Business of Time Mauser requires the prior written consent of Mauser Holding and our Company.

If the shareholding of Mauser Holding in Time Mauser falls below 51% or our Company’s shareholding in Time Mauser falls below 26%, Mauser Holding and our Company shall review and modify all clauses of this JVA so as to reflect the change in shareholding and control over Time Mauser on mutually agreed terms.

Our Company is required to arrange for the present and future financing requirements of Time Mauser. Mauser Holding is not required to give any undertakings or guarantees for any financing for Time Mauser. If additional funds for Time Mauser cannot be arranged by our Company and Mauser Holding and our Company cannot contribute additional shareholders funds to Time Mauser, then Mauser Holding would be entitled to terminate this JVA.

There is a right of first refusal clause available to Mauser Holding and our Company in case one of them desires to transfer its shareholding to any third person.

Equity Shares of Time Mauser cannot be transferred to a person who is a competitor of Time Mauser. All transfers are to be in accordance with this JVA or in such a manner as Mauser Holding and our Company agree in writing. Mauser Holding and our Company have agreed not to create any lien on the equity shares of Time Mauser held by them and their respective affiliates without prior consent of each other.

Time Mauser uses certain know-how and technology licensed to it by Mauser Holding for undertaking its business activities pursuant to a Know-how and Patent Licensing Agreement. If Mauser Holding terminates this JVA then Time Mauser would be entitled to use the know-how and technology under the Know-how and Patent Licensing Agreement only for the balance unexpired initial term of the licence or the renewal period. Time Mauser would be entitled to use the know-how and technology for a further period of 5 years if the terms are mutually agreeable by the concerned parties. If our Company terminates this JVA, then the Know-how and Patent Licensing Agreement would automatically get terminated.

Mauser Holding and our Company, as the case may be, have the right to call upon each other to acquire all their equity shares in Time Mauser if more than 10% shares of Time Mauser are acquired by a competitor of Mauser Holding or our



Company, as the case may be. Mauser Holding also has the right to call upon our Company to acquire all its equity shares held in Time Mauser if there is a change in control of our Company at a price as set out in this JVA.

Mauser Holding and our Company, as the case may be, have the right to call upon each other to sell all its shareholding in Time Mauser if there is a change in control of our Company or Mauser Holding as the case may be, at a price to be mutually agreed by the parties.

Our Company has the right to appoint 2 directors so long as it holds 49% equity shares in Time Mauser. Mauser Holding has the right to appoint 3 directors so long as it holds 51% shares in Time Mauser.

So long as each of our Company and Mauser Holding holds 26% shares of Time Mauser, decisions in relation to certain agreed matters, so far as Time Mauser is concerned, cannot be taken except with the affirmative consent of at least 1 director each nominated by Mauser Holding and our Company.

Both parties have agreed that they shall not directly or indirectly within the geographical limits of the SAARC countries as long as they hold any shareholding in Time Mauser and for a term of 2 years after they cease to be shareholders of Time Mauser, either on its own behalf or by or through any other person, inter alia:

- act as an advisor, consultant for any person carrying on the Business or directly or indirectly competes with the Business of Time Mauser or establish, develop and permit any business which competes with the Business of Time Mauser;
- solicit, approach any customer of Time Mauser for its own benefit and for the benefit of any person carrying on business which is in competition of the Business of Time Mauser;
- solicit or entice away from Time Mauser any of its employees;
- establish, develop, undertake any business or trade which is identical or similar to Time Mauser or Mauser Holding.

An additional Protocol dated February 28, 2006 is executed as an extension of JV Agreement of February 27, 2004 between Mauser Werke GmbH & Co. KG (Holding) ("**Mauser**") and our Company and Time Mauser Industries Pvt. Ltd. ("**Time Mauser**") and agreed as under:

1. Subject to the technical and economical feasibility and approval of the Board of Directors of "**Time Mauser**", all parties agreed to setup production facility for manufacture of 55 gallon steel drums (tight head & open top) in the state of Maharashtra as part of their JV.
2. To set up a 'joint task force' to study the requirement of blow moulding plant and equipment in Asian/ African Region in relation to the specification, degree of sophistication/ automation, productivity and price expectations. On presentation of report by the Joint task force, JV partners may extend the scope of their Joint Venture to include setting up base for manufacture of blow moulding plants, moulds and equipments as may be feasible in India and to provide the necessary services thereof.
3. Both JV partners further agreed to explore business opportunities and expand the scope of their joint venture with mutual consent in years ahead.

**Foreign Collaboration Agreement dated September 30, 2004 between Mauser Holding International GmbH ("**Mauser Holding**") and our Company and QPAK Industries Pvt. Ltd. (now known as Time Mauser Industries Private Limited) ("**Time Mauser**")**

The salient features of this Agreement are as follows:

- i) Time Mauser has agreed to issue and allot to Mauser Holding and Mauser Holding has agreed to subscribe to 3,570,000 equity shares of Rs. 10/- each equivalent to 51% of the paid up equity share capital of Time Mauser.
- ii) Pursuant to this Agreement, our Company has also agreed to subscribe to an additional 2,430,000 equity shares of Rs.10/- each of Time Mauser together with its existing holding which will make its total holding in Time Mauser equivalent to 49% of the issued subscribed and paid up equity share capital of Time Mauser.

**Share Purchase Agreement**

Pursuant to Share Purchase Agreement ("**SPA**") dated March 30, 2006 (SPA) entered by our Company, with (a) promoters of TPL (b) a group of shareholders annexed therein, and (c) TPL, our Company had agreed to purchase 4,290,066 equity shares from the promoter of TPL and maximum upto 1,307,328 equity shares from the group of shareholders named

## TIME TECHNOPLAST LIMITED

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therein at a price of Rs. 40/- per equity shares representing 55% equity and 16.76% equity share capital of TPL respectively, to ensure that the equity shares held by our Company including equity shares proposed to be acquired in the open offer would not exceed 75% of share capital of TPL. As per the terms of SPA, our Company has acquired 4,290,066 equity shares from the Promoters constituting 55%, 629,398 equity shares from public constituting 8.07% and remaining 930,662 equity shares of from other shareholders named therein constituting 11.93% of the paid-up equity share capital. Presently approx. 75% of equity shares of TPL are held by our Company.

### **Salient features of SPA:**

Our Company has undertaken to ensure release of existing personal guarantee of Directors of Company and also the Corporate Guarantees of Directors of Company and also the Corporate Guarantee of M/s. Tainwala Chemicals & Plastics (I) Ltd. within 3 months of appointment of nominees of acquirer on the Board of Directors of TPL.

Keyman insurance policy of Mr. Rakesh Tainwala shall be assigned to Mr. Rakesh Tainwala at Nil Value.

As per the terms of the SPA, our Company has paid a sum of Rs 40 million. as non-compete fee only to Mr. Ramesh Tainwala and Mr. Rakesh Tainwala in equal proportion of Rs. 20 million each and the same shall constitute valid discharge of payment of non compete fee to all sellers. The non-compete shall be irrevocable and shall expire at the end of 11 years from March 30, 2006.

Our Company has also warranted that after acquiring the management control of TPL, our Company shall not claim any lien on the office premises of TPL located at Tainwala House, Road No. 18, M.I.D.C., Andheri(E), Mumbai- 400 093.

### **Memorandum of Settlement with Trade Union:**

Our Company has only one Trade Union at Hosur. Memorandum of Settlement under Section 12 (3) of the Industrial Disputes Act, 1947 was executed between Management of our Company and Time Packaging Limited Workers Union (Registration No. 536) ("**Union**"). Our employees represented by the Union submitted charter of demand vide their letter dated 28.11.2005 on our Company for revision of the wages, benefits, facilities etc., which was discussed with our Management. Since some of the issues could not be sorted out, it was decided to approach the Labour Officer, Krishnagari for his intervention. The final discussions were held before the Labour Officer, Krishnagari on February 10, 2006, where both the parties have agreed to sign the settlement on the terms and conditions specified in the said Memorandum of Settlement.

### **Share Purchase Agreement**

Share Purchase Agreement dated April 23, 2007 ("**SP Agreement**") has been entered into between Time Securities Services Pvt. Limited ("**the Seller**") and our Company ("**the Buyer**"). The Seller is holding 49% of the equity capital of Mauser Holding Asia Pte Limited, Singapore ("**MHA**") i. e. 5,033,164 equity shares of SGD 1 (one) each aggregating to SGD of 5,033,164. The Seller has also additionally provided advances towards share subscription to the tune of SGD 1,453,376. The Seller has also availed of a loan to the extent of Rs.175 million from UTI Bank @ Rs.9.75% p.a. The said monies have been utilized for the purposes of enabling contribution by the Seller towards subscription of shares.

Our Company has agreed to purchase the entire title, right and the interest of the Seller in the shares and advances provided by the Seller to MHA subject to the terms and conditions mentioned in the SP Agreement.

Salient Features of the SP Agreement are as under:

Subject to the Public Issue of equity shares by the Purchaser raising the amount from the proceeds of the Public Issue, the Purchaser agrees to purchase and the Seller agrees to sell and transfer to the Purchaser the entire shareholding of the Seller and the entire advances towards subscription provided by the Seller to MHA. It is hereby clarified that this agreement shall not only include the existing shares and the advances provided by the Seller to MHA but shall also include the additional advances if any made for subscription by the Seller in MHA from the date hereto and upto the date of the completion as hereinafter mentioned.

The consideration for such acquisition shall (a) to pay actual amount contributed by the Seller in rupee term for the shares held by the Seller as on the transfer deed as well as for the aggregate advances made by the Seller towards subscription of the share capital of MHA as on the said date and (b) the only interest expense incurred by the Seller of Rs. 17.5 crores obtained from UTI Bank Limited. The said actual interest expense shall be certified by an independent Chartered Accountant.

It is the intention of the parties that the said aforesaid transaction is to be executed at costs. Accordingly, the Seller hereby represent that there is no financial gain from the said transaction.

Completion of the transaction shall take place at such date as may be decided by the Buyer but not later than August 31, 2007 or such extended time as may be agreed by the parties to the agreement. Provided the Buyer is unable to complete its Public Issue on or before August 31, 2007, this agreement shall forthwith and without any action of the parties lapse.

The transfer of shares under SP Agreement shall be subject to RBI approval under FEMA regulations, if any.

**Shareholders Agreement :**

Shareholders Agreement dated November 03, 2006 has been executed between Mauser Holding Netherlands B.V. ("Mauser"), Time Securities Services Pvt. Ltd. ("TSSPL") and Mauser Holding Asia Pte. Ltd, ("MHA"). MHA is a Joint Venture Company of Mauser and TSSPL wherein Mauser holds 51% stake and TSSPL holds 49% stake.

Salient Features of Joint Venture Agreement:

1. The Board of MHA shall consist of four Directors one of which shall be the resident Director required under the laws of Singapore ("**Resident Director**"). Mauser (so long as he is a shareholder holding not less than 51% of the issued share capital of MHA) shall be entitled to appoint up to two persons as Directors and to remove any person so appointed. TSSPL (so long as it is a shareholder holding not less than 49% of the issued equity share capital of MHA) shall be entitled to appoint up to one person as Director and to remove any person so appointed. The Resident director shall be appointed jointly by Mauser and Time.
2. Mauser shall be entitled to appoint the chairman of the board, who shall be one of the Mauser Directors. The Chairman of the Board shall be entitled to a casting vote in the event of equality of votes.
3. Notwithstanding anything contained herein no action or decision on certain matters (specified therein) shall be taken by the Company whether at a Board, Shareholders or committee meeting or by or through its Managing Director or any director, employee, agent or otherwise, save and except with the affirmative vote or prior written consent of the Mauser Holding Asia Pte Ltd. and Time Securities Services Pvt. Ltd.
4. Duration and Termination:

This Agreement shall take effect without limit in point of time, but upon the transfer by any shareholder of all it's shares in the capital of the Company such Shareholder shall be released from all his obligations hereunder (other than under Clause 13 - Confidentiality) provided that such transfer shall not relieve such Shareholder of any antecedent breaches by it of any of the terms and conditions of this Agreement. If, following any such transfer, there are at least two Shareholders bound by the provisions of this Agreement, this Agreement shall continue in full force and effect as between the continuing Shareholders. The Agreement shall automatically terminate upon a successful initial offer being made to the public in Singapore or such other recognized stock exchange elsewhere.

The Agreement shall be governed by and construed in accordance with the laws of Singapore and the parties hereby irrevocably submit to the non-exclusive jurisdiction of the Singapore courts.

**Strategic & Financial Partnerships:**

The Company has not entered into any strategic and financial partnerships with any third parties as on the date of filing of this Prospectus.

## TIME TECHNOPLAST LIMITED

### OUR MANAGEMENT

#### Board of Directors

Under our Articles of Association we cannot have less than three directors or more than twelve directors, unless otherwise determined by our Company in general meeting. We currently have seven directors. The following table sets forth current details regarding our present Board of Directors:

Sr. No	Name, Father's Name, Address, Nationality Occupation, Status and DIN	Designation	Age (years)	Other Directorships held
1.	<b>Mr. K. N. Venkatasubramanian</b> S/o Late Mr. Kuthoore Natarajan D4/D5, Ashok Swetha, 173, Avvai Shanmugam Salai, Royapettah, Chennai – 600 014 Indian Professional Independent Director DIN 00007392	Chairman	68	<ol style="list-style-type: none"> <li>1. Gulf Oil Corporation Ltd.</li> <li>2. Gulf Carrosserie India Ltd.</li> <li>3. Mundhra Port &amp; Special Economic Zone Ltd.</li> <li>4. Essar Oil Ltd.</li> <li>5. East India Petroleum Ltd.</li> <li>6. Meghmani Organics Ltd.</li> <li>7. E-Cube India Solutions Ltd.</li> <li>8. Royal Chemie Corporation Ltd.</li> <li>9. Rajula Ltd.</li> <li>10. Imperial Corporate Finance &amp; Services Pvt. Ltd.</li> </ol>
2.	<b>Mr. Anil Jain</b> S/o Mr. Paraslal Jain, 311-312, Magnum Towers, Lokhandwala Complex, Andheri (West), Mumbai 400 058. Indian Industrialist Executive Director DIN 00183364	Managing Director	52	<ol style="list-style-type: none"> <li>1. Mauser Holding Asia Pte. Ltd. Singapore</li> <li>2. Pack Delta Public Company Ltd. Thailand</li> <li>3. Time Mauser Industries Private Limited</li> <li>4. Novo Tech SP. Z o.o., Poland</li> <li>5. Elan Incorporated FZE, Sharjah - Manager</li> <li>6. Time Exports Private Limited</li> <li>7. Vishwalaxmi Trading &amp; Finance Pvt. Ltd.</li> <li>8. Avion Exim Private Limited</li> <li>9. Time Securities Services Pvt. Limited</li> </ol> <p><b>Partner in</b></p> <ol style="list-style-type: none"> <li>1. Apex Plastics</li> <li>2. Oxford Mouldings</li> </ol>
3.	<b>Mr. Bharat Vageria</b> S/o Late Mr. Ratanlal Vageria 26/2A, Manali, Evershine Nagar, Malad (West), Mumbai – 400 064. Indian Industrialist Executive Director DIN 00183629	Director	47	<ol style="list-style-type: none"> <li>1. Mauser Holding Asia Pte. Ltd. Singapore</li> <li>2. Time Exports Private Limited</li> <li>3. Vishwalaxmi Trading &amp; Finance Pvt. Ltd.</li> <li>4. Avion Exim Private Limited</li> <li>5. Time Securities Services Pvt. Limited</li> </ol> <p><b>Partner in</b></p> <ol style="list-style-type: none"> <li>1. Oxford Mouldings</li> <li>2. Apex Plastics</li> </ol>

Sr. No	Name, Fathers Name, Address, Nationality Occupation, Status and DIN	Designation	Age (years)	Other Directorships held
4.	<b>Mr. Raghupathy Thyagarajan</b> S/o Mr. Payyalorey Thyagarajan A-9/36, Sunder Nagar, Kalina, Santacruz (East) Mumbai 400 098 Indian Industrialist Executive Director DIN 00183305	Director	42	1. Vishwalaxmi Trading & Finance Pvt. Ltd. 2. Avion Exim Private Limited  <b>Partner in</b> 1. Oxford Mouldings 2. Apex Plastics
5.	<b>Mr. Naveen Jain</b> S/o Mr. Mahendra Jain No. 2, Awas Co-op. Hsg. Society Ltd., Sector 3, Charkop, Kandivali (West), Mumbai 400 067 Indian Industrialist Executive Director DIN 00183948	Director	40	1. Time Mauser Industries Private Ltd. 2. Avion Exim Private Limited  <b>Partner in</b> 1. Oxford Mouldings 2. Apex Plastics
6.	<b>Mr. Sanjaya Kulkarni</b> S/o S P Kulkarni A-12, Technocrat Co-op. Hsg. Soc. Ltd., Twin Towers, Prabhadevi, Mumbai -400 025 Indian Professional Independent Director DIN 00102575	Director	57	1. UTV Software Communications Ltd. 2. Drish Shoes Ltd. 3. TPL Plastech Ltd. 4. Mistral Software Pvt. Ltd. 5. Agro Tech Foods Ltd. 6. Eureka Capital Management Pvt. Ltd. 7. S.L. Poultry Pvt. Ltd. 8. Indian Direct Equity Advisors Pvt. Ltd. 9. Protect Insurance Services (India) Pvt. Ltd.
7.	<b>Mr. Mahinder Kumar Wadhwa</b> S/o of Mr. Dayanand Wadhwa 204-A, Landsend, Lokhandwala Complex, Andheri (West) Mumbai 400 067 Indian Professional Independent Director DIN 00064148	Director	54	1. TPL Plastech Limited 2. Time Exports Pvt. Ltd.
8.	<b>Mr. Kartik C Parija</b> S/o Mr. Kirti C Parija III Floor, Corner Stone Apartments, 24, Seethammal Road #E, Alwarpet, Chennai – 600 018 Indian Service Non-Executive Director DIN 00177115	Director	31	1. Zephyr Peacock Management India Pvt. Ltd. 2. Maxop Engineering Company Pvt. Ltd.

## TIME TECHNOPLAST LIMITED

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### Brief Profile of our Directors

#### 1. Mr. Venkatasubramanian, Chairman

Mr. Venkatasubramanian (68 years), is a chemical engineering graduate from University of Madras and a Post Graduate from IIT – Kharagpur. He has more than 45 years of work experience in the industry, having worked with international oil companies like Standard Vacuum, EXXON, and Phillips Petroleum for over a decade and then in 1973 joined IPCL where he held several positions, including that of Director (Operations) handling Production, Engineering, Materials and Employee Relations and also as its Executive Director. He was also a director on the Board of the State Trading Corporation of India Ltd. (STC) for 2 years from May 1982. He was also the chairman cum managing director of Engineers India Ltd. (EIL). He was the Chairman of Indian Oil Corporation Ltd. from 1991 from where he retired in the year 1996.

During his career he was also on the board of Hindustan Organic Chemicals Ltd. and Hindustan Antibiotics Ltd. He has served as a Convener of the Plastics working group on Petrochemicals established by the Department of Petroleum, Government of India for formulating the policy frame work for petrochemicals during the 7<sup>th</sup> five year plan. He was also the Chairman of the Sub-Committee on “Petrochemicals” constituted by the Department of Chemicals and Petrochemicals for formulating the perspective plan for petrochemicals during the 8<sup>th</sup> and 9<sup>th</sup> plan periods. After retiring as Chairman from IOC, he worked as independent project consultant to many companies and currently holds several board positions.

He is not related any of the Directors of our Company

#### 2. Mr. Anil Jain, Managing Director

Mr. Anil Jain (52 years) is a founder of our Company. He has an academic background with degrees in Science from Meerut University, Engineering from Punjab Engineering College, Chandigarh and Business Management from Delhi University. At the age of 52, he has experience of about 28 years.

Mr. Anil Jain joined Bharat Heavy Electricals Ltd (BHEL) in 1977 and worked in Marketing & Sales Division, Project Management and Marketing & Planning departments at its head quarters in Delhi. In 1983 he joined Voltas Ltd., at Mumbai in Project Engineering Division, responsible for special Projects. In 1986 Mr. Anil Jain switched over to Prestige HM-Polycontainers Ltd., at Mumbai and became responsible for operations of the company. He left Prestige in 1991 and promoted our Company together with other colleagues who are the Promoter Directors' of our Company.

Mr. Anil Jain has spent over 20 years in the field of polymer technology and products. He has participated / addressed various conferences, seminars and symposiums, both in India and abroad.

He is not related any of the Directors of our Company

#### 3. Mr. Bharat Vageria, Director

Mr. Bharat Vageria (47 years) is a commerce graduate from Rajasthan University and is a Fellow of Institute of Chartered Accountants of India (FCA). He has experience in the Polymer Industry exceeding 23 years. He worked with an Industrial Packaging company for 4 years as Manager – Finance responsible for Finance and Accounts functions of the company. He left Prestige HM-Polycontainers Ltd. in 1991 and promoted our Company together with other colleagues who are the Promoter Directors' of our Company.

Mr. Bharat Vageria is Director – Finance. He is responsible for Accounts, Finance, Corporate Affairs, Taxation and Legal functions of our Company. Mr. Bharat Vageria leads team of fellow professionals and has established controls and systems for multi locational, multi product operations of our Company.

#### 4. Mr. Raghupathy Thyagarajan, Director

Mr. Raghupathy Thyagarajan (42 years) is a Science graduate from Mumbai University and Post Graduate in Business Administration from Mumbai University with over 15 years of industrial experience. He began his career as Manager – Marketing at Prestige HM-Polycontainers Ltd. and was responsible for sales and marketing activities of the company. He left Prestige HM-Polycontainers Ltd. and promoted our Company together with other colleagues who are the Promoter Directors' of our Company.

As a Director – Marketing of our Company he is overseeing the marketing and sales functions, regional operations, systems and commercial functions of our Company at the corporate level. He ably leads team of over 100 professionals in all the business divisions of our Company.

**5. Mr. Naveen Jain, Director**

Mr. Naveen Jain (40 years) is a B.Tech from IIT Delhi with 20 years experience in production, quality management and projects management. He began his career with Prestige HM-Polycontainers Ltd., heading their production and technical functions and has implemented projects expansion. He left Prestige HM-Polycontainers Ltd. in 1991 and promoted our Company together with other colleagues who are the Promoter Directors' of our Company.

As Director – Technical Mr. Naveen Jain is responsible for operations of all the plants, technical developments and technology upgradation at the corporate level. Key technical functions such as machine building, product development and technology integration also falls within his area of responsibility.

**6. Mr. Sanjaya Kulkarni, Director**

Sanjaya Kulkarni (57 years) is a B. Tech from IIT Mumbai and MBA from IIM Ahmedabad. He has over three decades of experience in private equity, consumer finance, corporate finance, investment banking and was associated with Citibank and co-promoted the 20<sup>TH</sup> Century Finance Corporation Limited. He has been on the Board of our Company since 1993.

**7. Mr. Mahinder Kumar Wadhwa, Director**

Mr. Wadhwa, (54 years), is a Science graduate from Punjab University and a member of the Institute of Chartered Accountants of India. He has served in the past as a professional in NTC in senior position. He has experience in Corporate Finance, Accounting System, Personnel Management, Corporate Taxation and Management Consultancy.

**8. Mr. Kartik C Parija, Director**

Mr. Kartik Parija (31 years) is a graduate in Computer Science and Mathematics from Drake University and a Post graduate in Computer and Electrical Engineering from the University of Maryland. He has worked as a senior investment officer at an Indian Venture capital company – Ventureeast Fund Advisors which managed Ventureeast TeNet Fund, APIDC Venture Fund and the Biotechnology Fund. Prior to that, he was part of the investment team of a Washington based venture capital fund under management. He co-founded an e-commerce transaction processing company targeted at small business and began his career in technology as a member of NASA's Jet Propulsion Laboratory. He has experience in venture capital funding and management.

**Borrowing Powers of the Board of Directors**

At the EGM held on March 26, 2006, the shareholders of our Company have given their consent to the Board of Directors of our Company pursuant to Section 293(1)(d) of the Companies Act, for borrowing from time to time any sum or sums of money for the purpose of our Company's business, which together with the moneys already borrowed by our Company apart from temporary loans obtained from our Bankers in the ordinary course of our business may exceed the aggregate of the paid up capital of our Company and its free reserve, that is to say reserves not set apart for any specific purpose, provided that the total amount of the moneys borrowed and to be so borrowed and outstanding at any one time shall not exceed Rs. 5000 million.

**Compensation of Managing Director/Whole Time Directors**

**1. Anil Jain**

**Salary:**

Salary of a sum not exceeding Rs.250,000/- per month shall be payable, which may be increased up to a sum not exceeding Rs. 350,000/- per month as may be determined from time to time by our Board or such authority as may be delegated by our Board.

**Commission:**

Commission shall be paid based on the net profits of our Company, subject to the ceiling prescribed in that behalf under the Companies Act.

## TIME TECHNOPLAST LIMITED

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### **Perquisites:**

In addition to the salary and commission payable, he shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of our Company or as may be agreed to by our Board and such perquisites and allowances will be subject to a maximum of 140% of the annual salary.

For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

Provision for use of our Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Our Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of our Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

If our Company has made no profits or its profits are inadequate in any financial year, he will be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act by way of minimum remuneration.

Any expenditure actually and properly incurred, including entertainment and travelling for business of the Company, shall be reimbursed to him.

No sitting fees shall be paid to him for attending the meetings of the Board of Directors or Committee thereof of our Company.

## **2. Mr. Bharat Vageria**

### **Salary:**

Salary of a sum not exceeding Rs.170,000/- per month shall be payable which may be increased upto Rs.250,000/- per month as may be determined from time to time by our Board or such authority as may be delegated by our Board.

### **Commission:**

Commission shall be paid based on the net profits of our Company, subject to the ceiling prescribed in that behalf under the Companies Act.

### **Perquisites:**

In addition to the salary, and commission payable, he shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of our Company or as may be agreed to by our Board and such perquisites and allowances will be subject to a maximum of 140% of the annual salary.

For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

Provision for use of our Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.



Our Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of our Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

If our Company has made no profits or its profits are inadequate in any financial year, he will be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act by way of minimum remuneration.

Any expenditure actually and properly incurred, including entertainment and travelling for business of the Company, shall be reimbursed to him.

No sitting fees shall be paid to him for attending the meetings of the Board of Directors or Committee thereof of our Company.

### **3. Mr. Ragupathy Thayagarajan**

#### **Salary:**

Salary of a sum not exceeding Rs.170,000/- per month shall be payable which may be increased upto Rs. 250,000/- per month as may be determined from time to time by our Board or such authority as may be delegated by our Board.

#### **Commission:**

Commission shall be paid based on the net profits of our Company, subject to the ceiling prescribed in that behalf under the Companies Act.

#### **Perquisites:**

In addition to the salary, and commission payable, he shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of our Company or as may be agreed to by our Board and such perquisites and allowances will be subject to a maximum of 140% of the annual salary.

For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

Provision for use of our Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Our Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of our Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

If our Company has made no profits or its profits are inadequate in any financial year, he will be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act by way of minimum remuneration.

Any expenditure actually and properly incurred, including entertainment and travelling for business of the Company, shall be reimbursed to him.

No sitting fees shall be paid to him for attending the meetings of the Board of Directors or Committee thereof of our Company.

## TIME TECHNOPLAST LIMITED

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### 4. Mr. Naveen Jain

#### **Salary:**

Salary of a sum not exceeding Rs.170,000/- per month shall be payable which may be increased upto Rs.250,000/- per month as may be determined from time to time by our Board or such authority as may be delegated by our Board.

#### **Commission:**

Commission shall be paid based on the net profits of our Company, subject to the ceiling prescribed in that behalf under the Companies Act.

#### **Perquisites:**

In addition to the salary, and commission payable, he shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for himself and his family; club fees and such other perquisites and allowances in accordance with the rules of our Company or as may be agreed to by our Board and such perquisites and allowances will be subject to a maximum of 140% of the annual salary.

For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

Provision for use of our Company's car for official duties and telephone at residence shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling.

Our Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of our Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

If our Company has made no profits or its profits are inadequate in any financial year, he will be entitled to remuneration by way of salary and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act by way of minimum remuneration.

Any expenditure actually and properly incurred, including entertainment and travelling for business of the Company, shall be reimbursed to him.

No sitting fees shall be paid to him for attending the meetings of the Board of Directors or Committee thereof of our Company.

### **Corporate Governance**

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. These vital initiatives extend beyond mandatory corporate governance requirements and are in accordance with our aim of establishing voluntary best practices for good corporate governance.

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI Guidelines in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. Our Company undertakes to adopt the Corporate Governance Code as per Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges prior to the listing of our Equity Shares. Our Company has complied with such provisions, including with respect to constitution of the various Board Committees viz., the Audit Committee, Shareholders/Investors Grievances Committee, and Remuneration Committee.

Presently, our Board has seven Directors, out of which 3 are independent directors including our Chairman in accordance with the requirements of clause 49 of the listing agreement of the Stock Exchanges.

The details of the committees of the Board are as under:

We have constituted the following committees of our Board of Directors for compliance with corporate governance requirements:

#### **1. Audit Committee**

The Audit Committee was constituted on March 28, 2001 with Mr. Sanjaya Kulkarni, Mr. M. K. Wadhwa, and Mr. Bharat Vageria. Subsequently, the Audit Committee was re-constituted on November 19, 2002 with Mr. M. K. Wadhwa, Mr. Bharat Vageria and Mr. Naveen Jain. The Committee was further re-constituted on July 19, 2006 with Mr. M. K. Wadhwa, Mr. Bharat Vageria and Mr. Sanjaya Kulkarni. Presently Mr. M. K. Wadhwa is the Chairman of the Committee.

The scope of Audit Committee shall include, but shall not be restricted to the following:

- i. To review compliance with internal control systems;
- ii. To review the findings of the internal audit related to various functions of the Company;
- iii. To hold periodic discussions with the Internal Auditor/s and Statutory Auditors of the company concerning the accounts, internal control systems and scope of audit and observations of the Internal Auditor/s and the Statutory Auditors of the Company;
- iv. To review the periodical financial results of the Company;
- v. To review the reports of the Internal Auditor/s and the Statutory Auditors of the Company and to recommend the same to the Board of Directors with appropriate observations.

#### **2. Share Transfer Committee/Investor Grievances Committee;**

The Share Transfer Committee was constituted at Board Meeting held on August 31, 1993 comprising of Mr. Anil Jain, Mr. Bharat Vageria and Mr. Raghupathy Thyagarajan. The "Share Transfer committee" was renamed as "Shareholders/Investors Grievances Committee" with effect from July 01, 2006 at the Board Meeting held on June 29, 2006. The Committee was reconstituted on July 19, 2006 comprising of Mr. M. K. Wadhwa, Mr. Bharat Vageria and Mr. Raghupathy Thyagarajan. The committee is headed by Mr. M. K. Wadhwa and has been authorised for approving the transfer of shares and sub-division/consolidation shares and also to attend shareholders' grievances.

#### **3. Remuneration Committee**

The Remuneration Committee has been constituted at the Board Meeting held on August 29, 2006 comprising of Mr. K. N. Venkatsubramanian as chairman and Mr. Sanjaya Kulkarni and Mr. M. K. Wadwa as members.

The committee was formed with a view to proactively comply with the non- mandatory requirements of Clause 49 of the Listing Agreement to be entered into by our Company with the Stock Exchanges. The main scope of this Committee will be determination of, on behalf of the shareholders, with the on agreed terms of reference, the Company's policy on specific remuneration packages and other terms and conditions for executive directors including superannuation and pension benefits and terms of payment of compensation.

#### **4. Compensation Committee and Selection Committee**

The Compensation Committee and the Selection Committee have been constituted at the Board Meeting held on August 29, 2006 comprising of Mr. Sanjaya Kulkarni as chairman, Mr. M. K. Wadwa and Mr. Anil Jain as members, and Mr. Anil Jain as chairman, Mr. M. K. Wadwa and Mr. Sanjaya Kulkarni as members respectively.

The Compensation Committee was formed in conformity with the guidelines issued by SEBI in relation to ESOP. The main scope of this Committee will be administration, implementation and monitoring of ESOP Scheme/s of our Company.

The main scope of Selection Committee will be for determining the appointment of relatives of Director/s to place of profit for remuneration above the limits prescribed under the Companies Act, 1956, as and when applicable.

In-principal approval was given by our Board in its meeting dated June 29, 2006 for formation of "IPO Committee" to commence the process relating to IPO. IPO Committee consists of Mr. Anil Jain, Mr. Bharat Vageria, Mr. Sanjaya

## TIME TECHNOPLAST LIMITED

Kulkarni and Mr. M.K. Wadhwa as members. The main scope of this Committee will be shaping up of a IPO plan and advising the same to the Board of Directors and to undertake all activities related to the forthcoming IPO of our Company including appointment of various intermediaries, preparation and approval of offer document/s, determination of Issue Price and all other activities related to listing of the securities of our Company.

### Shareholding details of the Directors of our Company

Sr No.	Name of Director	Designation	Number of Equity Shares
1.	Mr. K. N. Venkatasubramanian	Chairman	Nil
2.	Mr. Anil Jain	Managing Director	402,000
3.	Mr. Bharat Vageria	Whole-time Director	402,000
4.	Mr. Ragupathy Thyagarajan	Whole-time Director	402,000
5.	Mr. Naveen Jain	Whole-time Director	402,000
6.	Mr. Sanjaya Kulkarni	Independent Director	Nil
7.	Mr. Mahinder Kumar Wadhwa	Independent Director	Nil
8.	Mr. Kartik C. Parija	Non-Executive Director	Nil

### Interest of our Directors

Other than disclosures made in the chapter titled Related Party Transaction on page 130 of this Prospectus and as stated below, there are no common interests of the Directors in our Company.

Our Directors are interested to the extent of Equity Shares held by them or their relatives which may be subscribed by them or their relatives and /or allotted to them or their relatives by our Company.

Our Directors are interested to the extent of fees, if any, payable to them for attending meetings of the Board or committee thereof and reimbursement of travelling and other incidental expenses, if any, for such attendance as per the Articles of Association.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediary registered with SEBI.

Our Directors are not interested in any property acquired or proposed to be acquired by the Company within two years of the date of this Prospectus.

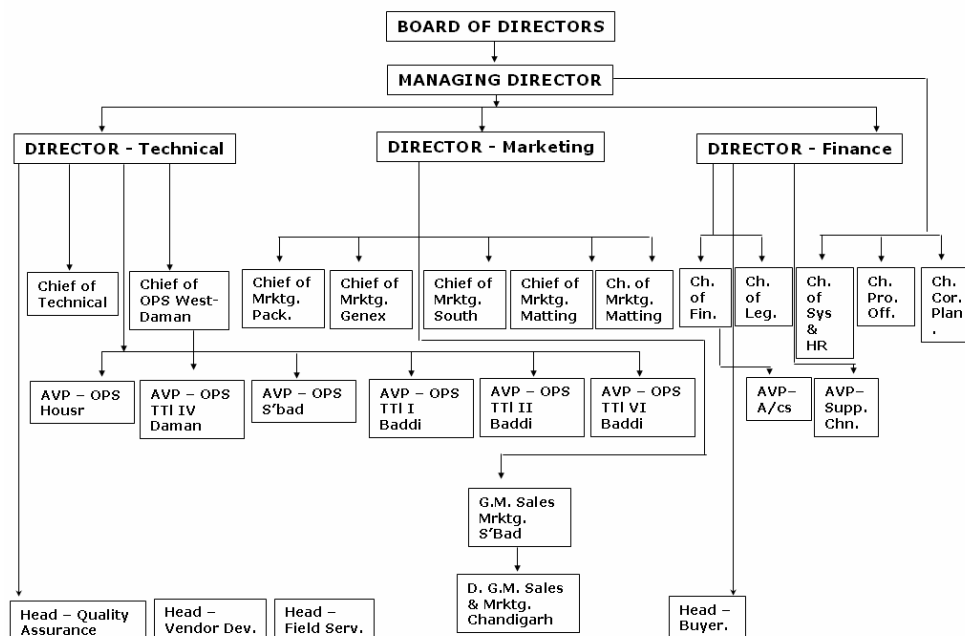
Save as stated elsewhere in this Prospectus, no amount or benefit has been paid or given to the our Directors or officers since its incorporation nor is it intended to be paid or given to any Directors or Officers of our Company except normal remuneration and/or disbursement for services as Directors, officers or Employees of our Company.

### Changes in our Board of Directors during the last three years

There is no change in the directorship of our Company during last 3 years except as given below :

- Mr. Anil Jain was re-appointed as Managing Director and Mr. Bharat Vageria was re-appointed as Whole time Director of our Company with effect from December 1, 2005 for a period of 5 years.
- Mr. Neveen Jain and Mr. Raghupathy Thyagarajan were also appointed as Whole Time Directors of our Company with effect from. July 15, 2006 to November 30, 2010.
- Mr. Kartik C Parija was appointed as Nominee Director in our Company with effect from March 09, 2007.

## ORGANISATION STRUCTURE



### Key Managerial Personnel

The details of our Key Managerial Personnel other than Directors are as under:

**Mr. Anil Agni, Chief of Marketing - Genex, aged 52 years**, has an experience of over 30 years in marketing Division. He is a Science graduate (medical) from Delhi University and has also done MBA from DIMS, Delhi. He has worked in Becton Dickson Ltd., PDPL Ltd. Prior to his joining our organization he was working with Veekay Surgicals Ltd., Delhi. He has joined our organization in July 2006. During FY 2007 he was paid a gross compensation of Rs. 0.77 mn. .

**Mr. Jacob Abraham, Manager Systems, aged 41 years** has an experience of 18 years. He is a Commerce graduate from Kerala University with Diploma in Computer Management from ITI, Kerala Board of Technical Education. He worked with Systems Data Control Pvt. Ltd., as Systems Administrator before joining our organization in August 1992. During FY 2007 he was paid a gross compensation of Rs. 0.33 mn.

**Mr. Jayesh Asher, Chief Project Officer, aged 42 years**, has experience of over 20 years in handling various projects. He holds a Bachelors degree in Engineering (Chemical) from Bangalore University and M.M.S (Operations) from Mumbai University. Prior to his joining our organization, was working with Vinati Organics Ltd. for 16 years. He is looking after all the Projects of our Company. He has joined our organization in September 2006. During FY 2007 he was paid a gross compensation of Rs. 0.41 mn.

**Mr. Nitin Dhawan, Chief of Commercial & HR, aged 52 years** has experience of 28 years in the commercial division. He is a commerce graduate with a post graduate diploma in Finance from Jamnalal Bajaj Inst. of Management Studies, Mumbai. He has worked with companies like Hindustan Lever Ltd., a FMCG multinational as Commercial Manager and Arora Fashions Ltd. an exporter of readymade knitted garments as Group Head Finance. Prior to his joining our organization he was working with Podar Group of Industries on an overseas assignment as Group Head Commercial. He has joined our organization in January 2006. During FY 2007 he was paid a gross compensation of Rs. 0.70 mn

**Mr. S R Gavankar, Chief of Operations- West, aged 53 years**, has experience of over 34 years in the field of raw material procurement, production and manufacturing. He is a Science graduate with Diploma in Pharmacy from Mumbai University . He has worked with Pzifer Ltd. as chemist for 3 years, Drugs Control as Sr Chemist for 2 years, Carona Shoes as Asst. Manager for 11 years, Puma-Carona (German Collaboration) as General Manager for 6 years, Lotto Shoes (Italian Collaboration) as General Manager for 3 years. Prior to joining our organization he was working with Ador

## TIME TECHNOPLAST LIMITED

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Polycontainers Ltd. as Vice President for 5 years. He is looking after all our manufacturing related activities in the Western Region. He joined us in the November 2003. During FY 2007 he was paid a gross compensation of Rs. 0.46 mn

**Mr. Prabhakar Huddar, Chief of Marketing - Lifestyle Division, aged 54 years** has experience of 30 years in the marketing division. He is an Arts graduate from Karnataka University and also did his PGDM from Davars College, Mumbai. In his three decades of service, he has worked closely with Brands like Hawkins, Shriram, Honda, and Fevicol & Seat of Italy. In his various capacities, he has travelled all over India to understand the market & develop Marketing Strategies to position the product/s that he has handled. Prior to his joining our organization he was working with Atco Ltd., for 1 year. He has joined the organization in the February 1998. During FY 2007 he was paid a gross compensation of Rs. 0.47 mn .

**Mr. Sandeep Jain, Vice President – Operations, aged 37 years** has experience of over 15 years. He is a Commerce graduate from Ruhilkhand University, member of Institute of Chartered Accountants of India and LLB from Meerut University. Prior to joining our organization, he was working with Asian Alloys for a period of 11 years. He has joined us in June 1998. During FY 2007 he was paid a gross compensation of Rs. 0.49 mn.

**Mr. Prashant Joshi, Chief of Technical, aged 39 years** has 16 years of experience in the technical field. He has completed B.E. in Electrical from Amravati University and MFM from Mumbai University. Prior to joining the organization, he was working with XLO Machine Tools, Mumbai for a period of 5 years. He heads the Technical Dept. in the areas of the Technical Development of blow and injection moulds, blow moulding machineries, new product development, Projects and expansion functions. He has joined our organization in the January 1993. During FY 2007 he was paid a gross compensation of Rs. 0.71 mn.

**Mr. Tushar Mishra, Asst Vice President – Operations aged 41 years** has experience of 19 years. He has Master's Degree in Commerce from Utkal University, Bhubaneswar, Orissa and also completed LLB from Utkal University, Orissa, Diploma in Business Management from Prof Willingkar Institute of Management-Matunga, Mumbai. He has worked in Voltas Ltd. - EPD as Commercial Supervisor in the year 1987 and worked for 3 years in different Projects. Prior to his joining our organization, was working with Prestige HM Poly Containers Ltd as Accounts & Administrative Officer for a period of 3 years. He joined our organization in January 1993. During FY 2007 he was paid a gross compensation of Rs.0.50 mn.

**Mr. Sandip Modi, Chief Corporate Planning and Accounts, aged 35 years** has 10 years of experience in the Accounts and Finance functions of the packaging industry. He is a commerce graduate from Calcutta University, member of The Institute of Chartered Accountants of India, and member of The Institute of Cost & Works Accountants of India. Prior to joining our Company, he did his articleship with a Chartered Accountants firm in Calcutta. He has joined our organization in the year November 1996. During FY 2007 he was paid a gross compensation of Rs. 0.60 mn

**Mr. J A Patwe, Chief Marketing Officer - Packaging, aged 52 years** has experience of 24 years in Marketing. He holds Bachelor's Degree in Chemistry from Mumbai University. He holds PG Degree in Business Management from Jamanalal Bajaj Institute of Management, Mumbai. He is a lifetime Fellow of the Institute of Welding Technology. He began his professional career as a Management Trainee with M/s. Indian Oxygen Ltd. Thereafter he worked with M/s. ESAB India Ltd. as Product Head, looking after the profit management function. Prior to his joining our Organisation, he worked as an All India Marketing Manager, with M/s. Associated Capsules Group. He joined our organization in the February 1998. During FY 2007 he was paid a gross compensation of Rs. 0.73 mn.

**Mr. Uday Sahgal, General Manager – Marketing, aged 39 years** has experience of 18 years in Marketing. He has a degree in B.E. Mechanical from Delhi University. He has worked with Mekaster Int. Pvt. Ltd. Prior to joining us in January 2006 he was working with Paras Equipments & Eng. Pvt. Ltd. for 2 years. During FY 2007 he was paid a gross compensation of Rs. 0.53 mn.

**Mr. Sanjeev Sharma, Asst. Vice President – Technical aged, 33 years** has experience of over 12 years in the technical field. He has completed B.E. Electrical from Karnataka University. Prior to joining our organization, he was working with Electro Controls Ltd. He has joined the organization in February 1996. During FY 2007 he was paid a gross compensation of Rs. 0.41 mn.

**Mr. K. K. Singh, Asst. Vice President – Production aged, 37 years** has experience of over 17 years. He has completed his Diploma in Electrical Engineering from Government Polytechnic, U.P. Technical Board, Allahabad. Prior to joining our organization, he was working with Prestige HM Polycontainers Ltd. He joined our organization in the February 1994. During FY 2007 he was paid a gross compensation of Rs. 0.41 mn

**Mr. Shiva Subramaniam Chief of Marketing – South aged, 55 years** has experience of over 34 years. He is a commerce graduate from Madras University and Post Graduate Diploma in Business Management from AIMA Delhi and member of The Institute of Chartered Accountants of India. Prior to joining our organization, he was working with Indian Seamless Financial Services Ltd. He joined our organization in the February 2001. During FY 2007 he was paid a gross compensation of Rs. 0.70 mn.

**Mr. K Venkataraman, Company Secretary and Chief of Legal aged, 46 years** has experience of over 26 years in Accounts & Finance, Law and Secretarial related matters. He is a commerce graduate from Madras University, M.Com from Madurai Kamraj University and Diploma in Tax Laws conducted by Indian Institute of Taxation and member of the Institute of Company Secretaries of India. Prior to joining our organization, he was working with Repro India Ltd., for 11 years. He joined our organization in April 2006. During FY 2007 he was paid a gross compensation of Rs. 1.20 mn.

We hereby confirm that all the abovementioned Key Managerial Personnel are permanent employees of our Company.

#### **Shareholding of the Key Managerial Employees Personnel**

None of the Key Managerial Personnel hold any Equity Shares in our Company. Our key managerial personnel hold stock options in our Company, for details please refer to Capital Structure on page 17 in this Prospectus.

#### **Bonus or Profit Sharing Plan for our Key Managerial Employees**

There is no bonus or profit sharing plan for our Key Managerial Employees.

#### **Changes in our Key Managerial Employees during the last three years**

<b>Sr. No</b>	<b>Name</b>	<b>Position Held</b>	<b>Date of Appointment</b>	<b>Date of Change</b>	<b>Reason</b>
1	N.A.Shiromany	Vice President (Marketing)	01.11.2003	30.04.2006	Resignation
2	Parul Jain	Senior Manager (Corporate Planning)	01.10.1998	01.09.2006	Resignation
3	Arnab Basu Mallik	Chief Manager – Medical Devices	16.08.2005	22.07.2006	Resignation
4	Uday Sahgal	General Manager (Sales & Marketing)	02.01.2006	-	Appointed
5	Nitin Dhawan	Chief of Commercial & HR	09.01.2006	-	Appointed
6	K Venkataraman	Chief of Legal and Company Secretary	11.04.2006	-	Appointed
7	Anil Agni	Chief of Marketing (Genex)	07.07.2006	-	Appointed
8	Jayesh Ashar	Chief Project Officer	01.09.2006	-	Appointed
9	Ashish Rohatgi	Chief of Corporate Finance	05.10.2006	31.01.2007	Resignation

#### **Employee Stock Option (“ESOP”)**

Our Company has instituted an employee stock option scheme to reward and help retaining our Employees and to enable them to participate in our future growth and financial success. Our Company has granted stock options to Employees pursuant to the ESOP Scheme. In terms the resolution of our shareholders dated October 20, 2006, our Company may grant options in respect of 1,050,000 Equity Shares. As of the date of filing this Prospectus with SEBI, we had granted options in respect of 737,200 Equity Shares. For details please refer to the section titled “Capital Structure” on page 17 of this Prospectus.

#### **Shareholding/ Interest of the Key Managerial Personnel of our Company**

None of our Key Managerial Personnel, except as disclosed above have any interest in our Company and except to the extent of remuneration and reimbursement of expenses.

#### **Payment or benefit to the officers of our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

## TIME TECHNOPLAST LIMITED

### OUR PROMOTERS AND THEIR BACKGROUND

The Promoters of our Company comprise of the following:

#### Individuals



1. Mr. Anil Jain
2. Mr. Bharat Vageria
3. Mr. Raghupathy Thyagrajan
4. Mr. Naveen Jain

#### Companies:



1. Vishwalaxmi Trading & Finance Private Limited
2. Time Securities Services Pvt. Ltd.
3. Time Exports Pvt. Limited.

The details of our Promoters who are individuals are as follows:

#### Individual Promoters

<p><b>Mr. Anil Jain</b></p> 	<table><tbody><tr><td>Permanent Account Number</td><td>AEVPA1612B</td></tr><tr><td>Passport Number</td><td>F8292224</td></tr><tr><td>Driving License Number</td><td>GJ-15-VL-99/154414</td></tr><tr><td>Voter ID</td><td>-</td></tr></tbody></table> <p>Mr. Anil Jain (52 years) is a founder of our Company. He has an academic background with degrees in Science from Meerut University, Engineering from Punjab Engineering College, Chandigarh and Business Management from Delhi University. At the age of 52, he has experience of about 28 years. Mr. Anil Jain joined Bharat Heavy Electricals Ltd (BHEL) in 1977 and worked in Marketing &amp; Sales Division, Project Management and Marketing &amp; Planning departments at its head quarters in Delhi. In 1983 he joined Voltas Ltd., at Mumbai in Project Engineering Division, responsible for special Projects. In 1986 Mr. Anil Jain switched over to Prestige HM-Polycontainers Ltd., at Mumbai and became responsible for operations of the company. He left Prestige in 1991 and promoted our Company together with other colleagues who are the Promoter Directors' of our Company. Mr. Anil Jain has spent over 20 years in the field of polymer technology and products. He has participated / addressed various conferences, seminars and symposiums, both in India and abroad.</p>	Permanent Account Number	AEVPA1612B	Passport Number	F8292224	Driving License Number	GJ-15-VL-99/154414	Voter ID	-
Permanent Account Number	AEVPA1612B								
Passport Number	F8292224								
Driving License Number	GJ-15-VL-99/154414								
Voter ID	-								
<p><b>Mr. Bharat Vageria</b></p> 	<table><tbody><tr><td>Permanent Account Number</td><td>AAAPV6786A</td></tr><tr><td>Passport Number</td><td>F4185120</td></tr><tr><td>Driving License Number</td><td>MH04/2002-2232</td></tr><tr><td>Voter ID</td><td>-</td></tr></tbody></table> <p>Mr. Bharat Vageria (47 years) is a commerce graduate from Rajasthan University and is a Fellow of Institute of Chartered Accountants of India (FCA). He has experience in the Polymer Industry exceeding 23 years. He worked with an Industrial Packaging company for 4 years as Manager – Finance responsible for Finance and Accounts functions of the company. He left Prestige HM-Polycontainers Ltd. in 1991 and promoted our Company together with other colleagues who are the Promoter Directors' of our Company.</p>	Permanent Account Number	AAAPV6786A	Passport Number	F4185120	Driving License Number	MH04/2002-2232	Voter ID	-
Permanent Account Number	AAAPV6786A								
Passport Number	F4185120								
Driving License Number	MH04/2002-2232								
Voter ID	-								



	<p>Mr. Bharat Vageria is Director – Finance. He is responsible for Accounts, Finance, Corporate Affairs, Taxation and Legal functions of our Company. Mr. Bharat Vageria leads team of fellow professionals and has established controls and systems for multi locational, multi product operations of our Company.</p>								
<p><b>Mr. Raghupathy Thyagarajan</b></p> 	<table border="0"> <tr> <td>Permanent Account Number</td> <td>AACPT1940L</td> </tr> <tr> <td>Passport Number</td> <td>B1159836</td> </tr> <tr> <td>Driving License Number</td> <td>MH02-97.60294</td> </tr> <tr> <td>Voter ID</td> <td>-</td> </tr> </table> <p>Mr. Raghupathy Thyagarajan (42 years) is a Science graduate from Mumbai University and Post Graduate in Business Administration from Mumbai University with over 15 years of industrial experience. He began his career as Manager – Marketing at Prestige HM-Polycontainers Ltd. and was responsible for sales and marketing activities of the company. He left Prestige HM-Polycontainers Ltd. and promoted our Company together with other colleagues who are the Promoter Directors’ of our Company. As a Director – Marketing of our Company he is overseeing the marketing and sales functions, regional operations, systems and commercial functions of our Company at the corporate level. He ably leads team of over 100 professionals in all the business divisions of our Company.</p>	Permanent Account Number	AACPT1940L	Passport Number	B1159836	Driving License Number	MH02-97.60294	Voter ID	-
Permanent Account Number	AACPT1940L								
Passport Number	B1159836								
Driving License Number	MH02-97.60294								
Voter ID	-								
<p><b>Mr. Naveen Jain</b></p> 	<table border="0"> <tr> <td>Permanent Account Number</td> <td>AABPJ1717A</td> </tr> <tr> <td>Passport Number</td> <td>E7766739</td> </tr> <tr> <td>Driving License Number</td> <td>GJ-15-VL-98-143185</td> </tr> <tr> <td>Voter ID</td> <td>-</td> </tr> </table> <p>Mr. Naveen Jain (40 years) is a B.Tech from IIT Delhi with 20 years experience in production, quality management and projects management. He began his career with Prestige HM-Polycontainers Ltd., heading their production and technical functions and has implemented projects expansion. He left Prestige HM-Polycontainers Ltd. in 1991 and promoted our Company together with other colleagues who are the Promoter Directors’ of our Company. As Director – Technical Mr. Naveen Jain is responsible for operations of all the plants, technical developments and technology upgradation at the corporate level. Key technical functions such as machine building, product development and technology integration also falls within his area of responsibility.</p>	Permanent Account Number	AABPJ1717A	Passport Number	E7766739	Driving License Number	GJ-15-VL-98-143185	Voter ID	-
Permanent Account Number	AABPJ1717A								
Passport Number	E7766739								
Driving License Number	GJ-15-VL-98-143185								
Voter ID	-								

Our Company confirms that the PAN, Bank Account number and Passport number of our Individual Promoters have been submitted to BSE and NSE at the time of filing of the Draft Red Herring Prospectus with them.

### Corporate Promoters

The details of our Promoters which are companies are as follows:

#### 1. Vishwalaxmi Trading & Finance Private Limited (“VTFPL”)

VTFPL was incorporated under the Companies Act on July 17, 1989 with the main object of inter alia carrying on business as buyers, sellers, importers, exporters, dealers, commission agents and dealers in steel scrapes, ferrous and non-ferrous metals, machineries, equipments. VTFPL is currently engaged in the business of trading of polymers. VTFPL is promoted by Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thygarajan and Mr. Naveen Jain.

The registered office of VTFPL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai- 400072.

## TIME TECHNOPLAST LIMITED

### Shareholding Pattern

The shares of VTFPL are not listed on any stock exchanges. The shareholding pattern of VTFPL as on March 31, 2007 is as follows:

Sr. No	Names of Shareholders	Number of Shares of Rs. 100/- each	% of Issued Capital
1.	Time Technoplast Ltd.	25,500	20.06
2.	Time Exports Private Ltd.	19,000	14.95
3.	Mr. Anil Jain	14,800	11.64
4.	Ador Polycontainers Ltd.	13,100	10.31
5.	Mr. Bharat Vageria	10,000	7.87
6.	Naveen Jain HUF	8,000	6.29
7.	Anil Jain HUF	7,000	5.51
8.	Mr. Raghupathy Thyagarajan	6,000	4.72
9.	Royal Supermarkets Private Ltd.	5,000	3.93
10.	Mr. Naveen Jain	4,650	3.66
11.	Others	14,050	11.05
	<b>Total</b>	<b>127,100</b>	<b>100.00%</b>

### Board of Directors

The board of directors of VTFPL comprises of Mr. Anil Jain, Mr. Bharat Vageria and Mr. Raghupathy Thyagarajan, as on the date of filing this Prospectus with RoC.

### Financial Performance

The financial performance of VTFPL for the last three years is as follows:-

(Rs.in million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	1.14	1.02	89.45
Profit / (loss) after tax	1.05	0.95	9.22
Equity Share capital	10.0	10.00.	12.71
Reserves (excluding revaluation reserve)	12.49	13.44	47.05
Earnings / (loss) per share (Rs.)	10.55	9.46	72.58
Book value per share (Rs.)	224.42	234.06	470.08

## 2. Time Securities Services Private Limited ("TSSPL")

TSSPL was incorporated under the Companies Act on June 16, 1995 with the main object of inter alia carrying on business as share and stock broker, securities, brokers and investment brokers, sub-brokers, underwriter, sub-underwriters. However, it has not undertaken the mentioned business and it's present activity is to invest in group companies. TSSPL is not a SEBI registered entity. TSSPL is promoted by Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain.

The registered office of TSSPL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East) Mumbai – 400072, Maharashtra.

### Board of Directors

The board of directors of TSSPL comprises of Mr. Anil Jain, Mr. Bharat Vageria, Mr. Sandip Modi, Mr. Tushar Mishra.

### Shareholding Pattern

The shares of TSSPL are not listed on any stock exchanges. The shareholding pattern of TSSPL as on March 31, 2007 is as follows:

Sr. No	Names of Shareholders	Number of Shares of Rs. 10/- each	% of Issued Capital
1.	Ador Polycontainers Limited	159,500	15.07
2.	Mr. Anil Jain	135,605	12.80
3.	Vishwalaxmi Trading & Finance Private Limited	125,000	11.81
4.	Mr. Bharat Vageria	109,875	10.38
5.	Mr. Raghupathy Thyagarajan	79,875	7.55
6.	Mr. Naveen Jain	55,810	5.27
7.	Anil Jain Karta Anil Kumar HUF	51,625	4.88
8.	Bharat Kumar Vageria HUF	45,295	4.28
9.	Royal Supermarkets Private Limited	38,500	3.64
10.	Naveen Jain HUF	2,300	0.22
11.	Others	255,185	24.10
	<b>Total</b>	<b>1,058,570</b>	<b>100</b>

### Financial Performance

The financial performance of TSSPL for the last three years is as follows:-

(Rs. In million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	NIL	NIL	NIL
Profit / (loss) after tax	NIL	NIL	NIL
Equity Share capital	1.22	1.22	9.33
Reserves (excluding revaluation reserve)	NIL	NIL	82.92
Earnings / (loss) per share (Rs.)	NIL	NIL	NIL
Book value per share (Rs.)	1.12	0.89	98.70

### 3. Time Exports Private Limited ("TEPL")

TEPL was incorporated under the Companies Act on November 06, 1991 with the main object of inter alia carrying on the business in India and elsewhere of exporters, importers of and dealers in all kinds of textiles made of cotton, jute, coir and blended material or synthetic material. TEPL is promoted by Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain.

The registered office of TEPL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East) Mumbai – 400072, Maharashtra.

## TIME TECHNOPLAST LIMITED

### Board of Directors

The board of directors of TEPL comprises of Mr. Anil Jain, Mr. Bharat Vageria and Mr. M.K.Wadhwa.

### Shareholding Pattern

The shares of TEPL are not listed on any stock exchanges. The shareholding pattern of TEPL as on March 31, 2007 is as follows:

Sr. No	Names of Shareholders	Number of Shares of Rs. 100/- each	% of Issued Capital
1.	Vishwalaxmi Trading & Finance Private Limited	21,200	21.20
2.	Mr.Naveen Jain	6,500	6.50
3.	Ms.Aruna Vageria	5,500	5.50
4.	Mr.Anurag Jain	5,000	5.00
5.	Mr.Ajay Mittal	5,000	5.00
6.	Mr.Chirag Chandan	5,000	5.00
7.	Mr.Chetan Chandan	5,000	5.00
8.	Ms.Divya Chandan	5,000	5.00
9.	Naveen Jain HUF	3,000	3.00
10.	Mr.Anil Jain	900	0.90
11.	Mr.Bharat Vageria	500	0.50
12.	Mr.Raghupathy Thyagarajan	500	0.50
13.	Others	36,900	36.90
	<b>Total</b>	<b>100,000</b>	<b>100</b>

### Financial Performance

The financial performance of TEPL for the last three years is as follows:-

(Rs. in million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	0.77	0.77	5.77
Profit / (loss) after tax	0.67	0.38	5.54
Equity Share capital	10.00	10.00	10.00
Reserves (excluding revaluation reserve)	85.79	89.63	145.47
Earnings / (loss) per share (Rs.)	6.69	3.84	55.84
Book value per share (Rs.)	185.25	189.41	245.47

### Interest of Promoters in our Company

Our Company has been promoted by our individual Promoters viz. Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain. For this purpose, Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain were named as the first Directors of our Company in the Articles of Association of our Company. At present they are holding in the aggregate 1,608,000 Equity Shares of our Company. Save and except as stated above



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and as stated in the section titled “Our Management – Interest of our Directors” beginning on page 120 of this Prospectus, our Promoters have no other interest in our Company.

**Payment of benefits to our Promoters during the last two years**

Except as stated in the section titled “Financial Statements - Related Party Transactions” beginning on page 154 of this Prospectus, there has been no payment of benefits to our Promoters during the last two years from the date of filing of this Prospectus.

**Other Confirmations**

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers/CIN No. of our Promoters have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters and Promoter Group entities, including relatives of the Promoters have confirmed that they have not been detained as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

**Common Pursuits**

Some of our Group Companies & firms namely “Time Containers Ltd.”, “Oxford Mouldings” and “Apex Plastics” are entitled to undertake business activities which are similar to the activities of our Company under their Memorandum of Association/Partnership deeds. “Oxford Mouldings” is already engaged in the manufacturing of plastic articles. Although presently such companies and firms are not engaged in similar line of business activities which are directly competing with the business of our Company, however, in the event that such company / firm undertake activities in future which compete with our business of the Company, there may be a potential conflict of interest, which may have certain implications on operations and profiling.

**TIME TECHNOPLAST LIMITED**

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**RELATED PARTY TRANSACTIONS**

For details of the related party transactions, see the section titled "Financial Statements" on page 132 of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a various factors, including but not limited to our earnings, capital requirements and overall financial condition.

The dividends paid by our Company during the last five fiscal years are presented below:

Class of shares		Year ended March 31, 2002	Year ended March 31,2003	Year ended March 31, 2004	Year ended March 31, 2005	Year ended March 31, 2006
<b>I Equity Shares Face Value Per Share (Rs.)</b>		10	10	10	10	10
Dividend paid	Interim % (A)	-	-	-	-	20
	Final % (B)	10	10	10	20	-
<b>Total (A) + (B)</b>		<b>10</b>	<b>10</b>	<b>10</b>	<b>20</b>	<b>20</b>
<b>II Preference Shares (*)</b>						
Dividend paid	Interim % (c)	-	-	-	-	-
	Final %(D)	-	-	-	-	-
<b>Total (C) + (D)</b>		-	-	-	-	-

( \* ) Payment of Dividend for the Preference Shares of the Company does not arise since there are no shareholders in this category.

On August 12, 2006, an issue of 7,852,500 Equity Shares was approved by the members of our Company for issue to our Company's shareholders by way of bonus in the ratio of ( 1 ) One Equity Share for every ( 1 ) One Equity Share held ,by way of capitalization of our profits and reserves and the shares were allotted pursuant to Board Meeting held on August 29, 2006.

The amounts paid as dividend or bonus in the past is not indicative of our dividend policy in the future.

## TIME TECHNOPLAST LIMITED

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### SECTION V - FINANCIAL STATEMENTS

#### AUDITORS' REPORTS

The Board Of Directors  
Time Technoplast Limited  
102, Todi Complex,  
35 Saki Vihar Road  
Andheri (east)  
Mumbai- 400 072

Dear Sir,

- A. a) We have Examined the annexed financial information of Time Technoplast Ltd. ( Formerly known as Time Packaging Limited ) for the year ended March 31,2002,2003,2004,2005, 2006 and Nine month ended 31<sup>st</sup> December 2006, being the last date to which the accounts of the company have been made up and audited by us.
- b) In accordance with the requirements of
- I. Paragraph B(1) of part II of schedule II to the Companies Act,1956 ("the act")
  - II. The Securities and Exchange Board of India ( Disclosure and investor Protection ) Guidelines,2000("the SEBI Guidelines") issued by the securities and Exchange Board of India("SEBI") on January 19, 2000 in pursuance to section 11 of the Securities and Exchange Board of India Act,1992 and related amendments and
  - III. The terms of reference received from the Company , requesting us to carry out work, proposed to be included in the Prospectus (hereinafter referred to as "Offer Documents") of the Company in connection with its proposed Public Issue(referred to as 'the Issue').

We report that the restated assets and liabilities of the Company as at ,March31, 2002, 2003, 2004, 2005, 2006 and Nine month ended 31<sup>st</sup> December,2006 are as set out in annexure I to this report after making such adjustments/ restatements and regrouping as in our opinion are appropriate and are subject to the significant Accounting Policies as appearing in annexure III.

We report that the restated profits of the company for the financial years ended March 31, 2002, 2003, 2004, 2005, 2006 and Nine month ended 31<sup>st</sup> December, 2006 are as set out in annexure II to this report. These report have been arrived at after charging all expenses including depreciation and after making such adjustments/ restatements and regrouping as in our opinion are appropriate and are subject to the Significant accounting Policies and Notes to accounts appearing in Annexure III to this report. The Company has paid dividend on equity shares for the financial years ended March 31, 2002, 2003, 2004, 2005 and 2006 .

- B. We have examined the following financial information relating to the Company proposed to include in the offer document, as approved by you and annexed to this report.
- a) Statement of cash flow as appearing in the annexure IV to this report
  - b) Statement of Investment enclosed as annexure V to this report
  - c) Statement of debtors enclosed as annexure VI to this report
  - d) Details of loans and advances as appearing in annexure VII to this report
  - e) Statement of secured loans as appearing in annexure VIII to this report
  - f) Statement of Unsecured Loans as appearing in annexure IX to this report
  - g) Statement of Operational Income as appearing in annexure X to this report



- h) Statement of Other Income as appearing in annexure XI to this report
  - i) Details of Contingent Liabilities as appearing in annexure XII to this report
  - j) Accounting Ratios as appearing in annexure XIII to this report
  - k) Capitalization statement as appearing in annexure XIV to this report
  - l) Statement of Tax Shelter as appearing in annexure XV to this report
  - m) Statement of related party transactions as appearing in annexure XVI to this report.
  - n) Statement of Reserve and Surplus as appearing in annexure XVII to this report
- C. In our opinion the financial information of the Company as stated in para A and B read with Significant Accounting Policies enclosed in annexure III to this report after making adjustments / restatement and regrouping as considered appropriate and subject to certain matters as stated in Notes to accounts has been prepared in accordance with Part II of schedule II of the Companies Act 1956, and the SEBI Guidelines.
- D. This report intended solely for your information and for inclusion in the offer documents in connection with the specified Public Issue of the Company and for submission to the Registrar of Companies and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Raman S. Shah & Co.**  
**Chartered Accountants**

sd/-

**Raman S . Shah**  
**Proprietor**  
**M. No. : 33272**

**Place : Mumbai**  
**Date : 21.04.2007**

# TIME TECHNOPLAST LIMITED

Annexure – I

## SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Million)

As At	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>A) Fixed Assets</b>						
Gross Block	2065.93	1,557.19	1,100.80	994.88	940.19	843.00
Less: Depreciation	813.90	713.82	504.10	427.24	355.13	289.02
<b>Net Block</b>	<b>1,252.03</b>	<b>843.38</b>	<b>596.70</b>	<b>567.64</b>	<b>585.06</b>	<b>553.98</b>
Capital Work-in-progress	110.77	333.88	60.88	67.63	60.39	35.38
<b>Total</b>	<b>1,362.80</b>	<b>1,177.25</b>	<b>657.58</b>	<b>635.27</b>	<b>645.45</b>	<b>589.36</b>
<b>B) Investments</b>	<b>390.06</b>	<b>41.19</b>	<b>34.30</b>	<b>34.30</b>	<b>-</b>	<b>0.54</b>
<b>C) Current Assets, Loans and Advances</b>						
Inventories	772.14	732.64	459.83	411.62	403.30	369.01
Sundry Debtors	829.11	709.06	427.16	392.35	356.01	321.11
Cash and Bank Balances	70.25	382.11	50.10	39.27	41.80	44.17
Loans and Advances	217.55	120.16	77.31	59.79	60.52	79.50
<b>Total</b>	<b>1889.05</b>	<b>1,943.97</b>	<b>1,014.40</b>	<b>903.03</b>	<b>861.63</b>	<b>813.78</b>
<b>D) Liabilities and Provisions</b>						
Secured Loans	1,220.96	1,014.81	647.27	648.49	645.06	625.36
Unsecured Loans	422.11	433.75	28.09	22.26	17.42	13.79
Current Liabilities	255.17	234.74	132.29	99.40	110.61	81.42
Provisions	32.42	45.80	36.88	20.49	24.34	23.44
<b>Total</b>	<b>1,930.66</b>	<b>1,729.11</b>	<b>844.52</b>	<b>790.65</b>	<b>797.44</b>	<b>744.01</b>
<b>E) Deferred Tax Liability</b>	<b>(105.56)</b>	<b>(93.52)</b>	<b>(67.65)</b>	<b>(58.56)</b>	<b>(43.56)</b>	<b>-</b>
<b>F) Net Worth (A+B+C-D-E)</b>	<b>1,605.69</b>	<b>1,339.80</b>	<b>794.11</b>	<b>723.39</b>	<b>666.09</b>	<b>659.67</b>
<b>Net Worth Represented by</b>						
<b>G) Share Capital</b>	157.05	78.53	58.62	58.62	58.62	58.62
<b>H) Reserves &amp; Surplus</b>	1,450.61	1,265.28	743.38	677.67	625.46	619.78
<b>I) Misc. Expenditure not Yet written off</b>	(1.97)	(4.01)	(7.89)	(12.90)	(17.99)	(18.73)
<b>K) Net Worth (G+H-I)</b>	<b>1,605.69</b>	<b>1,339.80</b>	<b>794.11</b>	<b>723.39</b>	<b>666.09</b>	<b>659.67</b>

Note: The above statement should be read with the notes on adjustments and significant accounting policies & notes to accounts for restated statements as appearing in Annexure III to the report.

## SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. In Million)

Year Ended Period	31.12.2006 (Nine Months)	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>Income</b>						
Sales less Returns	2931.26	3045.63	1667.89	1421.27	1241.49	1122.27
Less : Excise Duty	387.45	421.97	211.87	177.19	153.51	135.70
<b>Net Sales</b>	<b>2543.81</b>	<b>2623.66</b>	<b>1456.03</b>	<b>1244.08</b>	<b>1087.99</b>	<b>986.58</b>
Other Income	12.01	4.59	2.71	0.00	0.00	1.75
<b>Total Income ( A )</b>	<b>2555.82</b>	<b>2628.24</b>	<b>1458.74</b>	<b>1244.08</b>	<b>1087.99</b>	<b>988.33</b>
<b>Expenditure</b>						
Material Cost	1653.08	1693.92	976.77	805.69	685.40	613.97
Manufacturing & Other Expenses	301.78	329.05	177.37	167.64	155.80	133.91
Salaries & wages	68.98	68.57	35.71	35.23	26.60	25.62
Finance Cost	96.16	110.78	82.35	84.88	79.76	79.37
Provision for payment of Sales tax						
Deferred Liability & Sales Tax	22.33	26.83	8.28	6.63	6.05	5.00
Depreciation	100.08	101.04	76.86	72.11	66.23	63.90
<b>Total Expenditure ( B )</b>	<b>2242.41</b>	<b>2330.19</b>	<b>1357.34</b>	<b>1172.18</b>	<b>1019.84</b>	<b>921.78</b>
Net profit before tax	313.41	298.05	101.40	71.90	68.15	66.55
<b>Provision for Taxation</b>						
Current Tax	(31.50)	(41.50)	(12.50)	(5.50)	(5.30)	(5.00)
Deferred Tax	(12.05)	(10.06)	(9.09)	(15.00)	(21.14)	0.00
Fringe Benefit Tax	(0.92)	(1.25)	0.00	0.00	0.00	0.00
<b>Net Profit after tax but before Prior Period Items</b>	<b>268.94</b>	<b>245.25</b>	<b>79.81</b>	<b>51.40</b>	<b>41.70</b>	<b>61.55</b>
Income Tax for Earlier Years	0.00	(0.14)	(0.77)	(2.06)	(0.30)	0.25
Accumulated Deferred Tax Liability	0.00	0.00	0.00	0.00	22.42	0.00
Amalgamation Profit	0.00	207.39	0.00	0.00	0.00	0.00
<b>Net Profit as per Audited Statement Of Accounts</b>	<b>268.94</b>	<b>452.50</b>	<b>79.04</b>	<b>49.34</b>	<b>18.99</b>	<b>61.80</b>
Profit B/D from last Year	1071.57	667.25	609.18	566.46	556.42	500.48
Provision for Gratuity	0.00	0.00	0.00	0.00	(2.34)	0.00
Transfer to General Reserve	0.00	(24.60)	(7.61)	0.00	0.00	0.00
Proposed Dividend	0.00	(20.68)	(11.72)	(5.86)	(5.86)	(5.86)
Tax On Dividend	0.00	(2.90)	(1.65)	(0.75)	(0.75)	0.00
<b>Balance C/F to Balance Sheet</b>	<b>1340.51</b>	<b>1071.57</b>	<b>667.25</b>	<b>609.18</b>	<b>566.46</b>	<b>556.42</b>

Note: The above statement should be read with the notes on adjustments and significant accounting policies & notes to accounts for restated statements as appearing in Annexure III to the report.

## TIME TECHNOPLAST LIMITED

### ADJUSTED PROFIT AND LOSS ACCOUNT

(Rs. In Million)

Year Ended Period	31.12.2006 (Nine Months )	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
Net Profit / (Loss) before adjustments as per audited accounts as above)	268.94	245.11	79.04	49.34	41.41	61.80
<b>Adjustment for :</b>						
a) Impact of Auditor's Qualification Inventory valuation	-	7.52	1.94	(0.24)	(9.23)	-
b) Impact of changes in Accounting Policies Gratuity Provision	-	-	-	-	0.46	(0.46)
c) Income Tax for earlier years	-	0.14	0.77	2.06	0.30	(3.27)
Total Impact of Adjustments	-	7.66	2.71	1.82	(8.47)	(3.73)
Current Tax Impact of Adjustment on (a), (b) & (c) above	-	2.58	0.99	0.14	(0.67)	(0.29)
Total Adjustments after Tax Impact	-	5.08	1.72	1.68	(7.80)	(3.44)
Adjusted Net Profit / (Loss) for the year	268.94	250.19	80.76	51.02	33.61	58.36

Note: The above statement should be read with the notes on adjustments and significant accounting policies & notes to accounts for restated statements as appearing in Annexure III to the report.

**A. Notes on Adjustments**

Restated financial statements have been prepared in respect of the financial year ended 31.03.2002 to 31.03.2006 & Nine month ended 31.12.2006. As a result of restatement of income and expenses amounts, the necessary adjustments have been made against reserves and corresponding effects have been given to the respective heads in related year balance sheet.

Following adjustments have been given effect in restated financial statements:

- a) Up to the financial year ended 31.03.2005, the company was valuing stock of finished goods without including excise duty and stock of imported raw materials lying at custom bond without including custom duty which was not in accordance with Accounting Standard (AS) – 2 on “Valuation of Inventories” issued by the Institute of Chartered Accountants of India (ICAI) and the same was also subject matter of Auditor’s qualification. In order to comply with aforesaid AS-2, the company had changed its method of valuation of finished goods and imported raw material lying at custom bond by including excise duty and custom duty elements respectively from financial year ended 31.03.2006. Accordingly, the impact of Auditor’s qualification on audited financial statements has been adjusted in the restated summary statement of Assets and Liabilities as at 31.03.2002, 31.03.2003, 31.03.2004 & 31.03.2005. However there is no impact on profitability of the company due to the said restated figure.
- b) For the financial year 31.03.2003, 31.03.2004 and 31.03.2005, the company included the borrowing cost as part of conversion cost of finished goods which was not in accordance with AS-2 on “Valuation of Inventories” issued by the ICAI and the same was also subject matter of Auditor’s qualification. In order to comply with aforesaid AS-2, the company had changed its method of valuation of finished goods by excluding the borrowing cost as part of conversion cost from the financial year ended 31.03.2006. Accordingly, the impact of Auditor’s qualification on audited financial statements has been adjusted in the restated summary of Profit and Loss account for the year ended 31.03.2003, 31.03.2004 and 31.03.2005 and in the restated summary statement of Assets and Liabilities as at 31.03.2003, 31.03.2004 & 31.03.2005.
- c) For the financial year ended 31.03.2002 accounting for employee benefit for gratuity has been accounted on cash basis and no provision has been made in the accounts of that year. The effect on changes in the accounting policy for gratuity has been shown separately in the restated summary statement of Profit and Loss Account for the year 31.03.2002.

**B. SIGNIFICANT ACCOUNTING POLICIES:****1. Accounting Concepts :**

The Company follows the Mercantile System of Accounting and recognizes Income & Expenditure on Accrual basis unless otherwise stated.

**2. Fixed Assets :**

- a) Fixed Assets are stated at cost of acquisition (inclusive of any other cost attributable to bringing the same to their working condition), less accumulated depreciation.
- b) Fixed Assets manufactured / constructed in house are valued at actual cost of raw materials, conversion cost, excise duty and other related cost, less accumulated depreciation.
- c) Pre-operative Expenses incurred up to Commencement of Commercial production of respective unit has been appropriated on the Fixed Assets value at the end of the year of respective unit.

**3. Impairment of Assets :**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect. None of the Company’s fixed assets are considered impaired as on the Balance Sheet date.

## TIME TECHNOPLAST LIMITED

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4. **Depreciation :**

The Company follows the straight line method of depreciation (Pro-rata for addition / deduction during the year), in accordance with Schedule XIV to the Companies Act, 1956 (as amended).

5. **Sales :**

Sales is inclusive of Excise duty, Sales Tax, other benefits etc., and less of returns.

6. **Investments :**

Long term Investments are stated at cost.

7. **Inventory Valuation :**

Inventories are valued at cost or net realizable value whichever is lower.

8. **Accounting for Taxes on Income :**

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the provisions as per Income Tax Act, 1961.

The Deferred Tax for timing differences between book profits and tax profits for the year is accounted for using the tax rules and laws that have been enacted or substantially enacted as of the balance sheet date. The Deferred Tax Assets arising from timing difference are recognized to the extent there is a reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

9. **Foreign Currency Fluctuations :**

- i) Monetary Assets and Liabilities related to Foreign Currency transactions remaining unsettled at the end of the year are translated at year end rate.
- ii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets are recognized in the Profit and Loss Account. In respect of transactions covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the Profit and Loss Account over the period of the contract.
- iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

10. **Retirement Benefits :**

- a) **Leave Encashment :** Leave encashment is accounted for on cash basis.
- b) **Gratuity :** The Company follows the accrual basis of accounting for gratuity.

11. **Segment Reporting :**

The Company is engaged in Plastic products which as per accounting standard AS 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India is considered as the only reportable business segment. The Geographical segmentation is not relevant as all units are manufacturing similar products and risk and return involved within the country are common.

### C. NOTES TO ACCOUNTS

#### 1. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :

(Rs. Million)

Sr. No.	Particulars	31.12.2006	2005-06	2004-05	2003-04	2002-03	2001-02
1	Import LC (against import of plastic granules, moulds and dies)	380.62	312.32	173.97	135.32	94.58	82.55
2	Guarantee given to Govt. Authority (against advance license for duty-free import of goods)	8.79	7.44	7.19	9.26	5.25	3.59
3	Bills drawn and discounted with banks	2.02	11.79	1.77	1.10	11.22	4.34

- Estimated amount of contracts remaining to be executed on Capital Account not provided for Rs.39.56 Million (Previous year Rs.7.45 Million) upto 31<sup>st</sup> March 2006 & Rs. 25.41 Million upto 31<sup>st</sup> December. 2006 .
- Under the package scheme of incentives of Government of Maharashtra the Company was entitled to defer its liability to pay sales tax after a period of 12 years in six equal installments commenced from the year 2004 for unit at Tarapur. However sufficient provision has been made to meet sales tax obligation of Rs.15.73 Million on the basis of net present value of such obligation as per circular issued by Government of Maharashtra and the Company is regular in making payment of Installments.
  - Under the package scheme of incentives of Government of Tamil Nadu the Company is entitled to defer its sales tax collection for a period of 9 years, repayment of which has commenced from 01/10/2005 for unit at Hosur. However, sufficient provision has been made to meet sales tax obligation of Rs. 44.69 Million on the basis of net present value of such obligation and the Company is regular in making payment of Installments.
- Details of Payments and Provisions on Account of Remuneration to Managerial personnel included in Salary & Wages are as under:

(Rs. Million)

	For 9 Month Ended 31 <sup>st</sup> December 2006			2005-06		
	Managing Director	Whole-Time Directors	Total	Managing Director	Whole-Time Directors	Total
Salary	0.45	8.10	8.55	0.60	1.08	1.68
Perquisites*	0.21	0.39	0.60	0.31	0.52	0.83
<b>Total</b>	<b>0.66</b>	<b>1.20</b>	<b>1.86</b>	<b>0.91</b>	<b>1.60</b>	<b>2.51</b>

\*As employee-wise break-up of contribution to gratuity fund is not ascertainable same has not been included in the above figure.

- The consumption figures in respect of materials, stores and spares parts have been taken as balancing figure arrived at by deducting the closing stock (ascertained on physical count by management) from opening stock and purchases of the company during the year. Hence, the consumption figures included adjustments for excess and shortages.
- The current tax provisions on income includes minimum alternative tax after considering allowances / deductions allowable under the Income Tax Act, 1961 and has been taken as certified by company's income tax consultant.

## TIME TECHNOPLAST LIMITED

6. The Company has accounted for Deferred Tax in accordance with the Accounting Standard 22-“Accounting for Taxes on Income” issued by the Council of the Institute of Chartered Accountants of India and the Deferred Tax balances based on timing difference up to 31.12.2006 are set out under :

Particulars	Dec. 31,2006 Amount (Rs.Million)	March 31, 2006 Amount (Rs.Million)	March 31, 2005 Amount (Rs.Million)
Deferred Tax Assets			
Unabsorbed Income Tax Depreciation	5.48	10.36	10.36
Gratuity Provision	2.34	1.91	1.46
	7.82	12.27	11.82
Deferred Tax Liabilities			
Depreciation	86.00	77.81	67.65
Deferred Sales Tax Liability	11.57	12.17	11.82
	97.57	89.98	79.47
Net Deferred Tax Liability	89.75	77.71	67.65
Acquired under the Scheme of Amalgamation	15.81	15.81	-
Total Net Deferred Tax Liability	105.56	93.52	67.65

7. The Company is in process of compiling the data to determine the liability, if any, for interest on delayed payments under Small Scale and Auxiliary Industrial Undertaking Act, 1993. In any case, no claims have been preferred against the Company in this behalf.
8. The Company has the policy of encashment of leave of the employees each calendar year during the tenure of their services and as such it is not possible to assess the liability on this account as at year end as required by the Accounting Standard – 15 issued by the Institute of Chartered Accountants of India and the same will be accounted for as and when paid. The liability in respect of total accumulated / earned leaves standing to the credit of the employees at the year end is unascertainable.
9. In the opinion of the management, the Current Assets, Loans and Advances except doubtful debts have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and other known liabilities is adequate and not in excess of what is required.
10. In the opinion of the management eventual recovery of the doubtful debts is unascertainable due to filling of Legal Cases, whenever applicable, against them no provision for doubtful debts is made and resultant adjustment, if any, will be made in the year in which the matter is finalized.
11. The facilities at Tarapur unit of the Company is kept under temporary suspension for the year and the company is in process of restructuring the activities to suit its economic viability.
12. According to the information and explanation given to us there is disputed sales tax liabilities of Rs.0.59 Million on sales as second sale with sales tax authorities of Andhra Pradesh, the same has not been provided for in the accounts.
13. **Amalgamation**
- a) Pursuant to the Scheme of Amalgamation of Shalimar Packaging Pvt. Ltd. (SPPL) and Oxford Mouldings Pvt. Ltd.(OMPL) with Time Technoplast Limited (TTL), as approved by the Honorable High Court of Bombay by its order dated 30<sup>th</sup> June, 2006 which became effective on 15<sup>th</sup> July,2006 on receipt of Certificate of Registration of Order of Court from the Registrar of Companies, Goa, all the assets, liabilities and reserves of erstwhile SPPL and OMPL were transferred to and vested in the Company with effect from the appointed date i.e. April 1, 2005.



The Scheme of Amalgamation has been accounted for in TTL books under the Pooling of Interest Method as per Accounting Standard 14 on Accounting for Amalgamation issued by The Institute of Chartered Accountants of India whereby the assets, liabilities and reserves of the erstwhile SPPL and OMPL have been recorded in books of TTL at their respective book value to the erstwhile companies. The value of assets acquired effective from April 1, 2005 and the calculation of difference between consideration and value of net identifiable assets acquired is set out below:

(Rs. in Million)

Assets/(Liabilities) acquired	Shalimar Packaging Private Limited	Oxford Mouldings Private Limited	Total
Net Fixed assets (including CWIP )	98.85	120.42	219.27
Investments	7.53	10.12	17.65
Net Current Assets	64.46	238.44	302.90
Miscellaneous Expenditure	0.01	3.87	3.88
Less: Secured Loans	45.42	165.56	210.98
Less: Capital Suspense Account	10.00	9.90	19.90
Less: Share Premium Account	-	20.00	20.00
Less: Amalgamation Reserve	30.00	39.62	69.62
Less: Deferred Tax Liability	8.00	7.81	15.81
Net Assets as on April 1, 2005	77.43	129.96	207.39
<b>Balance taken to the opening Profit and Loss account</b>	<b>77.43</b>	<b>129.96</b>	<b>207.39</b>

Pursuant to the Scheme of Amalgamation 19,90,500 Equity Shares of Rs. 10/- each of the company are to be issued to the Shareholders of SPPL and OMPL in the ratio of 1 fully paid up Equity Shares of the Company for every 4 (Four) fully paid up Equity Shares of Rs. 10/- each and 1 fully paid up Equity Shares of the Company for every 5 (Five) fully paid up Equity Shares of Rs. 10/- each respectively, which pending allotment has been disclosed under capital suspense account; an amount of Rs. 1,99,05,000/- has been included in the share capital suspense account as at March 31, 2006 in schedule A.

**14. Related Party Disclosure (As Identified by the Management) as on 31<sup>st</sup> December ,2006**

	Name Of Related Party	Nature of Relation
1	Avion Exim Pvt Ltd	<b>Common Key Managerial Persons</b>
2	Vishwalaxmi Trading & Finance Pvt Ltd	— do —
3	Time Exports Pvt Ltd	— do —
4	Oxford Mouldings	— do —
5	Time Mauser Industries Pvt Ltd	— do —
6	GNXT Technoplast Pvt Ltd	— do —
7	Apex Plastics	— do —
8	Time Securities Services Pvt. Ltd.	— do —
9	<b>Key management Personnel</b>	
	Mr. Anil jain	<b>Managing Director</b>
	Mr. Bharat Vageria	<b>Director</b>
	Mr. Naveen Jain	<b>Director</b>
	Mr.Raghupathy Thygarajan	<b>Director</b>

## TIME TECHNOPLAST LIMITED

### Information on related party transaction as required by accounting standard -18 as on 31<sup>st</sup> December 2006

Particulars	TPL plastech Ltd	Time Mauser Ind.p.Ltd	Vishwalaxmi trading & F.P.Ld	Elan incorpor- ated fze	Nova tech sp zoo	Managing Director	Whole time directors	Directos sittings fees	Amount (Rs.in Million)
Purchase Goods and Service	1.00	7.14	116.24						124.38
Sale of Goods and Service	13.98	3.51							17.49
Recovery of Expenses		3.28							3.28
Outstanding balance included in current assets	0.19	17.96	7.55						25.70
Outstanding balance included in current liabilities									-
Dividend Received	5.85								5.85
Managerial Remuneration						0.68	1.20		1.88
Remuneration to relatives of Key personnel									-
Directors Sitting Fees								0.08	0.08
Loan Taken from Subsidiary Company	22.50								22.50
Investment Made in Subsidiary	313.25			29.48	7.64				350.37

15. The Company has the following Joint Venture as on 31<sup>st</sup> December,2006 and its proportionate share in the Assets, Liabilities,

Income and Expenditure of the Joint Venture company is given below :

(Rs. in Million)

Name of the Joint Venture Company	Percentage of Holding	As at 31 <sup>st</sup> December, 2006				For the year ended 31 <sup>st</sup> December,2006	
		Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
Time Mauser Industries Pvt Ltd.	49%	1,31.29	53.03	2.90	10.58	62.43	55.25
		(100.69)	(56.17)	(8.26)	(0.22)	(47.91)	(45.96)

**CASH FLOW STATEMENT**

(Rs. In Million)

Particulars	31.12.2006 (Nine Months)	Year Ended 31.03.2006	Year Ended 31.03.2005	Year Ended 31.03.2004	Year Ended 31.03.2003	Year Ended 31.03.2002
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Profit before Tax & extraordinary item	313.41	298.05	101.40	71.90	68.15	66.55
Adjusted For:-						
Depreciation on Tangible Assets	100.08	101.04	76.86	72.11	66.23	63.90
Interest & Financial Charges	96.16	110.78	82.35	84.88	79.76	79.37
Deferred Revenue Expenses Written Off	2.04	3.88	5.01	5.09	4.37	2.94
Loss on sale of Assets	-	-	-	-	0.04	(0.11)
Loss on sale of Investment	-	-	-	-	0.01	-
<b>Operating Profit before Working Capital Changes Adjusted for :-</b>	<b>511.69</b>	<b>513.75</b>	<b>265.61</b>	<b>233.99</b>	<b>218.55</b>	<b>212.65</b>
Trade & Other Receivable	(216.08)	(327.08)	(51.77)	(39.71)	(46.33)	(33.58)
Inventories	(47.02)	(293.73)	(40.66)	(12.29)	(35.55)	(42.22)
Trade Payable	20.42	128.96	27.50	1.29	19.79	(4.93)
Net assets acquired On acquisition	-	332.72	-	-	-	-
<b>Cash generated from Operation</b>	<b>269.00</b>	<b>354.63</b>	<b>200.70</b>	<b>183.28</b>	<b>156.47</b>	<b>131.92</b>
Tax payment	(44.72)	(20.50)	(6.34)	(6.35)	(5.62)	(10.36)
Cash Flow Before Extraordinary Items	224.29	334.13	194.36	176.93	150.85	121.56
<b>Net Cash From Operative Activities (A)</b>	<b>224.29</b>	<b>334.13</b>	<b>194.36</b>	<b>176.93</b>	<b>150.85</b>	<b>121.56</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>						
Purchase Of Fixed Assets	(285.62)	(620.71)	(99.17)	(61.93)	(87.91)	(46.14)
Investment	(348.87)	(6.89)	-	(34.30)	-	(7.14)
Deferred Revenue Expenditure	-	-	-	-	(3.63)	2.82
Sale Proceeds From sale of assets	-	-	-	-	0.06	-
Sale Proceeds From Investment	-	-	-	-	0.53	-
<b>Net Cash used in investing activities (B)</b>	<b>(634.49)</b>	<b>(627.60)</b>	<b>(99.17)</b>	<b>(96.23)</b>	<b>(90.94)</b>	<b>(50.46)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
Net Proceeds From Borrowings	194.51	773.21	4.60	8.27	23.34	34.87
Dividend paid & tax On Dividend	-	(36.95)	(6.61)	(6.61)	(5.86)	(12.92)
Interest Paid	(96.16)	(110.78)	(82.35)	(84.88)	(79.76)	(79.37)
<b>Net cash from / (used in) Financing Activities (C)</b>	<b>98.35</b>	<b>625.49</b>	<b>(84.36)</b>	<b>(83.23)</b>	<b>(62.28)</b>	<b>(57.43)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalent</b>	<b>(311.86)</b>	<b>332.02</b>	<b>10.83</b>	<b>(2.52)</b>	<b>(2.37)</b>	<b>13.67</b>
Cash & cash Equivalents As At (Closing Balance)	70.25	382.11	50.10	39.27	41.80	44.17
Cash & cash Equivalents As At (Opening balance)	382.11	50.10	39.27	41.80	44.17	30.50

**TIME TECHNOPLAST LIMITED**

Annexure-V

**Statement of Investments**

(Rs. In Million)

Particulars	AS AT					
	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>In Joint Venture Company :</b>						
<b>Trade –Unquoted</b>						
34,30,000 Equity Shares in Time Mauser Industries Pvt. Ltd. Rs.10/- of each, fully paid up	34.30	34.30	34.30	34.30	-	-
<b>In Others :</b>						
<b>Trade –Quoted</b>						
58,50,126 Equity Shares In TPL Plastech Limited of Rs. 10 Each	313.25					
5,93,625 Equity Shares in Suryodaya Plastics Ltd. of Rs.10/- each, fully Paid up	2.84	2.84	-	-	-	-
400 Equity Shares in Global Trust Bank Ltd. Of Rs.10/- each fully paid up	-	-	-	-	-	0.004
50,000 Equity Shares in Kosian Finance Ltd. Of Rs.10/- each fully paid up	-	-	-	-	-	0.50
300 Equity Shares in LIC Housing Finance Ltd. Of Rs.10/- each fully paid up	-	-	-	-	-	0.02
100 Equity Shares in Metrochem Industries Ltd. Of Rs.10/- each fully paid up	-	-	-	-	-	0.01
<b>Trade –Unquoted</b>						
5,00,000 Equity Shares in Ador Poly-Conainers Ltd. Rs.10/- of each, fully paid up		1.50	-	-	-	-
25,500 Equity Shares in Vishwalaxmi Trading & Finance Pvt. Ltd. of Rs.10/- each, fully paid up	2.55	2.55				
<b>In Government Securities :</b>						
National savings Certificates	-	-	-	-	-	0.002
<b>In Subsidiary Companies :</b>						
<b>Trade –Unquoted</b>						
Elan Incorporate Fze.	29.48					
Nova Tech SP Z OO	7.64					
<b>Total</b>	<b>390.06</b>	<b>41.19</b>	<b>34.30</b>	<b>34.30</b>	<b>-</b>	<b>0.54</b>

**Annexure VI**
**Sundry Debtors**
**(Rs. In Million)**

As at	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>A. Debts Outstanding for a period exceeding six month :</b>						
Unsecured- Considered Good	20.95	26.74	18.42	19.33	16.51	11.99
Considered Doubtful	18.04	15.91	18.44	24.77	23.49	15.59
	<b>38.99</b>	<b>42.65</b>	<b>36.86</b>	<b>44.10</b>	<b>40.00</b>	<b>27.58</b>
<b>B: Other Debts :</b>						
Unsecured - Considered Good	790.12	666.41	382.77	312.76	316.01	293.53
Unsecured-Considered Good From Promoters and Promoters Group	-	-	7.53	35.49	-	-
	<b>790.12</b>	<b>666.41</b>	<b>390.30</b>	<b>348.25</b>	<b>316.01</b>	<b>293.53</b>
<b>Total (A+B)</b>	<b>829.11</b>	<b>709.06</b>	<b>427.16</b>	<b>392.35</b>	<b>356.01</b>	<b>321.11</b>

**Annexure-VII**
**LOANS AND ADVANCES**
**(Rs. In Million)**

As At	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
Advance recoverable in cash or kind or for value to be received	22.93	16.72	12.26	7.35	0.95	0.78
O/s. from Promoters/Promoters Group	25.70	-	-	-	-	-
Advance To Employees	1.66	1.68	1.54	1.14	1.24	1.55
Balance with Govt.Department	98.19	44.61	18.26	4.65	1.65	8.53
Deposit with Govt.Department	9.18	5.59	3.73	3.20	3.20	2.61
Sundry Deposit	36.65	35.94	12.08	12.31	12.36	34.93
Duty Free advance licences	8.39	1.95	15.34	17.12	21.44	14.82
Advance Payment Of taxes	12.01	10.65	12.98	12.41	16.52	12.40
Prepaid Expenses	2.84	2.29	1.13	0.00	1.46	2.36
Interest accrued but Not due on Fixed Deposit	-	0.72	0.00	1.61	1.70	1.54
	<b>217.55</b>	<b>120.16</b>	<b>77.31</b>	<b>59.79</b>	<b>60.52</b>	<b>79.50</b>

## TIME TECHNOPLAST LIMITED

Annexure-VIII

### DETAILS OF SECURED LOANS

(Rs. In Million)

As At	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>A. Working Capital</b>						
Bank of Baroda	182.57	179.02	122.21	115.41	112.96	116.96
State Bank of Saurashtra	182.73	166.79	110.35	104.32	105.43	98.79
ING Vysya Bank Ltd.	150.92	87.05	87.56	69.93	71.94	-
ABN Amro Bank N.V	102.73	68.03	66.84	-	-	-
UTI Bank Ltd.	14.25	29.88	(0.29)	62.79	61.98	58.89
State Bank of India	-	-	-	-	-	71.14
<b>Total ( A )</b>	<b>760.20</b>	<b>530.77</b>	<b>386.66</b>	<b>352.46</b>	<b>352.31</b>	<b>345.78</b>
<b>B. Term Loan</b>						
IDBI Ltd. ( I & II )	115.30	127.50	95.50	115.50	127.50	247.58
ING Vysya Bank Ltd. ( III & IV )	105.21	124.99	126.67	116.67	116.67	-
State Bank of Saurashtra ( V & XI )	121.95	98.10	-	-	-	-
State Bank of Travancore ( X )	35.12	41.57	-	-	-	-
UTI Bank Ltd., ( VI , VII , VIII & IX )	83.18	87.37	20.83	28.67	36.71	-
Bank Of Baroda	-	4.52	17.60	35.20	-	-
Exim Bank	-	-	-	-	11.88	32.00
<b>Total ( B )</b>	<b>460.76</b>	<b>484.04</b>	<b>260.60</b>	<b>296.04</b>	<b>292.75</b>	<b>279.58</b>
<b>Total ( A+B )</b>	<b>1220.96</b>	<b>1014.81</b>	<b>647.27</b>	<b>648.49</b>	<b>645.06</b>	<b>625.36</b>

**Statement of Secured Term Loans**

Sr. No.	Bank	Nature Of Loan	Sanctioned Amount (Rs. In Mn.)	Rate of interest p.a	Repayment Terms	Installment Amount	Security Offered
I	I D B I LIMITED	Term Loan	130.00	11.00% Fixed	Repayable quarterly installment last installment due on Jan.2010.	4 Installments of Rs.3 Million, 4 Installments of Rs.5 Million, 4 Installments of Rs. 5.50 Million, 4 Installment of Rs.6 Million & 4 Installment of Rs.7 Million	Secured by first charge on all immovable/ Movable assets of Daman Unit I,II& Baddi Unit I
II	I D B I LIMITED	Term Loan	44.00	8.75% Fixed	Repayable quarterly installment last installment due on April 2008.	11 Installments of 3.6 Million & 1 Installment of 4.4 Million.	First Charge on land & Building, Plant & machinery of Hosur Unit.
III	ING VYSYA BANK LTD	Term Loan	100.00	IVRR Less 3.00%	Repayable monthly installment last installment due on March 2009.	48 Installments of 2.08 Million	Secured by first charge on all immovable/ Movable assets of Daman Unit I,II& Baddi Unit I
IV	ING VYSYA BANK LTD	Term Loan	50.00	IVRR Less 3.75%	Repayable monthly installment last installment due on Nov.2010.	48 Installments of 1.04 Million	Secured by first charge on all immovable/ Movable assets of Daman Unit I,II& Baddi Unit I And New Unit Baddi & Pantnagar
V	STATE BANK OF SAURASHTRA	Term Loan	95.50	BPLR Less 2.50%	Repayable monthly installment last installment due on Jan. 2011.	48 Installments of 1.99 Million	Secured by first charge on all immovable/ Movable assets of Daman Unit I,II& Baddi Unit I And New Unit Baddi & Pantnagar
VI	UTI BANK LIMITED	Term Loan	40.00	At BPLR	Repayable monthly installment last installment due on Oct. 2007.	60 Installments of 0.66 Million	Specific Charge on Blow Mouldings Machines
VII	UTI BANK LIMITED	Term Loan	52.00	BPLR less 2.50%	Repayable quarterly installment last installment due on Oct. 2007.	4 Installments of Rs. 4 Million, 4 Installments of Rs. 5 Million, 2 Installments of Rs.5.3 Million & 1 Installments of Rs.5.4 Million	First Charge on Immovable /movable of OMPL Supermaid - I, Fixed assets of OMPL Supermaid - II
VIII	UTI BANK LIMITED	Term Loan	24.00	BPLR Less 2.50%	Repayable monthly installment last installment due on Nov. 2006.	60 Installments of Rs.0.4 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman, Sahibabad & Andheri premises of OMPL.

## TIME TECHNOPLAST LIMITED

Sr. No.	Bank	Nature Of Loan	Sanctioned Amount (Rs. In Mn.)	Rate of interest p.a	Repayment Terms	Installment Amount	Security Offered
IX	UTI BANK LIMITED	Term Loan	56.00	BPLR less 3.00%	Repayable monthly installment last installment due on Dec. 2012.	60 Installments of Rs.0.93 Million Each.	First Charge on Immovable/movable of Mahad Unit of OMPL.
X	STATEBANK OF TRAVANCORE	Term Loan	43.00	10.00% Floating	Repayable monthly installment last installment due on Jan. 2011.	60 Installments of Rs.0.72 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi of erstwhile company SPPL.
XI	STATE BANK OF SAURASHTRA	Term Loan	45.00	BPLR less 1.00%	Repayable monthly installment last installment due on Dec. 2010.	60 Installments of Rs.0.75 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi of SPPL

### Statement of Secured Working capital Loans

Bank	Nature of Loan	Sanctioned Amount		Securities Offered
		Rate of Interest P.a	Fund Based (Rs. In Mn.)	
Bank of Baroda	Cash Credit	BPLR Less 2.00%	41.30	Secured by hypothecation of stock and books debts (present & future) of the company and by first ranking pari passu charge on all movable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors
	WC DL	BPLR Less 2.00%	165.20	
ING Vysya bank Limited	Cash Credit	At IVRR	37.40	Do
	WC DL	IVRR Less 5.00%	149.60	
State Bank Of Saurashtra	Cash Credit	BPLR Less 1.50%	27.00	Do
	WC DL	BPLR Less 1.50%	108.00	



Bank	Nature of Loan	Sanctioned Amount		Securities Offered
		Rate of Interest P.a	Fund Based (Rs. In Mn.)	
ABN Amro Bank N.V.	Cash Credit	BPLR	46.50	Do
	WCDL	Less 2.75% (See Note 1)	66.50	
UTI Bank Ltd.	Cash Credit	BPLR	30.20	First pari passu charge on all the current assets of the company
	WCDL	BPLR Less 2.00%	120.80	
State Bank Of Saurashtra	Cash Credit	BPLR	11.50	Hypothecation of all stocks of raw material and stores, Good in process, Finished goods, book debts, packing material and stores and spares etc. All current assets of the company SPPL (present & future)
	WCDL	BPLR Less 1.50%	46.00	
	<b>Total</b>		<b>850.00</b>	

Note No. 1. WCDL Converted into FCNR ( B ) Loan at 6 Month LIBOR + 200 Basis point.

## TIME TECHNOPLAST LIMITED

Annexure-IX

### Statement Of Unsecured Loans

(Rs. In Million)

As At	31.12.2006	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
Sales Tax Deferral Liabilities	36.43	33.75	28.09	22.26	17.42	13.79
Short term Loan	385.68	400.00	-	-	-	-
<b>Total</b>	<b>422.11</b>	<b>433.75</b>	<b>28.09</b>	<b>22.26</b>	<b>17.42</b>	<b>13.79</b>

Annexure-X

### Statement Of Operational Income

(Rs. In Million)

For The Year	Apr-Dec, 2006 ( Nine Months )	2005-06	2004-05	2003-04	2002-03	2001-02
Sales (Gross)	2931.26	3045.63	1667.89	1421.27	1241.19	1357.97
<b>Total</b>	<b>2931.26</b>	<b>3045.63</b>	<b>1667.89</b>	<b>1421.27</b>	<b>1241.19</b>	<b>1357.97</b>

Annexure-XI

### Statement Of Other Income

(Rs. In Million)

For The Year / Period	Nature	Apr-Dec, 2006 ( Nine Months )	2005-06	2004-05	2003-04	2002-03	2001-02
Job Work Charges	Recurring	2.66	4.14	2.71	-	-	-
Profit on Sale of Investment	Non-recurring	3.50	0.44	-	-	-	-
Profit on Sale of Fixed Assets	Non-recurring	-	-	-	-	-	0.11
Rental Income	Non-recurring	-	-	-	-	-	1.64
Dividend Income	Recurring	5.86	-	-	-	-	-
<b>Total</b>		<b>12.02</b>	<b>4.58</b>	<b>2.71</b>	<b>-</b>	<b>-</b>	<b>1.75</b>

Note : The classification of "Other Income" as recurring and non recurring is based on the current operations and business activity of the Company as determined by the management.

**Annexure-XII**
**Statement Of Contingent Liabilities**
**(Rs. In Million)**

Sr. No	For The Year / Period	31.12.2006	2005-06	2004-05	2003-04	2002-03	2001-02
1	Guarantee given by the Bank	8.79	7.44	7.19	9.26	5.25	3.59
2	L/C issued by the Bank	380.62	312.32	173.97	135.52	94.58	82.55
3	Bills drawn on Customers & Discounted with Bank	2.02	11.79	1.77	1.10	11.22	4.34

**Annexure-XIII**
**Statement of Accounting Ratios**
**(Rs. In Million)**

	31.12.2006	2005-06	2004-05	2003-04	2002-03	2001-02
Restated Net Profit after tax available for equity shareholder- as per annexure-II	268.94	245.25	79.81	51.40	41.70	61.55
Net worth - as per Annexure – I	1605.69	1339.80	794.11	723.39	666.09	659.67
Earning Per Share Basic / Diluted (Rs.)	17.13	15.62	6.81	4.38	3.56	5.25
Net Assets value per share (Rs.)	102.27	85.31	67.73	61.70	56.81	56.27
Return On Net Worth (%)	16.74	18.30	10.05	7.11	6.26	9.33
No. of Equity Shares	15,705,000	7,852,500	5,862,000	5,862,000	5,862,000	5,862,000
Restated Number of Equity Shares	15,705,000	15,705,000	11,724,000	11,724,000	11,724,000	11724000

**Notes:**

- The ratios have been computed as below

Earning Per Share		<u>Net Profit after tax available for equity shareholders</u>
		Restated Weighted average no. of equity shares outstanding during the year
Net Asset Value per Share	=	<u>Net Worth excluding revaluation reserve</u>
		Restated Weighted average no. of equity shares outstanding during the year
Return on Net Worth	=	<u>Net Profit after tax available for equity shareholders</u>
		Net Worth excluding revaluation reserve

- The earning per share is calculated in accordance with the Accounting Standard 20 "Earning per share" issued by the Institute of Chartered Accountants of India
- Restated Profit after tax available for equity shareholders has been considered for the purpose of computing the above ratios.
- Net worth means Equity Share Capital + Reserve and Surplus - Miscellaneous expenditure to the extent not written off.
- Restated shares have been computed pursuant to the issue of shares to the shareholders of amalgamating companies i.e SPPL in the ratio 1 share for every 4 share held & OMPL in the ratio of 1 share for every 5 share held which the Board recorded on 18<sup>th</sup> July, 2006 & issue of Bonus Shares in the ratio of 1 share for every 1 share held by the shareholders as on record date of 12<sup>th</sup> August, 2006 by utilizing free reserves.

**TIME TECHNOPLAST LIMITED**

Annexure-XIV

**Capitalisation Statement**

(Rs. In Million)

	<b>As on 31.12.06</b>	<b>Post- Issue</b>
<b><u>Debt</u></b>		
Short Term Debt	1145.88	1145.88
Long Term Debt	497.19	497.19
<b>Total ( A )</b>	<b>1643.07</b>	<b>1643.07</b>
<b><u>Shareholder's fund</u></b>		
Share Capital	157.05	209.27
Reserve & surplus after deducting Miscellaneous Expenditure (to the extent not written off)	1448.64	3019.20
<b>Total shareholder's Fund ( B )</b>	<b>1605.69</b>	<b>3228.47</b>
Debt / Total shareholder's Fund ( A / B )	1.02	0.51

## Statement of Tax Shelter

(Rs. In Million)

		Financial Year Ended March 31, 2006	Financial Year Ended March 31, 2005	Financial Year Ended March 31, 2004	Financial Year Ended March 31, 2003	Financial Year Ended March 31, 2002
Profit Before tax as per Audited accounts	A	298.05	101.40	71.90	68.15	66.55
Tax rate		33.66%	36.59%	35.88%	36.75%	35.70%
Tax on actual rate on profit		100.32	37.10	25.80	25.04	23.76
<b>Permanent difference :</b>						
Others		-	0.43	-	-	-
Profit On Sale Of Fixed Assets		-	0.44	-	-	-
Provision for Gratuity		1.33	0.63	0.65	0.48	0.46
<b>Total adjustment</b>	<b>B</b>	<b>0.89</b>	0.425	0.652	<b>0.483</b>	<b>0.46</b>
<b>Timing Differences</b>						
Depreciation		30.25	34.39	34.40	59.10	93.15
Others		1.04	3.49	2.66	2.77	2.27
<b>Total Timing Differences</b>	<b>C</b>	<b>31.28</b>	<b>37.88</b>	<b>37.06</b>	<b>61.87</b>	<b>95.42</b>
Net Adjustment	C-B	30.39	37.46	36.41	61.38	94.97
tax saving thereon		10.23	13.71	13.06	22.56	33.90
Profit/ (loss) as per Income Tax	D=(A+B-C)	267.66	63.94	35.49	6.76	(28.42)
Brought forward losses adjusted	E	-	28.88	-	-	-
Taxable Income	D+E	267.66	35.07	35.49	6.76	(28.42)
Chapter VI A		137.23	11.24	20.67	5.83	
Total Income		130.43	23.83	14.82	0.93	(28.42)
<b>Tax as per Income Tax Return</b>		<b>43.90</b>	<b>8.72</b>	<b>5.32</b>	<b>0.34</b>	-
Tax as per Mat Calculation		24.57	7.60	5.53	5.37	5.09
Tax deducted at source		9.67	0.54	0.34	0.43	0.58
Interest u/s 234		4.84	0.99	0.62	0.80	0.68
Tax Payable / (Refundable)		39.08	9.17	5.80	5.74	5.19

## TIME TECHNOPLAST LIMITED

Annexure-XVI

Information on related party transaction as required by accounting standard -18 as on 31<sup>st</sup> December 2006

	Name Of Related Party	Nature of Relation
1	Avion Exim Pvt Ltd	<b>Common Key Managerial Persons</b>
2	Vishwalaxmi Trading & Finance Pvt Ltd	— do —
3	Time Exports Pvt Ltd	— do —
4	Oxford Mouldings	— do —
5	Time Mauser Industries Pvt Ltd	— do —
6	GNXT Technoplast Pvt Ltd	— do —
7	Apex Plastics	— do —
8	Time Securities Services Pvt. Ltd.	— do —
9	<b>Key management Personnel</b>	
	Mr. Anil jain	<b>Managing Director</b>
	Mr. Bharat Vageria	<b>Director</b>
	Mr. Naveen Jain	<b>Director</b>
	Mr. Raghupathy Thygarajan	<b>Director</b>

**Information on related party transaction as required by accounting standard -18 as on 31<sup>st</sup> December 2006**

Particulars	TPL plastech Ltd	Time Mauser Ind.p.ltd	Vishwalaxmi trading & F.P.Ld	Elan incorpor- ated fze	Nova tech sp zoo	Managing Director	Whole time directors	Directos sittings fees	Amount (Rs.in Million)
Purchase Goods and Service	1.00	7.14	116.24						124.38
Sale of Goods and Service	13.98	3.51							17.49
Recovery of Expenses		3.28							3.28
Outstanding balance included in current assets	0.19	17.96	7.55						25.70
Outstanding balance included in current liabilities									-
Dividend Received	5.85								5.85
Managerial Remuneration						0.68	1.20		1.88
Remuneration to relatives of Key personnel									-
Directors Sitting Fees								0.08	0.08
Loan Taken from Subsidiary Company	22.50								22.50
Investment Made in Subsidiary	313.25			29.48	7.64				350.37

**Information on related party transaction as required by accounting standard -18 as on 31<sup>st</sup> March 2006**

Particulars	Time Mauser Ind.p. Ltd	Time exports p. Ltd	Avion exim p. Ltd	Vishwalaxmi t.& f. P. Ltd	Managing Director	Whole time Director	Directors sittings fees	P.K. Jain	Amount (Rs.in Million)
Purchase Goods and Service	23.51			80.60					104.11
Sale of Goods and Service	4.37								4.37
Recovery of Expenses	3.77	0.12	0.04						3.93
outstanding balance included in current liabilities				4.92					4.92
Dividend Paid		3.47		4.94	0.80	1.84			11.05
Managerial Remuneration					0.91	1.60			2.51
Remuneration to relatives of Key personnel								0.17	0.17
Directors Sitting Fees							0.03		0.03

## TIME TECHNOPLAST LIMITED

### Information on related party transaction as required by accounting standard -18 as on 31st March 2005

Particulars	Time Mauser Ind.P. Ltd	Time exports P. Ltd	Vishwalaxmi T.& f. P. Ltd	Oxford mouldings P. Ltd	Shalimar packaging P.Ltd	Managing Director	Whole time Director	Directors sittings	P.K. Jain	Amount (Rs.in Million)
Purchase Goods and Service	39.95			61.85	8.22					110.02
Sale of Goods and Services	9.87			27.62						37.49
Recovery of Expenses	4.12				11.13					15.25
Outstanding balance				0.87	6.66					7.53
Dividend Paid		0.79	0.66	0.10	0.32					1.87
Managerial Remuneration						0.91	0.55			1.46
Remuneration to relatives of Key personnel									0.42	0.42
Directors Sitting Fees								0.01		0.01

### Information on related party transaction as required by accounting standard -18 as on 31st March 2004

Particulars	Time Mauser Ind. P. Ltd	Time exports P. Ltd	Avion exim P. Ltd	Vishwalaxmi T.& F. P. Ltd	Oxford mouldings P. Ltd	Shalimar Packaging P.Ltd	Managing Director	Whole time Director	Directors sittings Fees	P.K. Jain	Amount (Rs.in Million)
Purchase Goods and Service					50.41	5.13					55.54
Sale of Goods and Service					67.69	119.85					187.34
Recovery of Expenses	1.20				3.74	0.87					5.81
Outstanding balance included in current Assets	1.20				29.65	4.64					35.49
Outstanding balance included in current Liabilities			0.01								0.01
Dividend Paid		0.78		0.66	0.1	0.33					1.87
Managerial Remuneration							0.91	0.55			1.46
Remuneration to relatives of Key personnel										0.40	0.40
Directors Sitting Fees									0.02		0.02



**Information on related party transaction as required by accounting standard -18 as on 31st March 2003**

Particulars	Time exports P. Ltd	Vishwalaxmi T.& f. P. Ltd	Oxford mouldings P. Ltd	Shalimar packaging P.Ltd	Managing Director	Whole time Director	Directos sittings fees	P.K. Jain	Amount (Rs.in Million)
Purchase Goods and Service			37.41	14.10					51.51
Sale of Goods and Service			27.89						27.89
Recovery of Expenses			3.34						3.34
outstanding balance included in current Liabilities			0.02						0.02
Dividend Paid	0.79	0.66	0.1	0.32					1.87
managerial Remuneration					0.91	1.02			1.93
Remuneration to relatives of Key personnel								0.40	0.40
Directors Sitting Fees							0.004		0.004

**Information on related party transaction as required by accounting standard -18 as on 31st March 2002**

Particulars	Time exports P. Ltd	Vishwalaxmi T.& f. P. Ltd	Oxford mouldings P. Ltd	Shalimar packaging P.Ltd	Managing Director	Whole time Director	Directos sittings fees	Amount (Rs.in Million)
Purchase Goods and Service			13.55					13.55
Sale of Goods and Service			78.02					78.02
Recovery of Expenses			12.19					12.19
outstanding balance included in current Liabilities			0.39					0.39
Dividend Paid	1.58	1.32	0.20	0.65				3.75
managerial Remuneration					0.91	1.66		2.57
Directors Sitting Fees							0.008	0.008

**TIME TECHNOPLAST LIMITED**

Annexure-XVII

**Reserves & Surplus**

(Rs. In Million)

<b>Particulars</b>	<b>31.12.2006</b>	<b>2005-06</b>	<b>2004-05</b>	<b>2003-04</b>	<b>2002-03</b>	<b>2001-02</b>
Capital Reserve	7.22	7.22	7.22	7.22	7.22	7.22
Share Premium	0.00	42.48	22.48	22.48	22.48	22.48
General Reserve	33.27	69.31	46.43	38.79	29.31	33.67
Profit & Loss A/c	1340.51	1076.65	667.25	609.18	566.46	556.42
Amalgamation Reserve	69.62	69.62	-	-	-	-
<b>Total</b>	<b>1450.62</b>	<b>1265.28</b>	<b>743.38</b>	<b>677.67</b>	<b>625.46</b>	<b>619.78</b>

**CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AND CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSSES, AS RESTATED AND CONSOLIDATED CASH FLOWS , AS RESTATED , UNDER INDIAN GAAP AT AND FOR NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2006.**

**AUDITORS' REPORT**

The Board of Directors  
Time Technoplast Limited  
102, Todi Complex,  
35 Saki Vihar Road  
Andheri (East)  
Mumbai- 400 072

Dear Sir,

- A. a) We have Examined the annexed financial information of Time Technoplast Ltd. ( Formerly known as Time Packaging Limited ) for nine months ended December 31<sup>st</sup> , 2006 and its Subsidiaries TPL Plastech Limited (formerly Tainwala Polycontainers Limited), Elan Incorporated Fze (Sharjah –UAE), and Nova Tech SP Z.O.O.(Europe -Poland) (collectively referred to as the Group) annexed to this report and initialed by us for identification purpose, which have been prepared.
- b) In accordance with the requirements of
- I. Paragraph B(1) of part II of schedule II to the Companies Act,1956 (“the act”)
  - II. The Securities and Exchange Board of India (Disclosure and investor Protection) Guidelines, 2000 (“the SEBI Guidelines’) issued by the securities and Exchange Board of India(‘SEBI’) on January 19,2000 in pursuance to section 11 of the Securities and Exchange Board of India Act,1992 and related amendments and
  - III. The terms of reference received from the Company , requesting us to carry out work, proposed to be included in the Red Herring Prospectus and the Prospectus (Collectively, “ the Offer Documents”) of the Company in connection with its proposed Initial Public offer (referred to as ‘ IPO’).
- A. Financial information as per consolidated audited financial statement of Time Technoplast Limited
- I. We have examined the attached “consolidated Restated Summary of Assets and Liabilities of the Company as at 31<sup>st</sup> December, 2006, the Consolidated Restated Summary Statement of profit and Losses and the Consolidated Restated Statement of Cash Flows for the Nine month ended on that date (See Annexure I, II and III ) as prepared by the Company and approved by the Board of Directors. The Consolidated restated profits have been arrived at after making such adjustments and regroupings as in our opinion are appropriate and as more fully described in the notes to the consolidated restated financial statement appearing in Annexure IV to this report.
- B. We have examined the following financial information relating to the Company proposed to include in the offer document, as approved by you and annexed to this report.
- a) Statement of Investment enclosed as annexure V to this report
  - b) Statement of debtors enclosed as annexure VI to this report
  - c) Details of loans and advances as appearing in annexure VII to this report
  - d) Statement of secured loans as appearing in annexure VIII to this report
  - e) Statement of Unsecured Loans as appearing in annexure IX to this report
  - f) Statement of Operational Income as appearing in annexure X to this report
  - g) Statement of Other Income as appearing in annexure XI to this report
  - h) Details of Contingent Liabilities as appearing in annexure XII to this report

## **TIME TECHNOPLAST LIMITED**

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- i) Accounting Ratios as appearing in annexure XIII to this report
- j) Capitalization statement as appearing in annexure XIV to this report
- k) Statement of related party transactions as appearing in annexure XV to this report.
- l) Statement of Reserve and Surplus as appearing in annexure XVI to this report

In our opinion the financial information of the Company as per audited statements and Other Financial Information mentioned above for the Nine Months ended 31<sup>st</sup> December,2006 ,have been prepared in accordance with Part II of schedule II of the Companies Act 1956, and the SEBI Guidelines.

This report should not be in any way be construed as a reissuance or redating of any of the previous audit reports nor should this be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusion in offer documents in connection with the proposed IPO of the Company and is not to be used ,referred to or distributed for any other purpose without our prior written consent.

**For Raman S. Shah & Co.  
Chartered Accountants**

**sd/-**

**Raman S . Shah  
Proprietor  
M. No.: 33272**

**Place : Mumbai**

**Date : 21.04.2007**

**CONSOLIDATED RESTATED SUMMARY OF ASSETS AND LIABILITIES**

(Rs. In Million)

As At	31.12.2006
<b>A) Fixed Assets</b>	
Goodwill on Consolidation	242.00
Gross Block	2244.77
Less: Depreciation	938.11
<b>Net Block</b>	<b>1306.66</b>
Capital Work-in-progress	168.63
<b>Total</b>	<b>1,717.29</b>
<b>B) Investments</b>	<b>39.69</b>
<b>C) Current Assets, Loans and Advances</b>	
Inventories	799.05
Sundry Debtors	971.12
Cash and Bank Balances	96.67
Loans and Advances	243.62
<b>Total</b>	<b>2110.46</b>
<b>D) Liabilities and Provisions</b>	
Secured Loans	1,363.99
Unsecured Loans	399.61
Current Liabilities	315.00
Minority Interest	28.84
Provisions	35.56
<b>Total</b>	<b>2143.00</b>
<b>E) Deferred Tax Liability</b>	<b>110.66</b>
<b>F) Net Worth (A+B+C-D-E)</b>	<b>1613.78</b>
<b>Net Worth Represented by</b>	
<b>G) Share Capital</b>	157.05
<b>H) Reserves &amp; Surplus</b>	1,458.70
<b>I) Misc. Expenditure not Yet written off</b>	(1.97)
<b>K) Net Worth (G+H-I)</b>	<b>1,613.78</b>

Note: The above statement should be read with the notes on adjustments and significant accounting policies & notes to accounts for restated statements as appearing in Annexure IV to the report

## TIME TECHNOPLAST LIMITED

Annexure-II

### CONSOLIDATED RESTATED STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. In Million)

	<b>31.12.2006 (Nine Months)</b>
<b>Income</b>	
Sales less Returns	3308.57
Less : Excise Duty	438.87
<b>Net Sales</b>	<b>2869.70</b>
Other Income	6.88
<b>Total Income ( A )</b>	<b>2876.58</b>
<b>Expenditure</b>	
Material Cost	1890.40
Manufacturing & Other Expenses	341.95
Salaries & wages	75.60
Finance Cost	100.09
Provision for payment of Sales tax	
Deferred Liability & Sales Tax	22.33
Depreciation	107.13
<b>Total Expenditure ( B )</b>	<b>2537.50</b>
Net profit before tax	339.08
<b>Provision for Taxation</b>	
Current Tax	(42.80)
Fringe Benefit Tax	(1.04)
Deferred Tax	(11.80)
<b>Net Profit after tax but before Prior Period Items</b>	<b>283.44</b>
<b>Net Profit as per Audited Statement of Accounts</b>	<b>283.44</b>
Profit B/D from last Year	1071.57
Proposed Dividend	(1.95)
Tax On Dividend	(1.09)
Minority Interest	(5.09)
<b>Balance C/F to Balance Sheet</b>	<b>1346.88</b>

Note: The above statement should be read with the notes on adjustments and significant accounting policies & notes to accounts for restated statements as appearing in Annexure IV to the report.

**CONSOLIDATED RESTATED STATEMENT OF CASH FLOW**

(Rs. In Million)

Particulars	31.12.2006 (Nine Months)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit before Tax & extraordinary item	339.09
<b>Adjusted For :-</b>	
Depreciation on Tangible Assets	107.13
Interest & Financial Charges	100.09
Deferred Revenue Expenses Written Off	2.04
Minority Interest in Subsidiary	23.75
Deferred Tax Liability	5.34
Exchange Adjustment	1.71
<b>Operating Profit before Working Capital Changes</b>	<b>579.15</b>
<b>Adjusted for :-</b>	
Trade & Other Receivable	(384.15)
Inventories	(73.94)
Trade Payable	80.26
<b>Cash generated from Operation</b>	<b>201.32</b>
Tax payment	(53.00)
Cash Flow Before Extraordinary Items	148.32
<b>Net Cash From Operative Activities (A )</b>	<b>148.32</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase Of Fixed Assets	(647.16)
Investment	1.50
<b>Net Cash used in investing activities (B)</b>	<b>(645.66)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Net Proceeds From Borrowings	315.03
Dividend paid & tax On Dividend	(3.04)
Interest Paid	(100.09)
<b>Net cash from / (used in) Financing Activities (C)</b>	<b>211.90</b>
<b>Net Increase /(Decrease) in Cash &amp; Cash Equivalent</b>	<b>(285.44)</b>
Cash & cash Equivalents As At ( Closing balance)	96.67
Cash & cash Equivalents As At ( Opening balance)	382.11

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED ACCOUNTS**

**A. NOTES TO ACCOUNTS - CONSOLIDATION**

**1 PRINCIPLES OF CONSOLIDATION**

- a) The Consolidated Financial Statements (CFS) of Time Technoplast Limited (TTL) and its subsidiaries are prepared under the Historical Cost Convention in accordance with the Generally Accepted Accounting Principles in India and Accounting Standard-21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI) to the extent possible in the same format as that adopted by the parent company for its separate financial statements by regrouping, recasting or rearranging figures wherever considered necessary.
- b) The CFS of the parent company and its subsidiaries is done on a line by line basis by adding together like items of assets, liabilities, income and expenses. All significant inter-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation. Minority interest in subsidiaries represents the minority shareholders proportionate share of net assets and net income.
- c) The excess cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognized in the financial statements as goodwill.
- d) CFS are prepared using uniform accounting policies for transactions and other events in similar circumstances and are in line with generally accepted accounting principles in India.
- e) The CFS includes the accounts of the parent company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired.

**Extent of Company's Interest**

<b>Name of the Company</b>	<b>Year Ended</b>	<b>For the Nine Months Ended 31.12. 2006</b>	<b>Country of Incorporation</b>
<b>Subsidiaries :</b>			
TPL Plastech Ltd	31 <sup>st</sup> March	75%	India
Elan Incorporated FZE	31 <sup>st</sup> December	100%	U.A.E
Nova Tech Z O O	31 <sup>st</sup> December	100%	Poland

**Notes :**

- 1 In accordance with the requirement of Accounting Standard – 11 (Revised) – "The effects of changes in foreign exchange rates" operations of the foreign subsidiaries have been considered as integral operations and accordingly their financial statements have been converted in Indian Rupees at following exchange rates :
  - (i) Current assets and Liabilities : Exchange rates prevailing at the end of the period
  - (ii) Fixed Assets : Exchange rate prevailing at the end of the period instead of exchange rates at the date of transaction

**f) Joint Venture**

- (i) The Group has adopted and accounted for interest in the following Joint Venture in this CFS, using the " Proportionate Consolidation Method" as per AS-27 issued by the ICAI. The financial year of Joint Venture is January to December.

<b>Name of the Enterprise</b>	<b>Extent of Holding</b>	<b>Country of Incorporation</b>
Time Mauser Industries Pvt Ltd	49%	India



- (ii) The parent company's share of capital commitments in the Joint Venture as at 31<sup>st</sup> December,2006 is Rs.10.58 Mn. (PY Rs.0.22 Mn.)
- (iii) The parent company's share of contingent liabilities of the Joint venture as at 31<sup>st</sup> December,2006 is Rs.2.90 Mn. (PY Rs.8.26 Mn ).

## **B. SIGNIFICANT ACCOUNTING POLICIES :**

### **1. Accounting Concepts :**

The Company follows the Mercantile System of Accounting and recognizes Income & Expenditure on Accrual basis unless otherwise stated.

### **2. Fixed Assets :**

- a) Fixed Assets are stated at cost of acquisition (inclusive of any other cost attributable to bringing the same to their working condition), less accumulated depreciation.
- b) Fixed Assets manufactured / constructed in house are valued at actual cost of raw materials, conversion cost, excise duty and other related cost, less accumulated depreciation.
- c) Pre-operative Expenses incurred up to Commencement of Commercial production of respective unit has been appropriated on the Fixed Assets value at the end of the year of respective unit.

### **3. Impairment of Assets :**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect. None of the Company's fixed assets are considered impaired as on the Balance Sheet date.

### **4. Depreciation :**

The Company follows the straight line method of depreciation (Pro-rata for addition / deduction during the year), in accordance with Schedule XIV to the Companies Act, 1956 (as amended).

### **5. Sales :**

Sales is inclusive of Excise duty, Sales Tax, other benefits etc., and less of returns.

### **6. Investments :**

Long term Investments are stated at cost.

### **7. Inventory Valuation :**

Inventories are valued at cost or net realizable value whichever is lower.

### **8. Accounting for Taxes on Income :**

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the provisions as per Income Tax Act, 1961.

The Deferred Tax for timing differences between book profits and tax profits for the year is accounted for using the tax rules and laws that have been enacted or substantially enacted as of the balance sheet date. The Deferred Tax Assets arising from timing difference are recognized to the extent there is a reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## TIME TECHNOPLAST LIMITED

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### 9. Foreign Currency Fluctuations :

- i) Monetary Assets and Liabilities related to Foreign Currency transactions remaining unsettled at the end of the year are translated at year end rate.
- ii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets are recognized in the Profit and Loss Account. In respect of transactions covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the Profit and Loss Account over the period of the contract.
- iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

### 10. Retirement Benefits :

- a) **Leave Encashment** : Leave encashment is accounted for on cash basis.
- b) **Gratuity** : The Company follows the accrual basis of accounting for gratuity.

### 11. Segment Reporting :

The Company and its subsidiaries are engaged in Plastic products which as per accounting standard AS 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India is considered as the only reportable business segment. The Geographical segmentation is not relevant as all units are manufacturing similar products and risk and return involved within the country are common.

Annexure-V

CONSOLIDATED STATEMENT OF INVESTMENT

(Rs. in Million)

Particulars	31.12.2006
<b>Trade –Unquoted</b>	
34,30,000 Equity Shares in Time Mauser Industries Pvt. Ltd. Of Rs.10/- Each, fully paid up	34.30
25,500 Equity Shares in Vishwalaxmi Trading & Finance Pvt. Ltd. Of Rs.10/- Each, fully paid up	2.55
<b>Trade –Quoted</b>	
5,93,625 Equity Shares in Suryodaya Plastics Ltd. Of Rs.10/- each, fully paid up	2.84
<b>Total</b>	<b>39.69</b>

Annexure VI

CONSOLIDATED STATEMENT OF SUNDRY DEBTORS

(Rs. In Million)

	31.12.2006
<b>A. Debts Outstanding for a period exceeding six month :</b>	
Unsecured- Considered Good	21.87
Considered Doubtful	18.04
	<b>39.91</b>
<b>B: Other Debts :</b>	
Unsecured - Considered Good	931.21
	<b>931.21</b>
<b>Total (A+B)</b>	<b>971.12</b>

## TIME TECHNOPLAST LIMITED

Annexure-VII

### CONSOLIDATED STATEMENT OF LOANS AND ADVANCES

(Rs. In Million)

	<b>31.12.2006</b>
Advance recoverable in cash or kind or for value to be received	47.58
O/s. from Promoters / Promoters Group	25.51
Advance To Employees	1.66
Balance with Govt.Department	98.19
Deposit with Govt.Department	9.18
Sundry Deposit	37.39
Duty Free advance licences	8.39
Advance Payment Of taxes	12.01
Prepaid Expenses	3.70
	<b>243.61</b>

Annexure-VIII

### CONSOLIDATED STATEMENT OF SECURED LOANS

(Rs. In Million)

	<b>31.12.2006</b>
<b>A. Working Capital</b>	
Bank of Baroda	182.57
State Bank of Saurashtra	182.73
ING Vysya Bank Ltd.	150.92
ABN Amro Bank N.V.	102.73
UTI Bank Ltd.	141.25
State Bank of India	54.49
<b>Total ( A )</b>	<b>814.69</b>
<b>B. Term Loan</b>	
IDBI Ltd. ( I & II )	115.30
ING Vysya Bank Ltd. ( III & IV )	105.21
State Bank of Saurashtra ( V & XI )	121.95
State Bank of Travancore ( X )	35.12
UTI Bank Ltd., ( VI , VII , VIII & IX )	83.18
Exim Bank (XII)	88.04
<b>Total ( B )</b>	<b>548.80</b>
<b>C. Hire Purchase Loan</b>	
From Finance Company (Secured against Vehicle purchased there against)	0.50
<b>Total ( A+B+C )</b>	<b>1363.99</b>

Sr. No.	Bank	Nature Of Loan	Sanctioned Amount (Rs. In Mn.)	Rate of interest p.a	Repayment Terms	Installment Amount	Security Offered
I	I D B I LIMITED	Term Loan	130.00	11.00% Fixed	Repayable quarterly installment last installment due on Jan.2010.	4 Installments of Rs.3 Million, 4 Installments of Rs.5 Million, 4 Installments of Rs. 5.50 Million, 4 Installment of Rs.6 Million & 4Installment of Rs.7 Million	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I
II	I D B I LIMITED	Term Loan	44.00	8.75% Fixed	Repayable quarterly installment last installment due on April 2008.	11 Installments of 3.6 Million & 1 Installment of 4.4 Million.	First Charge on land & Building, Plant & machinery of Hosur Unit.
III	ING VYSYA BANK LTD	Term Loan	100.00	IVRR Less 3.00%	Repayable monthly installment last installment due on March 2009.	48 Installments of 2.08 Million	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I
IV	ING VYSYA BANK LTD	Term Loan	50.00	IVRR Less 3.75%	Repayable monthly installment last installment due on Nov.2010.	48 Installments of 1.04 Million	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I And New Unit Baddi & Pantnagar
V	STATE BANK OF SAURASHTRA	Term Loan	95.50	BPLR Less 2.50%	Repayable monthly installment last installment due on Jan. 2011.	48 Installments of 1.99 Million	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I And New Unit Baddi & Pantnagar
VI	UTI BANK LIMITED	Term Loan	40.00	At BPLR	Repayable monthly installment last installment due on Oct. 2007.	60 Installments of 0.66 Million	Specific Charge on Blow Mouldings Machines
VII	UTI BANK LIMITED	Term Loan	52.00	BPLR less 2.50%	Repayable quarterly installment last installment due on Oct. 2007.	4 Installments of Rs. 4 Million, 4 Installments of Rs. 5 Million, 2 Installments of Rs.5.3 Million & 1 Installments of Rs.5.4 Million	First Charge on Immovable /movable of OMPL Supermaid - I ,Fixed assets of OMPL Supermaid – II

## TIME TECHNOPLAST LIMITED

Sr. No.	Bank	Nature Of Loan	Sanctioned Amount (Rs. In Mn.)	Rate of interest p.a	Repayment Terms	Installment Amount	Security Offered
VIII	UTI BANK LIMITED	Term Loan	24.00	BPLR Less 2.50%	Repayable monthly installment last installment due on Nov. 2006.	60 Installments of Rs.0.4 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman, Sahibabad & Andheri premises of OMPL.
IX	UTI BANK LIMITED	Term Loan	56.00	BPLR less 3.00%	Repayable monthly installment last installment due on Dec. 2012.	60 Installments of Rs.0.93 Million Each.	First Charge on Immovable/movable of Mahad Unit of OMPL.
X	STATEBANK OF TRAVANCORE	Term Loan	43.00	10.00% Floating	Repayable monthly installment last installment due on Jan. 2011.	60 Installments of Rs.0.72 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi of erstwhile company SPPL.
XI	STATE BANK OF SAURASHTRA	Term Loan	45.00	BPL Rless 1.00%	Repayable monthly installment last installment due on Dec. 2010.	60 Installments of Rs.0.75 Million Each.	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi of SPPL
XII	EXIM BANK	Term Loan (Foreign Currency \$)	165.00 (\$ 3.75 Mn.)	USD 6 Months LIBOR Plus 275 Basis	Repayable quarterly installment last installment due on Oct 2012.	20 Installments of 8.25 Million	Secured by First charge on the Fixed Assets of the Company located at SAIF Zone, Sharjah

**Consolidated Statement of Secured Working capital Loans**

Bank	Nature Of Loan	Sanctioned Amount		Securities Offered	
		Rate of Interest P.a	Fund Based (Rs. In Mn.)		
Bank of Baroda	Cash Credit	BPLR Less 2.00 %	41.30	Secured by hypothecation of stock and books debts(present & future) of the company and by first ranking pari passu charge on all movable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors	
	WCDL	BPLR Less 2.00 %	165.20		
ING Vysya Bank Limited	Cash Credit	At IVRR	37.40		
	WCDL	IVRR Less 5.00%	149.60		Do
State Bank Of Saurashtra	Cash Credit	BPLR Less 1.50%	27.00		Do
	WCDL	BPLR Less 1.50%	108.00		
ABN Amro Bank N.V.	Cash Credit	BPLR Less 2.75%	46.50		Do
	WCDL	(See Note 1)	66.50		
UTI Bank Ltd.	Cash Credit	BPLR Less 2.00%	30.20		First pari passu charge on all the current assets of the company
	WCDL	BPLR Less 2.00%	120.80		First pari passu charge on 101A Todi Complex, Andheri office & fixed assests and land at Sahibabad unit of OMPL.
State Bank of Saurashtra	Cash Credit	BPLR Less 1.50%	11.50	Hypothecation of all stocks of raw material and stores , Good in process, Finished goods , book debts , packing material and stores and spares etc. All current assets of the company SPPL ( present & future )	
	WCDL	BPLR Less 1.50%	46.00		
State Bank of India	Cash Credit	SBPL less 0.75%	20.00		
	WCDL		65.00		Hypothecation of stocks of raw material Finished goods ,Stock in process and books debts and further secured against charge of movable and immovable fixed assets of the company (TPL Plastech Limited)
	<b>Total</b>		<b>935.00</b>		

Note No. 1. WCDL Converted into FCNR ( B ) Loan at 6 Month LIBOR + 200 Basis point.

**TIME TECHNOPLAST LIMITED**

Annexure-IX

**CONSOLIDATED STATEMENT OF UNSECURED LOANS**

(Rs. In Million)

<b>As At</b>	<b>31.12.2006</b>
Sales Tax Deferral Liabilities	36.43
Short term Loan	363.18
<b>Total</b>	<b>399.61</b>

Annexure – X

**CONSOLIDATED STATEMENT OF OPERATIONAL INCOME**

(Rs. In Million)

<b>For The Year</b>	<b>Apr-Dec, 2006 (Nine Months)</b>
Sales (Gross)	3308.57
<b>Total</b>	<b>3308.57</b>

Annexure-XI

**CONSOLIDATED STATEMENT OF OTHER INCOME**

(Rs. In Million)

<b>For The Year / Period</b>	<b>Nature</b>	<b>Apr-Dec, 2006 (Nine Months)</b>
Job Work Charges	Recurring	2.66
Sundry Balance/Provision W/off (net)	Non-recurring	0 .06
Tempo Lease Rent	Non-recurring	0.59
Miscellaneous Income	Non-recurring	0.07
Profit on sale on Investment	Non-recurring	3.50
<b>Total</b>		<b>6.88</b>

Note : The classification of "Other Income" as recurring and non-recurring is based on the current operations and business activity of the Company as determined by the management.



Annexure XII

**Consolidated Statement of Contingent Liabilities**

(Rs. In Million)

Sr. No.	For The Year / Period	31.12.2006
1	Guarantee given by the Bank	10.77
2	L/C issued by the Bank	408.57
3	Bills drawn on Customers & Discounted with Bank	2.02

Annexure-XIII

**Consolidated Statement of Accounting Ratios**

(Rs. In Million )

		31.12.2006
Restated Net Profit after tax available for equity shareholder- as per annexure-II		
Net Profit	283.44	
Less : Minority Interest	5.09	278.35
<b>Net worth - as per Annexure – I</b>		<b>1613.78</b>
Earning Per Share		
Basic / Diluted (Rs.)		17.72
Net Assets value per share (Rs.)		102.72
Return On Net Worth (%)		17.25
Restated No. of Equity Shares		15,705,000

**Notes:**

1. The ratios have been computed as below

Earning Per Share	=	$\frac{\text{Net Profit after tax available for equity shareholders}}{\text{Restated Weighted average no. of equity shares outstanding during the year}}$
Net Asset Value per Share	=	$\frac{\text{Net Worth excluding revaluation reserve}}{\text{Restated Weighted average no. of equity shares outstanding during the year}}$
Return on Net Worth	=	$\frac{\text{Net Profit after tax available for equity shareholders}}{\text{Net Worth excluding revaluation reserve}}$

2. The earning per share is calculated in accordance with the Accounting Standard 20 " Earning per share " issued by the Institute of Chartered Accountants of India
3. Restated Profit after tax available for equity shareholders has been considered for the purpose of computing the above ratios.
4. Net worth means Equity Share Capital + Reserve and Surplus - Miscellaneous expenditure to the extent not written off.
5. Restated shares have been computed pursuant to the issue of shares to the shareholders of amalgamating companies i.e SPPL in the ratio 1 share for every 4 share held & OMPL in the ratio of 1 share for every 5 share held, which the Board recorded on 18<sup>th</sup> July, 2006 & issue of Bonus Shares in the ratio of 1 share for every 1 share held by the shareholders as on record date of 12<sup>th</sup> August, 2006 by utilizing free reserves.

## TIME TECHNOPLAST LIMITED

Annexure-XIV

### Consolidated Statement Capitalisation Statement

(Rs. In Million)

	As on 31.12.06	Post- Issue
<b>Debt</b>		
Short Term Debt	1178.37	1178.37
Long Term Debt	585.23	585.23
<b>Total ( A )</b>	<b>1763.60</b>	<b>1763.60</b>
<b>Shareholder's fund</b>		
Share Capital	157.05	209.27
Reserve & surplus after deducting Miscellaneous Expenditure (to the extent not written off)	1456.73	3027.29
<b>Total shareholder's Fund ( B )</b>	<b>1613.78</b>	<b>3236.56</b>
Debt / Total shareholder's Fund ( A / B )	1.09	0.54

Annexure-XV

### **Consolidated statement of related party transaction as required by accounting standard -18 as on 31<sup>st</sup> December 2006**

	Name Of Related Party	Nature of Relation
1	Avion Exim Pvt Ltd	<b>Common Key Managerial Persons</b>
2	Vishwalaxmi Trading & Finance Pvt Ltd	— do —
3	Time Exports Pvt Ltd	— do —
4	Oxford Mouldings	— do —
5	Time Mauser Industries Pvt Ltd	— do —
6	GNXT Technoplast Pvt Ltd	— do —
7	Apex Plastics	— do —
8	Time Securities Services Pvt. Ltd.	— do —
<b>9</b>	<b>Key management Personnel</b>	
	Mr. Anil Jain	<b>Managing Director</b>
	Mr. Bharat Vageria	<b>Director</b>
	Mr. Naveen Jain	<b>Director</b>
	Mr. Raghupathy Thyagarajan	<b>Director</b>
	Mr. Kamlesh Joisher	<b>Director</b>



**Consolidated statement of related party transaction as required by accounting standard -18 as on 31<sup>st</sup> December 2006**

Particulars	Time Mauser ind.p.ltd	Time exports p.ltd	Tata Exports p.ltd	Avion exim p.ltd	Time securities services p.ltd	Vishwalaxmi T & F P. Ltd	Managing Director	Whole Time directors	Directors sitting fees	Amount (Rs.in Million)
Purchase Goods and Service	7.14					149.47				156.61
Sale of Goods and Service	3.51									3.51
Recovery of Expenses	3.28									3.28
Outstanding balance included in current assets	17.96					7.55				25.51
Outstanding balance included in current liabilities										-
Dividend Received										-
Managerial Remuneration							0.68	1.53		2.21
Directors Sitting Fees									0.15	0.15

**Annexure - XVI**

**Consolidated statement of Reserves & Surplus**

**(Rs. In Million)**

Particulars	31.12.2006
Capital Reserve	7.22
Amalgamation Reserve	69.62
General Reserve	33.27
Profit & Loss A/c	1346.88
Foreign currency Translation reserve	1.71
<b>Total</b>	<b>1458.70</b>

## TIME TECHNOPLAST LIMITED

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### FINANCIAL STATEMENTS OF OUR SUBSIDIARIES

**M/s. TPL PLASTECH LIMITED**  
(FORMERLY TAINWALA POLYCONTAINERS LIMITED)

#### **The Board of Directors**

TPL Plastech Limited  
(Formerly, Tainwala Polycontainers Ltd.)  
"Tainwala House"  
Road No. 18, M.I.D.C.,  
Andheri (East),  
Mumbai- 93

Dear Sirs,

We have examined the financial information of TPL Plastech Limited, formerly known as Tainwala Polycontainers Limited annexed to this report which have been prepared in accordance with the requirements of:

- I. Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (the Act);
- II. The Securities & Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ('the Guidelines') issued by the Securities & Exchange Board of India ('SEBI') and amendments made thereto from time to time in pursuance of Section 11 of the Securities & Exchange Board of India Act, 1992; and
- III. The instructions received from the Company, requesting to examine the financial information referred to above and proposed to be included in the Offer Document of the holding company i.e. Time Technoplast Limited in connection with its proposed Public issue of Equity shares.

#### **Financial information of the Company**

We have examined:

- a) The attached statement of Adjusted Assets & Liabilities of the Company as at March 31, 2002, 2003, 2004, 2005, 2006 and December 31st, 2006 (Annexure-I), the accompanying statement of Adjusted Profits & Losses of the Company for the financial year(s) ended on March 31, 2002, 2003, 2004, 2005, 2006 and for the nine months period ended on December 31st, 2006 (Annexure- II) and statement of Adjusted Cash Flow for the financial year(s) as at March 31, 2002, 2003, 2004, 2005, 2006 and for the nine months period ended on December 31st, 2006 (Annexure III) approved by the Board of Directors and adopted by the Members in case of five financial years ended on / as at March 31st, 2006 (Summary statements). These statements reflect the assets and liabilities, profits and losses and Cash Flows for each of the relevant years/period as extracted from the balance sheet and profit and loss account and Cash Flow statements for those years/period audited by us.
- b) The Significant Accounting Policies followed by the Company and Notes pertaining to the Financial Statements for the nine months period ended/as December 31st, 2006 are enclosed as Annexure-IV

Based on our examination of these Summary Statements, we confirm that the material amounts relating to adjustments for previous years have been identified and adjusted in arriving at the profits/losses for the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed public issue by the holding Company i.e. Time Technoplast Limited and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Lodha & Company,  
Chartered Accountants**

sd/-

(R. P. Baradiya)

Partner

Membership No.: 44101

Place : Mumbai.

Date : February 24, 2007

**SUMMARY STATEMENT OF ADJUSTED ASSETS AND LIABILITIES**

(Rs. In Million)

Particulars	As At 31.12.2006	As At 31.03.2006	As At 31.03.2005	As At 31.03.2004	As At 31.03.2003	As At 31.03.2002
<b>A) Fixed Assets</b>						
Gross Block	178.84	176.90	174.16	164.97	150.86	143.81
Less: Depreciation	124.22	117.17	107.32	96.01	85.51	74.88
<b>Net Block</b>	<b>54.62</b>	<b>59.73</b>	<b>66.84</b>	<b>68.96</b>	<b>65.35</b>	<b>68.93</b>
Capital Work-in-progress	6.77	0.00	0.11	0.04	0.00	0.00
<b>Total</b>	<b>61.39</b>	<b>59.73</b>	<b>66.95</b>	<b>69.00</b>	<b>65.35</b>	<b>68.93</b>
<b>B) Current Assets, Loans and Advances</b>						
Inventories	26.91	16.95	35.63	55.10	33.43	14.64
Sundry Debtors	92.41	123.92	78.33	49.86	36.83	21.23
Cash and Bank Balances	3.34	5.39	1.24	3.85	1.98	2.10
Loans and Advances	36.29	14.58	7.60	8.12	2.79	6.97
<b>Total</b>	<b>158.96</b>	<b>160.84</b>	<b>122.80</b>	<b>116.93</b>	<b>75.03</b>	<b>44.94</b>
<b>C) Misc. Expenditure(to the extent of not written off)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>
<b>D) Liabilities and Provisions</b>						
Secured Loans	54.98	45.55	30.39	42.80	44.94	30.13
Unsecured Loans	-	39.77	39.77	39.77	39.77	44.28
Current Liabilities	50.69	34.87	30.71	37.28	14.65	12.19
Provisions	3.13	0.06	0.00	0.00	0.00	1.71
<b>Total</b>	<b>108.80</b>	<b>120.25</b>	<b>100.87</b>	<b>119.85</b>	<b>99.36</b>	<b>88.31</b>
<b>E) Deferred Tax Liability</b>	<b>5.10</b>	<b>5.34</b>	<b>6.46</b>	<b>1.90</b>	<b>4.03</b>	<b>1.59</b>
<b>F) Net Worth (A+B+C-D-E)</b>	<b>106.45</b>	<b>94.98</b>	<b>82.42</b>	<b>64.18</b>	<b>36.99</b>	<b>24.97</b>
<b>Net Worth Represented by</b>						
<b>G) Share Capital</b>	78.00	78.00	78.00	78.00	78.00	78.00
<b>H) Reserves &amp; Surplus</b>	28.45	16.98	4.42	(13.82)	(41.01)	(53.03)
<b>I) Net Worth (G+H)</b>	<b>106.45</b>	<b>94.98</b>	<b>82.42</b>	<b>64.18</b>	<b>36.99</b>	<b>24.97</b>

Note: The above statement should be read with the respective significant accounting policies &amp; notes to accounts.

# TIME TECHNOPLAST LIMITED

Annexure-II

## SUMMARY STATEMENT OF ADJUSTED PROFIT AND LOSS ACCOUNT

(Rs. In Million)

Particulars	Nine Months Ended 31.12.2006	Year Ended 31.03.2006	Year Ended 31.03.2005	Year Ended 31.03.2004	Year Ended 31.03.2003	Year Ended 31.03.2002
<b>Income</b>						
Sales Less Returns	392.15	428.00	414.13	325.01	241.95	184.09
Less : Excise Duty	51.42	58.40	57.67	44.57	33.40	25.40
<b>Net Sales</b>	<b>340.73</b>	<b>369.60</b>	<b>356.45</b>	<b>280.44</b>	<b>208.55</b>	<b>158.69</b>
Other Income	0.87	2.42	0.70	0.02	0.01	0.09
Increase / ( Decrease ) in Stocks	8.09	(0.28)	0.56	0.25	5.80	(1.60)
<b>Total Income ( A )</b>	<b>349.69</b>	<b>371.74</b>	<b>357.71</b>	<b>280.71</b>	<b>214.36</b>	<b>157.18</b>
<b>Expenditure</b>						
Material Cost	260.24	264.94	251.09	185.03	137.17	94.62
Salaries & Wages	6.23	9.93	9.29	8.85	8.07	5.38
Manufacturing & Other Expenses	40.72	59.44	54.44	43.28	39.28	27.79
Finance Cost	3.92	6.82	7.30	7.99	5.28	5.47
Depreciation	7.05	10.88	11.40	10.50	8.14	6.50
Miscellaneous Expenditure Written Off	0.00	0.00	0.00	0.00	1.00	0.33
Adjustment For Qualification / Change in Accounting Policy	0.00	0.00	0.00	0.00	0.78	4.19
<b>Total Expenditure ( B )</b>	<b>318.16</b>	<b>352.01</b>	<b>333.52</b>	<b>255.65</b>	<b>199.72</b>	<b>144.28</b>
Net Profit Before Tax	31.53	19.73	24.19	25.06	14.64	12.90
<b>Provision for Taxation</b>						
Current Tax	(11.31)	(8.07)	(1.39)	0.00	(0.19)	(0.47)
Deferred Tax Assets/(Liabilities)	0.24	1.11	(4.56)	2.13	(2.43)	(1.59)
Fringe Benefit Tax	(0.11)	(0.21)	0.00	0.00	0.00	0.00
<b>Net Profit After Tax</b>	<b>20.35</b>	<b>12.56</b>	<b>18.24</b>	<b>27.19</b>	<b>12.02</b>	<b>10.84</b>

Note: The above statement should be read with the respective significant accounting policies & notes to accounts.

**TPL PLASTECH LIMITED**  
**(FORMERLY TAINWALA POLYCONTAINERS LIMITED)**  
**SUMMARY STATEMENT OF ADJUSTED CASH FLOW**

(Rs. In Million)

PARTICULARS	AS AT 31.12.06	AS AT 31.03.06	AS AT 31.03.05	AS AT 31.03.04	AS AT 31.03.03	AS AT 31.03.02
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net Profit before tax	31.53	19.73	24.19	25.06	14.64	12.90
<b>Adjustments for :</b>						
Depreciation	7.05	10.88	11.40	10.50	8.14	6.50
Interest	3.92	6.82	7.30	7.99	5.28	5.47
Miscellaneous Expenditure Written off	-	-	-	-	1.00	0.33
Provision for Loan & Advances	-	-	-	-	1.71	-
(Profit ) / Loss on sale of Fixed Assets (Net)	-	0.01	0.01	-	-	-
<b>Operating Profit /(Loss) before Working Capital Changes</b>	<b>42.50</b>	<b>37.44</b>	<b>42.90</b>	<b>43.55</b>	<b>30.77</b>	<b>25.20</b>
Adjustments for:						
Trade and other Receivables	14.46	(56.76)	(28.61)	(17.03)	(13.93)	2.68
Inventories	(9.97)	18.68	19.47	(21.67)	(18.79)	(3.50)
Trade Payables	15.76	4.22	(6.57)	22.63	0.75	6.67
<b>Cash generated from operations</b>	<b>62.75</b>	<b>3.58</b>	<b>27.19</b>	<b>27.48</b>	<b>(1.20)</b>	<b>31.05</b>
Income Tax	(8.17)	(7.82)	(0.80 )	(0.52)	(0.32)	(0.26)
Fringe Benefit Tax	(0.11)	(0.21)	-	-	-	-
<b>Net cash from operating activities</b>	<b>54.47</b>	<b>(4.45)</b>	<b>26.39</b>	<b>26.96</b>	<b>(1.52)</b>	<b>30.79</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>						
Purchase of Fixed Assets & capital advances	(11.18)	(8.28)	(8.15)	(15.57)	(4.43)	(20.61)
Sale of Fixed Assets	-	4.41	0.21	-	-	-
Net Cash used in investing activities	(11.18)	(3.87)	(7.94)	(15.57)	(4.43)	(17.54)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>						
Interest (Net)	(3.92)	(6.82)	(7.30)	(7.99)	(5.28)	(5.47)
Repayment of Long term borrowings	(30.34)	15.16	(12.41)	(2.14)	10.30	(6.97)
Dividend and Dividend Tax	(8.89)	-	-	-	-	-

## TIME TECHNOPLAST LIMITED

PARTICULARS	AS AT 31.12.06	AS AT 31.03.06	AS AT 31.03.05	AS AT 31.03.04	AS AT 31.03.03	AS AT 31.03.02
<b>Net Cash used in financing activities</b>	<b>(43.15)</b>	<b>8.34</b>	<b>(19.71)</b>	<b>(10.13)</b>	<b>5.02</b>	<b>(12.44)</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	0.14	0.02	(1.26)	1.26	(0.93)	0.81
Cash and cash equivalents at the beginning of the year	0.45	0.43	1.69	0.43	1.36	0.55
Cash and cash equivalents at the end of the year	0.59	0.45	0.43	1.69	0.43	1.36

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.
- 2) Cash & cash equivalents exclude fixed / margin deposit



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2006****A. SIGNIFICANT ACCOUNTING POLICIES:****a. GENERAL:**

- (i) The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.
- (ii) All expenses and Income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

**b. USE OF ESTIMATES:**

The presentation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**c. FIXED ASSETS:**

- (i) Fixed assets are capitalised at cost inclusive of freight, duties, taxes and all incidental expenses related thereto and net of Cenvat credit.
- (ii) Pre-operative expenses incurred during construction period are allocated to various assets in proportion to their capital cost.
- (iii) Fixed assets are stated at cost less accumulated depreciation.

**d. DEPRECIATION / AMORTISATION:**

- (i) Premium on leasehold land is being amortized over the period of lease.
- (ii) Depreciation on fixed assets is provided on written down value method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- (iii) 'Continuous Process Plant' as defined in the said Schedule, has been considered on technical assessment and depreciation provided accordingly.

**e. INVENTORIES:**

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on FIFO basis.
- (ii) Finished goods and semi finished goods include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Stores and spares are charged to consumption soon after procurement.

**f. ACCOUNTING FOR TAXES ON INCOME:**

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the provisions as per Income-Tax Act, 1961.

The deferred tax for timing differences between book profits and tax profits for the year is accounted for using the tax rules and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a reasonable certainty that these would be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

The provision for fringe benefit tax has been made in respect of employee's benefits and other specified expenses as determined under the Income Tax Act , 1961.

## TIME TECHNOPLAST LIMITED

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### **g. BORROWING COST:**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset upto the date when such asset is ready for its intended use. Other Borrowing costs are charged to Profit & Loss Account.

### **h. TRANSACTIONS IN FOREIGN CURRENCY:**

- (i) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions.
- (ii) All exchange differences on settlement / conversion are dealt with in the Profit and Loss Account except those relating to the acquisition of fixed assets which are adjusted in the cost of assets.
- (iii) Current Assets and Current Liabilities in foreign currency are translated at the rate of ex-change prevailing at the close of the period.

### **i. RETIREMENT BENEFITS:**

Liability in respect of retirement benefits is provided and charged to Profit and Loss Account as follows:

- a) Provident / Pension Funds: At a specified percentage of salary / wages for eligible employees.
- b) Leave Encashment: As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.
- c) Gratuity is provided at the year end as per the provisions of "The Payment of Gratuity Act, 1972."

### **j. IMPAIRMENT OF ASSETS:**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

### **k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statements.

## **B. CERTAIN NOTES**

1. Estimated amount of contract remaining to be executed on capital account and not provided for Rs.24.01 million (previous year Rs. 0.01).
2. The amount of exchange difference (net) debited to the Profit and Loss Account for the year Rs. 0.28 million (Previous year Rs. 1.49 million)
3. The Company's operations fall under a single segment i.e manufacturing of HMHDPE barrels and all its business operations are in India.
4. Loan and Advances include Rs. NIL as at 31<sup>st</sup> December 2006 (Previous Year Rs. 0.08 million as at 31<sup>st</sup> March 2006) ,maximum amount outstanding given for the period Rs. NIL(previous year 0.50 million) being interest free loans given to employees as per General rules of the Company. No employees concerned held any equity shares (maximum Previous year 1,400) in the Company as on date.
5. The Company has changed its name from Tainwala Polycontainers Limited to TPL Plastech Limited in line with main business activity. The ROC Mumbai has therefore issued new certificate of Incorporation dated 22<sup>nd</sup> November 2006.

6. (a) Managerial Remuneration:

Rs In Million

	2006- 07 (Nine Months ) RUPEES	2005- 06 RUPEES
Salaries	1.05	2.10
Provident Fund	0.20	0.25
Provision for Gratuity	0.20	0.10
<b>TOTAL</b>	<b>1.45</b>	<b>2.45</b>

(b) No Commission is payable to Directors/Managing Director and hence computation of Net Profit in accordance with Section 198, 309 and 349 of the Companies Act, 1956 has not been given.

7. Related Party Disclosures as per Accounting Standard (AS) 18:

a) Parties with whom the Company has entered into transactions during the year:

- 1) Party where control exists: viz Time Technoplast Limited (Formerly Known as Time Packaging Limited ) from 14<sup>th</sup> July, 2006.
- 2) Associates:
  - i) Abhishri Packaging Private Limited (up to change of Management i.e. July 14, 2006)
  - ii) Tainwala Chemicals & Plastics (I) Limited (up to change of Management i.e. July 14, 2006)
  - iii) Trimurti Transport company (up to change of Management i.e. July 14, 2006)
  - iv) Vishwalaxmi Trading & Finance Private Limited (From July 14,2006 to December 31<sup>st</sup>. 2006)
- 3) Key Managerial Personnel, their relative and their concern :
  - i) Rakesh Tainwala-Managing Director (up to change of Management i.e. July 14, 2006)
  - ii) Abhishri Polycontainers (up to change of Management i.e. July 14, 2006)
  - iii) Kamlesh Joisher -Whole Time Director (From July 14,2006 to December 31<sup>st</sup>. 2006)

## TIME TECHNOPLAST LIMITED

- b) The following transactions were carried out with the aforesaid related parties in the ordinary course of business:

	Name of the Party	Relationship	Nature of Transaction	Amount (RS in Millions.) Debit	Amount (RS in Millions.) Credit	Outstanding As On 31.12.2006 (Rs.)
1.	Time Technoplast Limited (Formerly Known as Time Packaging Limited)	Holding Company	Sales Purchases Job work Interest Loan	0.85 - 0.15 0.21 22.50 (-)	- 13.98 - - - (-)	22.69 (Dr)
2	Abhishri Polycontainers	Concern of Key Management Personnel's relative	Sales  Job Work	1.08  (0.73)	-  (0.31)	0.04 (Dr)  (0.49 Dr.)
3	Abhishri Packaging Private Limited	Associates	Sales Interest Sale of Fixed Assets	0.03 0.95 (42.37)	- - (-)	NIL  (42.37 Dr)
4	Trimurti Transport Company	Associates	Carriage Outward Tempo Lease Rent	- 0.19 (6.36)	2.73 (8.97)	0.03 (Cr) (0.30 Dr)
5	Tainwala Chemicals & Plastics India Limited	Company under the same Management	Purchase Interest Rent	- - -	7.28 1.19 0.29	0.06 (Cr)  (39.8 Cr)
6	Vishwalaxmi Trading & Finance Private Limited	Associates	Purchase	- (-)	33.23 (-)	5.65 (Cr)
7	Rakesh Tainwala	Managing Director	Remuneration	0.60 (2.35)	- (-)	-
8.	Kamlesh Joisher	Whole Time Director	Remuneration	0.33 (-)	- (-)	-
9	Amishi Tainwala	Relative of Managing Director	Remuneration	0.12 (0.54)	- (-)	-

**Note :**

- Figures in brackets pertains to previous year.
- No amounts in respect of related parties have been written off/written back/provided for during the year.
- Related party relationships have been identified by the management and relied upon by the auditors.

8. Deferred Tax liability / (Asset) at the year end comprise timing difference on account of :

	<b>2006-2007 Rs In Million (Nine Months Ended)</b>	<b>2005-2006 Rs In Million</b>
Depreciation	4.63	5.39
Provision/Expense allowable in Subsequent years	0.47	(0.05)
<b>Total</b>	<b>5.10</b>	<b>5.34</b>

9. Sales are inclusive of Post Sale/ Trade Discount of Rs. 2.53 Million ( Previous Year Rs. 4.90 Million).

## TIME TECHNOPLAST LIMITED

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### M/S ELAN INCORPORATED FZE.,

We have audited the balance sheet of **M/S ELAN INCORPORATED FZE., SHARJAH AIRPORT INTERNATIONAL FREE ZONE** as at 31<sup>st</sup> December 2006 for the year then ended. 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.

We have conducted our audits in accordance with generally accepted accounting standards. Those standards require that we plan and perform the audit to obtain reasonable assurances about whether the financial statements are free of material misstatements. 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Profit & Loss A/c has not been prepared since the factory is under construction and there is no other activity in the company during the year. All expenses directly relating to erection of plant & machinery and construction of factory building has been capitalized and all indirect expenses has been shown as pre operative expenses to be amortized in next 5 years.

In our opinion, the financial statements present fairly in all material respects, the financial position of **M/S ELAN INCORPORATED FZE., SHARJAH AIRPORT INTERNATIONAL FREE ZONE** as at 31<sup>st</sup> December 2006 and the result of its operations for the year then ended, in accordance with generally accepted accounting Standards and implementing rules and regulations of Sharjah Airport International Free Zone, Sharjah.

#### ACTIVE AUDITORS

Registration No. 227

28<sup>th</sup> February 2007



**BALANCE SHEET AS ON 31ST DECEMBER 2006**

	NOTES	<b>Dec. 2006 AMOUNT DHS.</b>
<b>NON CURRENT ASSETS</b>		
Capital work in progress	<b>A</b>	3,500,639
Pre Operative Expenses	<b>B</b>	164,720
<b>CURRENT ASSETS</b>		
Accounts Receivable	<b>C</b>	4,955,359
Cash & Cash Equivalents	<b>D</b>	1,863,934
<b>Total Current Assets</b>		<b>6,819,293</b>
<b>CURRENT LIABILITIES</b>		
Bank Borrowing	<b>E</b>	685,125
Accounts Payable	<b>F</b>	772,788
Accrued Expenses		3,000
<b>Total Current Liabilities</b>		<b>1,460,913</b>
<b>Net Current Assets</b>		<b>5,358,380</b>
<b>Non Current Liabilities</b>		
Bank Borrowing	<b>G</b>	6,622,875
<b>TOTAL NET ASSETS</b>		<b>2,400,864</b>
<b>CAPITAL EMPLOYED</b>		
Share Capital	<b>H</b>	150,000
Share Application Money	<b>I</b>	2,250,864
<b>TOTAL</b>		<b>2,400,864</b>

Annexed Accounting Notes form an integral part of these statements.

## TIME TECHNOPLAST LIMITED

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### ACCOUNTING NOTES FOR THE FINANCIAL STATEMENTS

#### (I) LEGAL STATUS AND ACTIVITIES

**M/s Elan Incorporated F.Z.E.** is a Free Zone Establishment with Limited Liability licensed by the Sharjah Airport International Free Trade Zone, Sharjah. The company was registered on 28/03/2005 and the owner is M/s Time Technoplast Ltd. (Formally M/s Time Packaging Limited). Mr. Anil Jain is the Manager.

The main activities of the company is manufacturing of plastic products.

#### (II) SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in the historical cost convention and significant accounting policies are as follows :

1. **Pre Operative Expenses** : Since the factory is under construction and there is no other activity in the company all administrative and other indirect expenses have been shown as pre operative expenses to be amortized in next 5 years.
2. **Foreign Exchange** : Transactions in foreign currencies are recorded at the rate prevailing at the date of transactions. At the Balance sheet date, assets and liabilities in foreign currencies are translated at the year-end rate of exchange and the resultant gain or loss is transferred to the profit and loss account.
3. **Related Parties** :- Related Parties include Partners and their subsidiaries. The balances arising out of commercial transactions (including all Sales & Purchases) carried out. The management believes that the terms of such transactions are not significantly different from those that could be obtained from third parties.
4. **Financial Instruments** :-
  - (a) Derivatives & exchange rate risk :- The company does not use derivative financial instruments for speculative purposes.  
There is no exchange rate fluctuation risk since the transactions of the company is in AED or in USD.
  - (b) Credit Risk :- Financial Assets consist principally of cash and bank balances, deposit and advances. Bank balances are with regulated financial institutions.
  - (c) Interest Rate Risk :- The interest on borrowing from Bank as per prevailing market rate.
  - (d) Fair Values :- At the Balance Sheet date the carrying amount of Cash and bank balances, debtors, creditors and other liabilities approximated their fair values.
5. **Comparative Figures and Rounding Off** :- We have rounded off the figures to nearest UAE Dirhams. Previous year figures have been reclassified wherever needed to facilitate current year presentation.
6. **Contingent Liability** :- There is no contingent liability as per the management as on 31<sup>st</sup> December 2006



	<b>DEC. 2006 AMOUNT DHS.</b>
<b>A CAPITAL WORK IN PROGRESS</b>	
Plant & Machinery under erection	1,140,209
Factory Building under construction	2,360,430
<b>Total</b>	<b>3,500,639</b>
<b>B PRE OPERATIVE EXPENSES</b>	
Opening Balance	65,899
<b><u>Additions during the year :-</u></b>	
Factory Land Lease	56,250
Govt., Legal & Professional Charges	8,235
Miscellaneous	34,336
<b>Total</b>	<b>164,720</b>
<b>C ACCOUNTS RECEIVABLE</b>	
Advance to Suppliers	936,685
Refundable Deposits	9,800
Prepaid expenses	71,375
<b><u>Due from related party :-</u></b>	
M/s Time Technoplast Limited	3,937,499
<b>Total</b>	<b>4,955,359</b>
<b>D CASH &amp; CASH EQUIVALENT</b>	
Cash in hand	16,850
Cash at Bank	1,847,084
<b>Total</b>	<b>1,863,934</b>
<b>E BANK BORROWING</b>	
Exim Bank (India) Long Term Loan (payable within one year)	685,125
<b>Total</b>	<b>685,125</b>
<b>Notes :</b> The above borrowings are secured against :-	
(1) Charge on Fixed Assets	
(2) Pledge of 51%equity share of the company.	
(3) Personal guarantee of Mr. Anil Jain, Mr. Bharat Vageria, Mr. Naveen Jain & Mr. Raghupathy Tyagrajan.	
(4) Corporate guarantee of M/s Time Technoplast Ltd.	
<b>F ACCOUNTS PAYABLE</b>	
Sundry Creditors	772,788
<b>Total</b>	<b>772,788</b>

## TIME TECHNOPLAST LIMITED

	<b>DEC. 2006 AMOUNT DHS.</b>
<b>G BANK BORROWING</b>	
Exim Bank (India) Long Term Loan (payable above one year)	6,622,875
<b>Total</b>	<b>6,622,875</b>
<b>Notes :</b> The above borrowings are secured against :-	
(1) Charge on Fixed Assets	
(2) Pledge of 51%equity share of the company.	
(3) Personal guarantee of Mr. Anil Jain, Mr. Bharat Vageria, Mr.Naveen Jain & Mr.RagupathyTyagrajan.	
(4) Corporate guarantee of M/s Time Technoplast Ltd.	
<b>H SHARE CAPITAL</b>	
M/s Time Technoplast Limited (FormallyTime Packaging Limited India)	150,000
<b>Total</b>	<b>150,000</b>
<b>I SHARE APPLICATION MONEY</b>	
M/s Time Technoplast Limited	2,250,864
<b>Total</b>	<b>2,250,864</b>

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**M/S NOVATECH SP. Z.O.O.,**

We have audited the balance sheet of **M/S NOVATECH SP.Z.O.O. 66-470 KOSTRZYN NAD ODRA, UL. ORLA BIALEGO 22 POLAND** as at 31<sup>st</sup> December 2006 for the year then ended. 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.

We have conducted our audits in accordance with generally accepted accounting standards. Those standards require that we plan and perform the audit to obtain reasonable assurances about whether the financial statements are free of material misstatements. 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

No Profit & Loss A/c has been prepared since the factory is under construction and there is no other activity in the company during the year. All indirect expenses has been shown as pre operative expenses to be amortized in next 5 years. We further state that we have not visited the **NOVATECH SP.Z.O.O., Poland**; however, we have received the necessary documents, returns and papers for conducting the audit from India.

In our opinion, the financial statements present fairly in all material respects, the financial position of **66-470 KOSTRZYN NAD ODRA, UL. ORLA BIALEGO 22 POLAND** as at 31<sup>st</sup> December 2006 and the result of its operations for the year then ended, in accordance with generally accepted accounting Standards.

**For Desai & Porwal**  
**Chartered Accountant**  
sd/-

**Milan Desai**  
**Partner**

**Place : Mumbai, India**  
**Date : March 6, 2007**

## TIME TECHNOPLAST LIMITED

BALANCE SHEET AS ON 31ST DECEMBER, 2006 (1 PLN =15.20 INR)

		AS AT 31.12.2006		AS AT 31.12.2006
<b>Source of Funds:</b>	<b>PLN</b>	<b>PLN</b>	<b>INR</b>	<b>INR</b>
<b>Capital Account</b>				
Share Capital		498,017.96		7,569,872.99
<b>Current Liabilities</b>				
Sundry Creditors		1,327.38		20176.176
<b>Total</b>		<b>499,345.34</b>		<b>7,590,049.17</b>
<b>Application of Funds:</b>				
<b>Fixed Assets</b>				
Capital Work in Progress	Annexure A	458,489.13		6,969,034.78
<b>Current Assets, Loans &amp; Advances</b>				
Advances to Supplier		28,975.00		440,420.00
ING Bank Slaski S.A.-Euro		9.08		138.02
ING Bank Slaski S.A.-PLN	11,872.13	40,856.21	180,456.38	621,014.39
<b>Total</b>		<b>499,345.34</b>		<b>7,590,049.17</b>

### Annexure A

<b>Capital Work in progress</b>	<b>Amt In PLN</b>	<b>Amt In INR</b>
Land	441,246.38	6,706,944.98
Administration charges	4,066.34	61,808.37
Bank Charges	3,549.31	53,949.51
Company Registration Charges	6,100.00	92,720.00
KRS Registration Charges	1,500.00	22,800.00
Rent Account	976.00	14,835.20
VAT Registration Charges	152.00	2,310.40
Work Permit Charges	899.10	13,666.32
<b>Total</b>	<b>458,489.13</b>	<b>6,969,034.78</b>

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## ACCOUNTING NOTES FOR THE FINANCIAL STATEMENTS

### I. LEGAL STATUS AND ACTIVITIES

**M/s NOVATECH SP Z.O.O.** is a limited liability company was incorporated on April 07,2006 inter-alia to carry on the business of manufacturer of chemical fibres, rubber products, plastic product medical and surgical equipment ,Orthopaedic devices ,manufacture of parts and accessories for vehicle and engines ,manufacture of furniture. and the owner is M/s Time Technoplast Ltd. (Formally M/s Time Packaging Limited).

The Board of Directors

The board of Directors of Novatech has been constituted for an unspecified period and it consists of one person namely Mr Anil Jain who has been designated as Manager.

### II. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in the historical cost convention and significant accounting policies are as follows :

1. **Pre Operative Expenses** : Since the factory is under construction and there is no other activity in the company all administrative and other indirect expenses have been shown as pre operative expenses to be capitalised.
2. **Foreign Exchange** : Transactions in foreign currencies are recorded at the rate prevailing at the date of transactions. At the Balance sheet date, assets and liabilities in foreign currencies are translated at the year-end rate of exchange and the resultant gain or loss is transferred to the profit and loss account.
3. **Financial Instruments :-**
  - (a) Derivatives & exchange rate risk :- The company does not use derivative financial instruments for speculative purposes.  
There is no exchange rate fluctuation risk since the transactions of the company is in PLN or in USD.
  - (b) Credit Risk :- Financial Assets consist principally of cash and bank balances, and advances.
  - (c) Fair Values :- At the Balance Sheet date the carrying amount of Cash and bank balances, debtors, creditors and other liabilities approximated their fair values.
4. **Contingent Liability** :- There is no contingent liability as per the management as on 31<sup>st</sup> December 2006.

## TIME TECHNOPLAST LIMITED

### GROUP COMPANIES

#### 1. Royal Supermarkets Private Limited (“RSPL”)

RSPL was incorporated under the Companies Act on November 19, 1998 with main object inter alia to carry on the business of procurement, transportation, processing, packing, finishing, sales, marketing and distribution of all consumer goods. However, presently the company is not carrying on any activity. The registered office of RSPL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.

#### Board of Directors

The board of directors of RSPL as on the date of filing this Prospectus comprises of Mr.Kamal Parihar and Mr.Tushar Mishra.

#### Shareholding Pattern

The shareholding pattern of RSPL as on March 31, 2007 is as follows:

Sr. No.	Names of Shareholders	Number of Shares of Rs. 10/- each	% of Issued Capital
1.	Mr.Rajesh Vageria	80,500	25.50
2.	Ms.Lata Vageria	53,300	16.62
3.	Ms.Aruna Vageria	50,500	15.75
4.	Time Exports Private Ltd.	43,300	13.50
5.	Ms.Trishladevi Jain	38,700	12.07
6.	Ms.Kamini Jain	29,000	9.04
7.	Ms.Swarnam A	24,000	7.48
8.	Mr.Sripal Vageria	1,400	0.04
	<b>TOTAL</b>	<b>320,700</b>	<b>100</b>

#### Financial Performance

The financial performance of RSPL for the last three years is as follows:-

(Rs. in million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	NIL	0.12	0.82
Profit / (loss) after tax	(0.07)	(0.04)	0.65
Equity Share capital	3.21	3.21	3.21
Reserves (excluding revaluation reserve)	NIL	NIL	0.53
Earnings / (loss) per share (Rs.)	(0.21)	(0.13)	2.04
Book value per share (Rs.)	9.64	9.57	11.67

#### 2. Time Containers Limited (“TCL”)

TCL was incorporated under the Companies Act on January 9, 1996, with the main object of inter alia carrying on the business of manufacturers, producers, processors, exporters, dealers, suppliers, distributors, marketeers of drums, barrels, cans, containers. However, the company has not yet commenced any commercial activity. The registered office of TCL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.

### Board of Directors

The board of directors of TCL comprises of Mr.Sandip Modi, Mr.Tushar Mishra and Mr. Kamal Parihar.

### Shareholding Pattern

The shares of TCL are not listed on any stock exchange. The shareholding pattern of TCL as on March 31, 2007 is as follows:

Sr. No.	Names of Shareholders	Number of Shares of Rs. 10/- each	% of Issued Capital
1.	Mr.Pradeep Jain	20,300	40.04
2.	Ms.Swarnam A	12,500	24.65
3.	Ms.Maganmala Jain	10,000	19.73
4.	Mr.Anil Jain	3,850	7.59
5.	Mr.Bharat Vageria	3,850	7.59
6.	Mr.Raghupathy Thyagarajan	100	0.20
7.	Mr.Naveen Jain	100	0.20
	<b>TOTAL</b>	<b>50,700</b>	<b>100</b>

### Financial Performance

The financial performance of TCL for the last three years is as follows:

(Rs. in million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	NIL	NIL	0.05
Profit / (loss) after tax	NIL	NIL	0.04
Equity Share capital	0.51	0.51	0.51
Reserves (excluding revaluation reserve)	NIL	NIL	0.04
Earnings / (loss) per share (Rs.)	NIL	NIL	0.78
Book value per share (Rs.)	8.45	8.38	9.17

### 3. Time Infocom Limited ("TIL")

TIL was incorporated under the Companies Act on December 22, 2000 with the main object of inter alia carrying on the business as manufacturers, fabricators, developers, processors, consultants, importers, exporters, contractors, sub-contractors, licensees, licensors, trainers, hirers, dealers and programmers of all kind and description of computers, computer hardwares, network systems, computer parts. However, the company has not yet commenced any commercial activity. The registered office of TIL is situated at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.

### Board of Directors

The board of directors of TIL comprises of Mr. Sandip Modi, Mr. Tushar Mishra and Mr. Kamal Parihar.

## TIME TECHNOPLAST LIMITED

### Shareholding Pattern

The shares of TIL are not listed on any stock exchange. The shareholding pattern of TIL as on March 31, 2007 is as follows:

Sr. No.	Names of Shareholders	Number of Shares of Rs. 10/- each	% of Issued Capital
1.	Mr. Raghupathy Thyagarajan	25,100	49.65
2.	Mr. Naveen Jain	15,100	29.80
3.	Mr. Bharat Vageria	5,100	10.09
4.	Mr. Anil Jain	2,600	4.93
5.	Anil Jain HUF	2,500	4.93
6.	Mr. Tushar Mishra	100	0.20
7.	Mr. Kamal Parihar	100	0.20
8.	Mr. Sandip Modi	100	0.20
	<b>TOTAL</b>	<b>50,700</b>	<b>100</b>

### Financial Performance

The financial performance of TIL for the last three years is as follows:-

(Rs. in millions except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	NIL	NIL	NIL
Profit / (loss) after tax	NIL	NIL	NIL
Equity Share capital	0.51	0.51	0.51
Reserves (excluding revaluation reserve)	NIL	NIL	NIL
Earnings / (loss) per share (Rs.)	NIL	NIL	NIL
Book value per share (Rs.)	9.03	8.98	8.93

#### 4. Avion Exim Private Limited ("AEPL")

AEPL was incorporated under the Companies Act on May 18, 1999 with the main object of inter alia carrying on the business in India and elsewhere of exporters, importers of and dealers in all kinds of plastic materials, engineering goods, electrical and electronic goods, moulds and machines. However, presently the company is not carrying on any activity. The registered office of AEPL is at 101B, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai – 400072, Maharashtra.

#### Board of Directors

The board of directors of AEPL comprises of Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan and Mr. Naveen Jain.



### Shareholding Pattern

The shareholding pattern of AEPL as March 31, 2007 is as follows:

Sr. No.	Names of Shareholders	Number of Shares of Rs. 10/- each	% of Issued Capital
1.	Ms. Kamlesh Jain	45,000	23.29
2.	Ms. Rugmini	33,500	17.34
3.	Ms. Deepa Jain	30,000	15.53
4.	Ms. Swarnam A	19,000	9.83
5.	Ms. Kamini Jain	10,000	5.18
6.	Ms. Laxmibai Vageria	10,000	5.18
7.	Mr. Shiv Kumar Jain	10,000	5.18
8.	Mr. Pankaj Jain	10,000	5.18
9.	Mr. Kaneyalal Vageria	10,000	5.18
10.	Mr. Tushar Mishra	10,000	5.18
11.	Ms. Ritu Jain	5,300	2.74
12.	Mr. Anil Jain	100	0.05
13.	Mr. Bharat Vageria	100	0.05
14.	Mr. Raghupathy Thyagarajan	100	0.05
15.	Mr. Naveen Jain	100	0.05
	<b>TOTAL</b>	<b>193,200</b>	<b>100</b>

### Financial Performance

The financial performance of AEPL for the last three years is as follows:-

(Rs. in million except per share data)

Particulars	As of year ended March 31		
	2004	2005	2006
Total Income	NIL	0.70	NIL
Profit / (loss) after tax	(0.41)	(0.16)	(0.25)
Equity Share capital	1.93	1.93	1.93
Reserves (excluding revaluation reserve)	NIL	NIL	NIL
Earnings / (loss) per share (Rs.)	(2.12)	(0.82)	(1.30)
Book value per share (Rs.)	2.69	1.99	0.79

### Joint Venture promoted by our Promoter company Time Securities Services Private Limited ("TSSPL")

#### Mauser Holding Asia Pte Ltd. ("MHAPL")

MHA is a joint venture company promoted by Mauser Netherlands B. V. ("**Mauser Netherlands**") and TSSPL. MHA is incorporated on June 1, 2006 in Singapore and the Certificate of incorporation is issued by Registrar of Companies & Businesses, Singapore. Pursuant to the Shareholders Agreement dated November 03, 2006 Mauser holds 51% and TSSPL is holding 49% of the paid equity share capital of MHAPL. MHAPL is set up to inter alia to carry on business of investment and investment holdings and to deal in shares, stock, debentures, bonds and to acquire and hold controlling and other interests in the share or loan capital of any company.

Registered office of MHAPL is situated at 77, Robinson Road, #16-00, SIA Building, Singapore - 068896.

## TIME TECHNOPLAST LIMITED

### Registered capital and paid up capital

As of September 15, 2006, MHAPL has registered and paid up capital of SGD 10,271,763 comprising of 10,271,763 ordinary shares at par value of S\$1 each.

### Shareholding Pattern of MHAPL

List of shareholders as on March 31, 2007.

Sr. No.	Name	No. of shares held of S\$ 1/- each	% of the total issued capital of MHAPL	% of the total voting rights of MHAPL
1.	Mauser Holding Netherlands B. V., Netherlands	5,238,600	51%	51
2.	Time Securities Services Pvt. Ltd. India	5,033,163	49%	49
	<b>Total</b>	<b>10,271,763</b>	<b>100</b>	<b>100</b>

### Board of Directors of MHAPL

MHAPL's board of directors as set out in its register of directors as of March 31, 2007 is under:

	Name	Title
1.	Mr. Stefan Johannes Muller-Ardens	Director
2.	Mr. Gunther Reinhard Krausser	Director
3.	Mr. Anil Kumar Jain	Director
4.	Mr. Bharat Kumar Vageria	Director

### Financial Performance

The company established in June 2006 so there is no audited financial statements.

### PARTNERSHIP FIRMS

#### 1. M/s.Apex Plastics

This partnership firm, being a partnership at will, was constituted on April 01, 2005 under the Indian Partnership Act, 1932 and has been re-constituted from time to time. The present partners of this firm are set out below and this partnership is governed by a Deed of Retirement-cum-Partnership dated September 09, 2005 which has come into effect from September 01, 2005. This firm did not have any operations upto March 2006.

This partnership firm has been formed for carrying on the business inter alia of manufacturing and dealing in various products, including, all types of plastic goods, foamed polystyrene profiles, articles of plastics and dealing/ commission agents in all types of textiles, chemicals, plastics.

Sr. No.	Names of Partner	Partner's Share (%)
1.	Mr. Jagdish Vallabhdas Bhuta	50.00
2.	Mr. Anil Kumar Parasarl Jain	12.50
3.	Mr. Bharat Ratanlal Vageria	12.50
4.	Mr. Raghupathy Thyagarajan	12.50
5.	Mr. Naveen Mahendra Jain	12.50
	<b>Total</b>	<b>100.00</b>

### Financial Performance

Apex Plastics has not yet commenced its operation and hence no financial performance is available.

## 2. M/s.Oxford Mouldings

This partnership firm, being a partnership at will, was constituted on January 24, 1997 under the Indian Partnership Act, 1932 and has been re-constituted from time to time. The present partners of this firm are set out below and this partnership is governed by a Deed of Retirement-cum-Partnership dated April 01, 2005.

This partnership firm has been formed for carrying on the business inter alia of manufacturing and dealing in various products, including, all types of plastic goods, foamed polystyrene profiles, articles of plastics and dealing/commission agents in all types of textiles, chemicals, plastics.

Sr. No.	Names of Partner	Partner's Share (%)
1	Mr. Jagdish Vallabhdas Bhuta	50
2	Mr. Anil Kumar Paraslal Jain	10
3	Mr. Bharat Ratanlal Vageria	10
4	Mr. Naveen Mahendra Jain	10
5	Mr. Raghupathy Thyagarajan	10
6	Vishwalaxmi Trading and Finance Private Limited	10
	<b>Total</b>	<b>100</b>

### Financial Performance

The financial performance of this partnership firm for the last three years is as follows:

(Rs. in million)

Particulars	As of year ended March 31		
	2004	2005	2006
Sales and other income	68.02	30.02	27.87
Profit/(Loss) after tax	9.31	4.09	1.99
Partners' Capital Account	40.77	43.62	35.98

### HUF of our Promoters

#### Anil Jain HUF

Anil Jain (HUF) was formed in the year 1994. Presently, Mr. Anil Jain is the karta whereas Mrs. Ritu Jain, Mr. Vishal Jain and Miss Megha Jain are the other members of this HUF. Presently, the HUF does not carry out any business activity but hold certain investments.

#### Bharat Vageria HUF

Bharat Vageria (HUF) was formed in the year 1992. Presently, Mr. Bharat Vageria is the karta whereas Mrs. Aruna Vageria, Miss Pallavi Vageria and Miss Tanvi Vageria are the other members of this HUF. Presently, the HUF does not carry out any business activity, but hold certain investments.

#### Naveen Jain HUF

Naveen Jain (HUF) was formed in the year 2002. Presently, Mr. Naveen Jain is the karta whereas Mrs. Deepa Jain, Mr. Kartik Jain and Miss Simran Jain are the other members of this HUF. Presently, the HUF does not carry out any business activity, but hold certain investments.

## **TIME TECHNOPLAST LIMITED**

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### **COMPANIES / FIRMS WITH WHICH THE PROMOTERS/COMPANY HAVE DISASSOCIATED DURING THE LAST THREE YEARS**

#### **GNXT TECHNOPLAST (P) LTD. ("GNXT")**

Mr. Anil Jain and Mr. Bharat Vageria, our Promoters, were shareholders in this company. On September 04, 2006 our Promoters decided to exit by selling their holding to third party as the objectives of this company were identical to the objectives of TTL, they did not feel need to start business in the company.

#### **PHOENIX REGAL (P) LTD. ("Phoenix")**

Phoenix was incorporated under the (Sri Lankan) Companies Act, 1982 on December 13, 1999 with the main object of inter alia carrying on business of moulded furniture and other plastic products. This company was a joint venture between the Phoenix group (Sri Lanka) and erstwhile OMPL. This interest in the joint venture vested with our Company consequent to the Scheme of Amalgamation. The Company exited from this joint venture and sold its entire shareholding to certain third parties on March 28, 2006. The reason for such exit was due to unfavourable business conditions in Sri Lanka.

#### **ACE MOULDING LTD.**

Our Promoters had dissociated themselves from Ace Moulding Ltd. on March 30, 2006, as there was no business activity and the promoters had decided to exit by selling their stake to outsiders to concentrate on the main line of business.

#### **WE CARE INFOTECH (P) LTD. ("We Care")**

Our Promoters had dissociated themselves on April 26, 2006 from We Care (P) Infotech Ltd as there was no business opportunity in this line of business the promoters had decided to exit by selling their stake to outsiders so as to concentrate on the main business.

#### **ALLIANCE DISTRIBUTION (P) LTD. ("Alliance Distribution")**

Our Promoters decided to dissociate themselves from Alliance Distribution (P) Ltd. on April 25, 2006 by selling their stake to outsiders to concentrate on their core business activity.

#### **ADOR POLYCONTAINERS LTD.**

Our promoters had bought this loss making company in 1998 and decided to exit on August 28, 2006 due to unfavourable business conditions and future prospects.

#### **BHARAT INFRASTRUCTURE PVT. LTD.**

Our Promoters decided to dissociate themselves from Bharat Infrastructure Pvt. Ltd. on March 06, 2007 by selling their stake to outsiders to concentrate on their core business activity.



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## **CHANGES IN ACCOUNTING POLICY IN LAST THREE YEARS**

For changes in Accounting Policy, please refer to the section titled "Financial Statements" on page 132 of this Prospectus.

## TIME TECHNOPLAST LIMITED

### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

You should read the following discussions of our financial condition and results of operations in conjunction with the section titled 'Financial Statements' beginning on page 132 of this Prospectus. You are also advised to read the section titled 'Risk Factors' beginning on page xi of this Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows.

The financial statements are prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines and restated as described in the Auditors' Report appearing in the section titled 'Financial Statements' beginning on page 132 of this Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year. Our historical financial performance may not be considered as indicative of future financial performance.

#### **BUSINESS OVERVIEW:**

We started our operations in 1991 as a SSI unit in single product segment Industrial Packaging with technology partner Mauser, Germany joining in 1993. We had a vision to grow and establish as one of the leading polymer product company. In the years that followed, we set up our production facilities at six different locations.

Pursuant to the order of High Court of Bombay dated June 30, 2006 filed with RoC on July 15, 2006, approving the scheme of amalgamation, effective from April 01, 2005, we merged our group companies Shalimar Packaging Private Limited and Oxford Moulding Private Limited catering to Lifestyle Products and Healthcare Products. We believe this merger will bring in further efficiency in the operation by integration of all our polymer based business and create a diversified product portfolio and create consolidated technology platform for all our products. We manufacture products under three designs & three patents of which one application is pending before design and patent authorities.

To further consolidate our market share and to serve user industry more efficiently and cost effectively in the Industrial Packaging, we acquired 75% stake in our competitor TPL Plastech Limited formerly known as Tainwala Polycontainers Limited with effect from July 14, 2006, a company listed on Bombay Stock Exchange.

We have over the years developed a nationwide marketing and distribution infrastructure for sale and distribution of our products to institutional and retail customers. Our products are sold under brands recognised by our institutional and retail customers.

<b>Brand</b>	<b>Business Segment</b>
'Time Mauser'	Packaging Product – Drums / Containers
'Conipails',	Packaging – Pails
'Ecopet',	Packaging – PET Sheet
'Meadowz'	Lifestyle – Turf
'DuroTurf' , 'Duro Soft'	Lifestyle – Entrance Mattings
'Regal',	Lifestyle – Garden Furniture
'3S'	Auto Components – Anti Spray Device
'Genex'	Healthcare – Medical Devices.

#### **Significant Accounting Policies**

For details of our significant accounting policies, please refer to the section titled 'Financial Statements' beginning on page 132 of this Prospectus.

## FACTORS AFFECTING OUR FINANCIAL RESULTS

Note: The financial results of FY06 and nine months ended December 31, 2006 are not exactly comparable with the financial results of FY05, FY04, FY03 and FY02 as FY06 and nine months ended December 31, 2006 are consolidated numbers pursuant to scheme of amalgamation of Shalimar Packaging Pvt. Ltd. and Oxford Mouldings Pvt. Ltd. with our Company. For more details of the scheme of Amalgamation refer to the section titled "Scheme of Amalgamation" under the chapter titled "History and certain Corporate Matters" on page 98 of this Prospectus.

Year Ended Period	31.12.2006 (9 Months)	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002
<b>Income</b>						
Sales less Returns	2931.26	3045.63	1667.89	1421.27	1241.49	1122.27
Less : Excise Duty	387.45	421.97	211.87	177.19	153.51	135.70
<b>Net Sales</b>	<b>2543.81</b>	<b>2623.66</b>	<b>1456.03</b>	<b>1244.08</b>	<b>1087.99</b>	<b>986.58</b>
Other Income	12.01	4.59	2.71	0.00	0.00	1.75
<b>Total Income ( A )</b>	<b>2555.82</b>	<b>2628.24</b>	<b>1458.74</b>	<b>1244.08</b>	<b>1087.99</b>	<b>988.33</b>
<b>Expenditure</b>						
Material Cost	1653.08	1693.92	976.77	805.69	685.40	613.97
Manufacturing & Other Expenses	301.78	329.05	177.37	167.64	155.80	133.91
Salaries & wages	68.98	68.57	35.71	35.23	26.60	25.62
Finance Cost	96.16	110.78	82.35	84.88	79.76	79.37
Provision for payment of Sales tax						
Deferred Liability & Sales Tax	22.33	26.83	8.28	6.63	6.05	5.00
Depreciation	100.08	101.04	76.86	72.11	66.23	63.90
<b>Total Expenditure ( B )</b>	<b>2242.41</b>	<b>2330.19</b>	<b>1357.34</b>	<b>1172.18</b>	<b>1019.84</b>	<b>921.78</b>
Net profit before tax	313.41	298.05	101.40	71.90	68.15	66.55
<b>Provision for Taxation</b>						
Current Tax	(31.50)	(41.50)	(12.50)	(5.50)	(5.30)	(5.00)
Deferred Tax	(12.05)	(10.06)	(9.09)	(15.00)	(21.14)	0.00
Fringe Benefit Tax	(0.92)	(1.25)	0.00	0.00	0.00	0.00
<b>Net Profit after tax but before Prior Period Items</b>	<b>268.94</b>	<b>245.25</b>	<b>79.81</b>	<b>51.40</b>	<b>41.70</b>	<b>61.55</b>
Income Tax for Earlier Years	0.00	(0.14)	(0.77)	(2.06)	(0.30)	0.25
Accumulated Deferred Tax Liability	0.00	0.00	0.00	0.00	22.42	0.00
Amalgamation Profit	0.00	207.39	0.00	0.00	0.00	0.00
<b>Net Profit as per Audited Statement Of Accounts</b>	<b>268.94</b>	<b>452.50</b>	<b>79.04</b>	<b>49.34</b>	<b>18.99</b>	<b>61.80</b>

## TIME TECHNOPLAST LIMITED

### 1. TOTAL INCOME

Our total income is either through Sales or Other Income.

#### ● SALES

Our total sales have grown at a CAGR of 27.70% over the last 5 years. Our total revenues largely constitutes of Packaging Products, Lifestyle Products and Auto Components. During FY02 to FY05 we were primarily engaged in manufacturing of packaging products and added auto components in a small way. During the FY06 Lifestyle products was added to our Company's product portfolio pursuant to amalgamation of SPPL and OMPL in our Company. We also introduced anti spray products in the auto component division of our Company.

SBU-wise break-up of sales for the earlier years are as under:

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Packaging Products	2073.24	2173.90	1642.39	1408.47	1230.29	1112.67
Lifestyle Products	425.77	493.89	-	-	-	-
Auto Components	377.94	377.84	25.50	12.80	11.20	9.60
Health Care	54.31	-	-	-	-	-
<b>Total Sales</b>	<b>2931.26</b>	<b>3045.63</b>	<b>1667.89</b>	<b>1421.27</b>	<b>1241.49</b>	<b>1122.27</b>
(-) Excise	387.45	421.97	211.87	177.19	153.51	135.70
<b>Net Sales</b>	<b>2543.81</b>	<b>2623.66</b>	<b>1456.03</b>	<b>1244.08</b>	<b>1087.99</b>	<b>986.58</b>

Packaging constitutes 71.38% of our total Sales of FY06 compared to 16.22% and 12.40% by our Lifestyle Products and Auto Component units. In spite of growth in industrial packaging business, its share of business to our total sales have dropped over the last 5 years from 99.14% in FY02 to 71.38% in FY06 essentially due to introduction of new business and the growth therein and also amalgamation of SPPL and OMPL in our Company.

During the last 5 years sales generated from Packaging products has grown at a CAGR of 18.23% . Our Auto component SBU has seen a steep rise in sales in FY06 compared to previous years due to the introduction of anti-spray products.

In Nine month ended December 31, 2006, our Company registered sales of Rs. 2931.26 Mn. Which includes 70.73% Packaging products, 14.53% Lifestyle products, 12.89% of Auto component products and new products range in healthcare Segment contributed 1.85% of our gross sales.

#### ● Other Income

Other income mainly includes income from job work, sale of investments, and rental income. None of the mentioned constituents of the Other Income are recurring in nature except for job work charges. In the nine month period our Company has received dividend of Rs. 5.86 Mn. from its subsidiary TPL Plastech Ltd., which has become subsidiary w.e.f. July 14, 2006.

The other income comprised of the following for the respective years:

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Job work charges	2.66	4.14	2.71	-	-	-
Profit on Sale of Investments	3.50	0.44	0.00	0.00	0.00	0.00
Profit on Sale of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.11
Rental Income	0.00	0.00	0.00	0.00	0.00	1.64
Dividend Income	5.86	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>12.02</b>	<b>4.58</b>	<b>2.71</b>	<b>0.00</b>	<b>0.00</b>	<b>1.75</b>



## 2. Expenditure

Major constituents of the total expenditure, include material cost, manufacturing and other expenses, salaries & wages etc.

### ● Material Cost

Material cost as % to sale increased by 2.53% between FY 02 to FY 04. It remains static at about 64.5% in subsequent years and nine months ended December 31, 2006 with the exception on FY 05 when it rose by 2.3% essentially due to frequent increase in raw material prices and the time gap in passing it on to our customers.

The material cost for our Company for the respective years is as under:

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Material Cost	1653.08	1693.92	976.77	805.69	685.40	613.97
<b>% of Net sales</b>	<b>64.98</b>	<b>64.56</b>	<b>67.08</b>	<b>64.76</b>	<b>63.00</b>	<b>62.23</b>

Our Company procures polymers from both the domestic and international market. In FY06, out of our total requirement of raw material, we imported 34.60% while the balance 65.4% was bought locally.

### ● Manufacturing and other expenses

Manufacturing and other expenses among other things include power & fuel, freight, forwarding & selling expenses, stores & spares, job work charges and other administrative overheads as major constituents.

These expenses have seen marginal reduction over earlier years due to operating efficiencies arising out of merger of our businesses.

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Manufacturing & Other Expenses	301.78	329.05	177.37	167.64	155.80	133.91
<b>% of Net Sales</b>	<b>11.86</b>	<b>12.54</b>	<b>12.18</b>	<b>13.47</b>	<b>14.32</b>	<b>13.57</b>

### ● Power & Fuel

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Power & Fuel	104.18	96.85	57.44	54.97	44.96	38.29
<b>% of Net Sales</b>	<b>4.09</b>	<b>3.69</b>	<b>3.94</b>	<b>4.42</b>	<b>4.13</b>	<b>3.88</b>

Power and fuel expenses as % of net sales was 3.69% in FY 2006 as compared to 3.88% in FY 2002 inspite of increase in power tariffs. It has marginally gone up in the nine month ended December 31, 2006 due to increase in power tariff, frequent power cut, use of diesel generating set, for continuous production, trial run and start-up of new production facilities.

## TIME TECHNOPLAST LIMITED

- **Freight Forwarding & Sales Expenses**

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Freight Forwarding & Sales Expenses	110.63	121.65	65.04	60.16	49.29	42.14
<b>% of Net Sales</b>	<b>4.35</b>	<b>4.64</b>	<b>4.47</b>	<b>4.84</b>	<b>4.53</b>	<b>4.27</b>

Freight Forwarding & Sales Expenses to net sales increased from 4.27% in FY 02 to 4.64% in FY 06 due to increase in cost of transportation arising out of fuel costs increases.

- **Salaries and wages**

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Manufacturing & Other Expenses	68.98	68.57	35.71	35.23	26.60	25.62
<b>% of Net Sales</b>	<b>2.71</b>	<b>2.61</b>	<b>2.45</b>	<b>2.83</b>	<b>2.44</b>	<b>2.60</b>

We have been able to maintain salaries and wages as % of sales over the years despite increase in per capita salary through better productivity.

- **EBITDA**

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
EBITDA	509.65	509.87	260.60	228.89	214.14	209.82
<b>% of Net Sales</b>	<b>20.03</b>	<b>19.43</b>	<b>17.90</b>	<b>18.40</b>	<b>19.68</b>	<b>21.27</b>

EBITDA margins as % to net sales remained under pressure between FY 02 to FY 05 due to relatively low business growth. However they are seeing improvement in subsequent period both due to growth in business volumes and larger participation of higher contribution products.

- **Finance Cost**

The Finance cost incurred by us include interest charges for long term and short term loans including working capital and other bank charges. Our finance cost as a % of net sales has steadily come down from 8.05% in FY02 to 4.22% in FY06 further during the current nine month ended December 31, 2006 finance cost as a % of net sales came down to 3.78% due to increase in sales and better working capital management .

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Finance Cost	96.16	110.78	82.35	84.88	79.76	79.37
<b>% of Net Sales</b>	<b>3.78</b>	<b>4.22</b>	<b>5.66</b>	<b>6.82</b>	<b>7.33</b>	<b>8.05</b>

● **Depreciation**

Our Company follows the straight-line method of depreciation. Over the years depreciation to sale % have come down from 6.48% in FY 02 to 3.85% in FY 06 due to capacity expansion at lower capital costs and optimum utilisation of our capacities. In the nine month ended December 31, 2006 % of depreciation marginally increased from 3.85% in FY06 to 3.93%, due to new project expansions and additional of new capital assets.

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
Depreciation	100.08	101.04	76.86	72.11	66.23	63.90
<b>% of Net Sales</b>	<b>3.93</b>	<b>3.85</b>	<b>5.28</b>	<b>5.80</b>	<b>6.09</b>	<b>6.48</b>

**3. Profit Before Tax (PBT)**

Our Profit before tax has grown at a CAGR of 45.47% from FY02 to FY06. Details of PBT as a % of Net Sales is as given below:

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
PBT	313.41	298.05	101.40	71.90	68.15	66.55
<b>% of Net Sales</b>	<b>12.63</b>	<b>11.36</b>	<b>6.96</b>	<b>5.78</b>	<b>6.26</b>	<b>6.75</b>

After remaining range bound between 5.78% to 6.96% between FY 02 to FY 05 PBT has seen improvement in FY 06 and in the nine month ended December 31, 2006 due to increase in business volumes and higher contribution by new products such as auto components and healthcare products.

## TIME TECHNOPLAST LIMITED

### 4. Profit After Tax (PAT)

(Rs. in Million)

Particulars	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Net Sales	2543.81	2623.66	1456.03	1244.08	1087.99	986.58
PAT*	268.94	250.19	80.76	51.02	33.61	58.36
<b>% of Net Sales</b>	<b>10.57</b>	<b>9.54</b>	<b>5.55</b>	<b>4.10</b>	<b>3.09</b>	<b>5.92</b>

\* Adjusted PAT

Our Profit after tax has grown at a CAGR of 43.89% from FY02 to FY06. PAT to sales as a % saw decline in FY 03 and FY 04 due to introduction of deferred tax w.e.f FY 03. Improved PAT in FY 06 is a result of increase in business volumes and higher contribution by new products which continues in Q1 of current Financial year.

### Sundry Debtors

(Rs. in Million)

As at	December 31, 2006 (nine months)	FY06	FY05	FY04	FY03	FY02
Total Sales	2931.26	3045.63	1667.89	1421.27	1241.49	1122.27
Outstanding Debtors	829.11	709.06	427.16	392.35	356.01	321.11
Debtors less than 180 days	790.12	666.41	390.30	348.25	316.01	293.53
Debtors more than 180 days	38.99	42.65	36.86	44.10	40.00	27.58
Debtors less than 180 days as a % of Total Sales	20.22*	21.88	23.40	24.50	25.45	26.15
Debtors more than 180 days as a % of Total Sales	0.99*	1.40	2.21	3.10	3.22	2.46
Bad Debts	-	2.81	1.11	1.81	1.70	-
No. of days outstanding debtors (days)	77*	85	93	101	105	104
% of Bad debts to Sales	-	0.09	0.07	0.13	0.14	-

\* Annulised

Due to change in our credit policy we have been able to reduce debtors in terms of no. of days outstanding from 104 days to 85 days between FY 02 and FY 06. Our bad debts as % to sales remained insignificant.

## Cash Flow

Rs. in Million

Particulars	December 31, 2006 (Nine Months)	Year Ended 31.03.2006	Year Ended 31.03.2005	Year Ended 31.03.2004	Year Ended 31.03.2003	Year Ended 31.03.2002
Net Cash From Operative Activities (A )	224.29	334.13	194.36	176.93	150.85	121.56
Net Cash used in investing activities( B)	(634.49)	(627.60)	(99.17)	(96.23)	(90.94)	(50.46)
Net cash from / (used in) Financing activities (C)	98.35	625.49	(84.36)	(83.23)	(62.28)	(57.43)
Net Increase /(Decrease) in Cash & Cash Equivalent	(311.86)	332.02	10.83	(2.52)	(2.37)	13.67

## Key Ratios

Particulars	December 31, 2006 (Nine Months)	Year Ended 31.03.2006	Year Ended 31.03.2005	Year Ended 31.03.2004	Year Ended 31.03.2003	Year Ended 31.03.2002
EPS	17.13	15.62	6.81	4.38	3.56	5.25
RONW (%)	16.74	18.30	10.05	7.11	6.26	9.33
NAV (Rs.) per share	102.27	85.31	67.73	61.70	56.81	56.27
Debt Equity Ratio	1.02	1.08	0.85	0.93	0.99	0.97
Net Block Fixed Assets to Turnover Ratio	2.87	2.59	2.54	2.24	1.92	1.90

## Comparison of financial year 2006 with 2005

The financial results of FY06 are not exactly comparable with the financial results of FY05 as FY06 results are consolidated numbers pursuant to Scheme of Amalgamation of Shalimar Packaging Pvt. Ltd. and Oxford Mouldings Pvt. Ltd. with our Company. For more details of the scheme of Amalgamation refer to the section titled "Scheme of Amalgamation" under the chapter titled "History and certain Corporate Matters" on page 98 of this Prospectus. We incorporated a subsidiary "Elan Incorporated FZE" in Sharjah during FY05-06

## Net Sales

Our Sales comprising of goods manufactured by us after adjustments for Excise duty registered a growth of 80.19% from Rs. 1456.03 million in FY05 to Rs. 2623.66 million in FY06. This was mainly due to the amalgamation of SPPL and OMPL in our Company, introduction of anti spray devices in the segment of auto components and growth in the existing business.

## Other income

Other Income increased by 69.17% from Rs. 2.71 million in FY05 to Rs. 4.59 million in FY06. This substantial increase was primarily due to the increase in income earned from job work and sale of certain investments.

## Material Cost

Raw Materials cost increased by 73.42% to Rs. 1693.92 million in FY06 from Rs. 976.77 million in FY05. However, as a % of Net Sales the raw material cost has gone down by 2.52% due to the introduction of better margin products in the field of auto components and lifestyle.

## Manufacturing and other Expenses

Manufacturing and other Expenses increased marginally as % to sales to 12.54% from 12.18% .

## TIME TECHNOPLAST LIMITED

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### Power and fuel

Power and fuel cost as a % to sales has gone down to 3.69% from 3.94% despite increase in tariff charges.

### Freight, Forwarding and Sales Expenses (FFSE)

FFSE have gone up from Rs. 65.04 million in FY05 to Rs. 121.65 million in FY06, however as a % to sales it has increased only by 0.17% i.e. from 4.47% to 4.64%. It may be noted that lifestyle products inducted in the Company through merger in FY 06 incur higher FFSE being consumer products.

### Salaries & wages

Salaries and wages as % to sales have risen marginally from 2.45% to 2.61% in FY 06.

### Total Expenditure (excluding Finance cost & depreciation)

Total Expenditure as % to sales declined from 82.29% to 80.74% in FY 06, mainly due to reduction in material costs.

### EBITDA

Our EBITDA increased substantially from Rs. 260.60 million in FY05 to Rs. 509.87 million in FY06. In terms of % of sales it went up from 17.9% to 19.43% mainly due to drop in material costs and higher contribution by new products such as auto components.

### Finance Cost

Finance Cost increased from Rs. 82.35 million in FY05 to Rs. 110.78 million in FY06 but as a % of total sales it has decreased from 5.66% in FY05 to 4.22% in FY06. This was mainly due to the conversion of working capital demand loan into fixed rupee loan and foreign currency loan (FCNRB) .

During FY 06 Company availed unsecured loan facility of Rs. 400 mn for acquisition of TPL and other working capital requirement.

### Depreciation

Depreciation charges increased from Rs. 76.86 million in FY05 to Rs. 101.04 million in FY06, corresponding to the increase in gross block from Rs. 1,100.80 million in FY05 to Rs. 1,557.19 million in FY06. However, it has come down as a % to sales from 5.28% to 3.85% in FY 06.

### Income Tax & Deferred Tax

Income Tax increased substantially from Rs. 21.59 million in FY05 to Rs. 52.81 million in FY06. This was mainly due to higher profits earned during the year, introduction of Fringe Benefit tax and due to the reduction of tax benefits at our units in Daman.

### Profit After Tax

The profit after tax was Rs. 245.25 million in FY06 as compared to profit after tax of Rs. 79.81 million in FY05. This is a substantial increase of 207.29% mainly due to higher EBITDA and lower finance cost and depreciation .

### Comparison of financial year 2005 with financial year 2004

#### Net Sales

Our sales comprising of goods manufactured by us after adjustments for Excise duty registered a growth of 17.04% from Rs. 1244.08 million in FY04 to Rs. 1456.03 million in FY05. This was mainly due to the rise in demand.

#### Other income

Other Income figures are not comparable as during the FY04 there was no source of other income where as in FY05 other income of Rs. 2.71 million was generated out of charges for job work done.

#### Material Cost

Raw Materials consumed increased by 21.23% to Rs. 976.77 million in FY05 from Rs. 805.69 million in FY04. This rise was mainly due to the rise in raw material prices.

## **Manufacturing and other Expenses**

Manufacturing and other expenses as a % to sales reduced from 13.47% to 12.18%.

### **Power and fuel**

Power and fuel cost have gone up marginally from Rs. 54.97 million to Rs. 57.44 million in FY05, an increase by 4.49% mainly due to the rise in production activities arising due to the increase in installed capacity from 19450 MT to 21850 MT. However, as a % of Net Sales it has come down by 0.47% due to better utilisation of machines.

### **Freight, Forwarding and Sales Expenses (FFSE)**

FFSE have gone up by 8.11% from Rs. 60.16 million in FY04 to Rs. 65.04 million in FY05. However, as a % of Net Sales it has dropped by 0.37%.

### **Salaries and wages**

Salaries and wages have risen marginally by 1.36% from Rs. 35.23 million in FY04 to Rs. 35.71 in FY05. However, as a % of Net Sales it has dropped by 0.38%.

### **Total Expenditure (excluding Finance cost & depreciation)**

Total Expenditure increased from Rs. 1198.19 million in FY05 from Rs. 1015.19 million in FY04. This increase was mainly due to increase in cost of Raw Materials consumed. Our manufacturing and other expenses also saw a marginal increase to Rs. 177.37 million in FY05 from Rs. 167.64 million in FY04.

### **EBITDA**

Our EBITDA increased from Rs. 228.89 million in FY04 to Rs. 260.60 million in FY05 due to increased sales. However, as a % to sales EBITDA has declined from 18.40% to 17.90% due to higher raw material costs.

### **Finance Cost**

Finance Cost decreased from Rs. 84.88 million in FY04 to Rs. 82.35 million in FY05. Also as a % of Net sales our finance cost has dropped from 6.82% in FY04 to 5.66% in FY05. This was mainly due to repayment of term loan bearing high interest rate and optimum utilization of financial resources.

### **Depreciation**

Depreciation charges increased from Rs. 72.11 million in FY04 to Rs. 76.86 million in FY05, corresponding to the increase in gross block of fixed assets from Rs. 994.88 million in FY04 to Rs. 1,100.80 million in FY05. However as a % to sale it dropped from 5.80% to 5.28%.

### **Income Tax & Deferred Tax**

Income Tax increased marginally from Rs. 20.50 million in FY04 to Rs. 21.59 million in FY05. This was mainly due to higher profits earned during the year

### **Profit After Tax**

The profit after tax was Rs. 79.81 million in FY05 as compared to profit after tax of Rs. 51.40 million in FY04. This is an increase of 55.27% mainly due to increase in volumes and reduction of finance cost.

### **Comparison of financial year 2004 with financial year 2003**

#### **Sales**

Our Sales comprising of goods manufactured by us after adjustments for Excise duty registered a growth of 14.35% from Rs. 1087.99 million in FY03 to Rs. 1244.08 million in FY04 corresponding to 10.20% growth in capacity on a y-o-y basis from 17650 MT in FY03 to 19450 MT in FY04.

#### **Other income**

Other Income for both the financial year is nil and hence not comparable.

## TIME TECHNOPLAST LIMITED

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### Material Cost

Raw Materials consumed increased to Rs. 805.69 million in FY04 from Rs. 685.40 million in FY03. Raw material cost to sales in % terms increased to 64.76% from 63% due to frequent Raw material price increases.

### Manufacturing and other Expenses

Manufacturing and other Expenses increased to Rs. 167.64 million in FY04 from Rs. 155.80 million in FY03, but as a % to sales shows a reduction from 14.32% to 13.47%

### Power and fuel

Power and fuel cost have gone up marginally from Rs. 44.96 in FY03 million to Rs. 54.97 million in FY04, barely 0.3% as a % of sales.

### Freight, Forwarding and Sales Expenses (FFSE)

FFSE have gone up from Rs. 49.29 million in FY03 to Rs. 60.16 million in FY04 a marginal increase of 0.31% as a % of sales.

### Salaries and wages

Salaries and wages cost have gone up from Rs. 26.60 million in FY03 to Rs. 35.23 million in FY04 an increase of 0.39% as a % to sales.

### Total Expenditure

Total Expenditure increased from Rs. 1015.19 million in FY04 from Rs. 873.85 million in FY03 an increase of 1.28% as a % to sale. This increase was mainly due to increase in cost of Raw Materials consumed from Rs. 685.40 million in FY03 to Rs. 805.69 million in FY04.

### EBITDA

Our EBITDA increased from Rs. 214.14 million in FY03 to Rs. 228.89 million in FY04, but as a % of Net Sales our EBITDA has reduced from 19.68% to 18.40% mainly due to raw material cost increase.

### Finance Cost

Finance Cost increased marginally from Rs. 79.76 million in FY03 to Rs. 84.88 Million in FY04 but as a % of Net Sales it has reduced from 7.33% to 6.82% mainly due to optimum utilization of financial resources.

### Depreciation

Depreciation charges increased from Rs. 66.23 million in FY03 to Rs. 72.11 million in FY04. However, the increase in gross block of fixed assets was from Rs. 940.19 million in FY03 to Rs. 994.88 million in FY04,

### Income Tax & Deferred Tax

Income Tax decreased from Rs. 26.44 million in FY03 to Rs. 20.50 million in FY04. This was primarily due to a reduction in the provision of deferred tax liability on account of fixed assets.

### Profit After Tax

The profit after tax was Rs. 51.40 million in FY04 as compared to profit after tax of Rs. 41.70 million in FY03. This is an increase of 23.26% on account of the reduction of deferred tax liability.

### Information required as per Clause 6.10.5.5 of SEBI Guidelines

#### 1. Unusual or Infrequent Events or transactions

There have been no events or material transactions to our knowledge, which may be described as "unusual" or "infrequent".. However, some of the key events which occurred after December 31, 2006 are as follows:

- a ) Pre IPO Placement of 1,300,000 Equity Shares.



**2. Significant economic/regulatory changes**

There have been no significant economic/regulatory changes. For details of Regulations & Policies refer to page 94 of this Prospectus.

**3. Known trends or uncertainties**

Except as described in the section titled 'Risk Factors' beginning on page xi of this Prospectus and the section titled 'Management Discussion and Analysis of Financial Condition' beginning on page 132 of this Prospectus, to our knowledge, there are no known trends or uncertainties that have or had or expected to have any material adverse impact on revenues or income of our Company from continuing operations.

**4. Future changes in relationship between cost and revenues**

Except as described in the section titled 'Risk Factors' beginning on page xi of this Prospectus, to our knowledge, there are no known factors, which will have a material adverse impact on our operations and finances.

**5. New products and business segment**

Our Company has recently launched medical devices products such as auto-disposable syringes, auto-collect and mask. Our Company also proposes to launch safety nets used in the construction sector. For details, please refer to the section titled 'Our Business' beginning on page 68 of this Prospectus.

**6. Total turnover of each major industry segment**

Our Company is primarily engaged in the business of polymer products which is governed by the same set of risk & returns. In the opinion of our management our Company's business falls within one business segment. Therefore, Product segmentation as per the disclosure requirement of AS-17 is not applicable.

**7. The extent to which business is seasonal**

Our Company's business is not seasonal.

**8. Significant dependence on a single or few suppliers or customers**

Our sales for the past three years are fairly diversified as can be seen in the following table:

(% sales to total sales)

	FY06	FY05	FY04
<b>Top 3 Customers</b>	15.03%	12.12%	13.08%
<b>Top 5 Customers</b>	20.62%	16.66%	17.71%
<b>Top 10 Customers</b>	27.62%	24.09%	26.28%
<b>Total Sales (Rs. in million)</b>	<b>3045.63</b>	<b>1667.89</b>	<b>1421.27</b>

	FY06	FY05	FY04
<b>Top 3 Suppliers</b>	73.95%	67.64%	66.28%
<b>Top 5 Suppliers</b>	82.85%	80.50%	80.87%
<b>Top 10 Suppliers</b>	89.66%	88.85%	87.09%
<b>Total Purchase (Rs. in Million)</b>	<b>1783.62</b>	<b>1016.87</b>	<b>816.37</b>

**9. Competitive conditions**

For details, please refer to the section titled 'Our Business' beginning on page 68 of this Prospectus.

**10. Quality**

For details, please refer to the section titled 'Our Business' beginning on page 68 of this Prospectus

## TIME TECHNOPLAST LIMITED

### FINANCIAL INDEBTEDNESS

Set forth below is a summary of our significant Secured working capital and Term Loan borrowings of Rs. 2507.50 million granted to our Company together with subsidiary companies with a brief description of significant terms of such financing arrangements.

#### Working Capital under Consortium

Name of the Lender	Facility sanctioned and Documents	Interest	Security
Bank of Baroda ("BOB")	Fund based working capital of Rs.206.5 million and Non Fund Based working capital of Rs.151million aggregating to Rs. 357.5 million	BPLR less 2.00%	Secured by hypothecation of stock and books debts(present & future) of the company and by first ranking pari passu charge on all movable and immovable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors
State Bank of Saurashtra ("SBS")	Fund Based Working Capital of Rs.192.50 million and Non Fund Based working capital of Rs. 145.50 million aggregating to Rs. 338.00 million	BPLR less 1.50%	Secured by hypothecation of stock and books debts(present & future) of the company and by first ranking pari passu charge on all movable and immovable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors
ING Vysya Bank Ltd.("INGVB")	Fund based working capital of Rs.187 million and Non Fund Based working capital of Rs. 139 million aggregating to Rs. 326 million and	At IVRR.	Secured by hypothecation of stock and books debts(present & future) of the company and by first ranking pari passu charge on all movable and immovable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors
ABN Amro Bank N.V. ("ABN Amro")	Fund based working capital of Rs.113 million and Non Fund Based working capital of Rs. 82.5 million aggregating to Rs. 195.5million	BPLR less 2.75% p. a.	Secured by hypothecation of stock and books debts(present & future) of the company and by first ranking pari passu charge on all movable and immovable assets of its Tarapur Unit and further secured by second ranking pari passu charges over the immovable fixed assets of the company (except Tarapur Unit) and personal guarantee of some Directors
UTI Bank Ltd.	Fund Based Working Capital of Rs. 151 million and Non Fund Based Working Capital of Rs.139 million aggregating to Rs. 290 million	BPLR less 2%.	First pari passu charge on all the current assets of the company. First pari passu charge on 101A, Todi Complex, Andheri office & fixed assets and land at Daman & Sahibabad units of erstwhile OMPL

- I) Following Consortium Documents have been executed for the aggregate working facilities of Rs 821.5 million from BOB, SBS, ING Vysya and ABN Amro our Company has executed the following documents
- Working Capital Consortium Agreement dated August 18, 2006
  - Joint Deed of Hypothecation dated August 18, 2006 creating first pari-passu charge over the current assets of the Company.
  - Memorandum of Entry Joint Equitable Mortgage dated August 18, 2006 relating to Tarapur Unit of the Company creating the first charge and Memorandum of Entry dated August 18, 2006 relating to Joint Equitable Mortgage with regard to the Company's units at Daman I, Daman II, Village Karuana, Tehsil Nalagrah, District Solan, H. P. creating a second charge.
  - Two Memorandum of Entry both dated August 8, 2006 creating the first pari passu charge over the property situated at village Dharampur, Dist, Solan, H. P. over the Company's new units situated at Pantnagar, Uttaranchal.
  - Inter se Agreement dated August 21, 2006.
- II) In addition to above documents as mentioned in ( I ) above the company has executed individual documents for increased fund based & non fund based working capital facilities with BOB Rs. 92mn , ING Vysya Bank Rs. 147.5mn and ABN Amro Rs. 50 mn. totaling Rs. 289.5 mn.

#### Term Loans

Name of the Bank	Facility sanctioned	Interest	Repayment	Installment Amount	Security
Industrial Development Bank of India Limited	Term Loan of Rs. 130. million	11.00% p. a. Fixed	Repayable quarterly installment last installment due on January 2010.	4 Installment of Rs.3.0 mn, 4 Installment of Rs.5.0 mn, 4 Installment of Rs. 5.5 mn , 4 Installment of Rs.6.0 mn & 4 Installment of Rs.7.0 mn	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit, new units at Baddi and Pantnagar and second pari passu charge on all current assets of the Company
Industrial Development Bank of India Limited	Term Loan Rs.44 million	8.75 Fixed	Repayable quarterly installment last installment due on April 2008.	11 Installment of Rs. 3.6 mn & 1 Installment of Rs. 4.4 mn	First Charge on land & Building ,Plant & machinery of Hosur Unit and second pari passu charge on all current assets of the Company
ING Vysya Bank Limited	Term Loan of Rs.100 million	IVRR less 3% p. a	Repayable monthly installment last installment due on March 2009.	48 Installment of Rs. 2.08 mn	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I, new units at Baddi and Pantnagar and second pari passu charge on all current assets of the Company
ING Vysya Bank Limited	Term Loan Rs.50 million	IVRR less 3.75% p. a.	Repayable monthly installment last installment due on November 2010.	48 Installment of Rs. 1.04 mn	Secured by first charge on all immovable/Movable assets of Daman Unit I,II& Baddi Unit I And New Unit Baddi & Pantnagar and second pari passu charge on all current assets of the Company

## TIME TECHNOPLAST LIMITED

Name of the Bank	Facility sanctioned	Interest	Repayment	Installment Amount	Security
State Bank of Saurashtra	Term Loan of Rs. 95.5 million	BPLR less 2.5% p. a.	Repayable monthly installment last installment due on Jan. 2011.	48 Installment of Rs. 1.99 mn	Secured by first charge on all immovable/Movable assets of Daman Unit I,II & Baddi Unit I And New Unit Baddi & Pantnagar and second pari passu charge on all current assets of the Company
State Bank of Saurashtra	Medium Term Loan Rs. 45 million	BPLR less 1% p. a.	Repayable monthly installment last installment due on Dec. 2010.	60 Installment of Rs. 0.75 mn each	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi unit of erstwhile SPPL and second pari passu charge on current asset of the Company
Infrastructure Leasing & Financial Services Limited	Term loan Rs. 150.00 million	13.50% p. a. payable quarterly in arrears	Bullet repayment on maturity (3 months from the date of rollover i.e: June 20, 2007) or through IPO proceeds whichever is earlier.	Entire amount payable on maturity of loan i.e march ,2007 or receipt of IPO proceeds whichever is earlier	Pledge 5,850,126 equity shares of Rs. 10 each TPL (earlier known as Tainwala Polycontainers Limited). Pledge of 1,780,000 Equity Shares of Rs.10/- each of TTL held by Vishwalaxami Trading and Finance Pvt. Limited.
UTI Bank Limited	Rs. 40 million	At BPLR	Repayable monthly installment last installment due on October 2007.	60 Installment of Rs. 0.67 mn	Specific Charge on Blow Mouldings Machines
State Bank of Travancore	Rs. 30 million	1% below SBT PLR	60 montly instalments	0.5 mn per month after start up period of 12 months from the date of first disbursement	Mortgage of immovable properties of the Company and first charge by way of hypothecation of the all the movables (save and except book debts) present and future subject to the prior charges created or to be created in favour of the Banks for working capital facilities over the Companies raw materials, semi finished and finished goods, consumable stores, book debts and such other movables as may be agreed by the Banks.
UTI Bank Ltd.	Term Loan of Rs. 52 million	BPLR less 2.5% p. a.	Repayable quarterly installment last installment due on Oct. 07.	4 Installment of Rs. 4.00 mn, 4 Installment of Rs. 5.00 mn, 2 Installment of Rs. 5.3 mn & 1 Installment of Rs.5.4 mn.	First Charge on Immovable /movable of erstwhile OMPL Supermaid - I ,Fixed assets of OMPL Supermaid - II and second pari passu charge on current assets of the Company

Name of the Bank	Facility sanctioned	Interest	Repayment	Installment Amount	Security
UTI Bank Limited	Term Loan of Rs. 56 million	BPLR less 3% p. a.	Repayable monthly installment last installment due on Dec. 2012.	60 Installment of Rs. 0.93 mn Each.	First Charge on Immovable/movable of Mahad Unit of erstwhile OMPL and second pari passu charge on current assets of the Company

**Financial Indebtedness of Shalimar Packaging Pvt. Ltd. ("SPPL") (Now merged with our Company.)**

Name of the Lender	Facility sanctioned	Interest	Repayment Terms	Installment Amount	Security
State bank of Travancore	Term Loan Rs.43 million	10% p.a. Floating	Repayable monthly installment last installment due on Jan. 2011	60 Installment of Rs. 0.72 mn each	First Paripassu Charge on land & Building, Plant & machinery, situated at Daman & Baddi unit of erstwhile SPPL and second pari passu charge on current assets of the Company

**Financial Indebtedness of our wholly owned Subsidiary Elan Incorporated FZE, Sharjah ("ELAN")**

Name of the Bank	Facility sanctioned	Interest	Repayment	Installment Amount	Security
Export Import Bank of India ("EXIM Bank")	USD 3.75 million (appx. Rs.165mn)	US\$ 6 months LIBOR+ 275 BPS payable quarterly	Repayable quarterly instalment last installment due on Oct. 2012.	20 instalment of USD 187,500 each	1) First charge on the fixed assets of the company located at SAIF zone, Sharjah 2) Pledge of 51% equity stake of Elan Incorporated Fze, UAE held by TTL. 3) Corporate guarantee of TTL

**Guarantees given by our Company**

- Our Company has executed Guarantee dated January 27, 2004 in favour of State Bank of India having its branch at Industrial Finance Branch, Andheri (east) Mumbai for the working capital facilities of Rs. 188.5 million granted by State Bank of India to our joint venture Time Mauser Industries Pvt. Limited (formerly known as Qpak Industries Pvt. Limited), where in our Company is holding 49% shareholding.
- Our Company has executed Guarantee dated September 30, 2006 in favour of State Bank of India having its Industrial Finance Branch at Andheri East for the working capital facilities of Rs. 167.5 million granted by State Bank of India to our subsidiary TPL Plastech Limited, wherein our Company is holding appx. 75% shareholding. Further to this, our Company has executed a Supplemental Deed of Guarantee dated January 25, 2007 in favour of State Bank of India for the increase in credit facilities from Rs.167.50 million to Rs. 191.50 million to our subsidiary TPL Plastech Limited.
- Our Company has executed Guarantee dated October 6, 2006 in favour of EXIM Bank to secure Dollar of USD 3.75 million ( appx. Rs. 165 mn) granted to our wholly own subsidiary Elan Incorporated FZE, Sharjah.
- Our Company has executed a Guarantee dated December 17, 2005 in favour of State Bank of India having its Industrial Finance Branch at Andheri East for the credit facilities of Rs.100 million to our Promoter viz. Vishwalaxmi Trading & Finance Pvt. Ltd. Pursuant to a letter dated January 24, 2007, VTFPL has applied to State Bank of India for cancellation of the corporate gurantee on liquidation of all the outstanding with the bank.
- Our Company has executed a Corporate Guarantee dated December 27, 2006 in favour of UTI Bank Ltd. for the credit facilities of Rs.194.50 million to our Joint Venture viz. Time Mauser Industries Pvt. Ltd.

**SECTION VI - LEGAL AND OTHER INFORMATION**

**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as described below, as of the date of this Prospectus:

- (a) there are no litigations against our Company or against any other company whose outcome could have a materially adverse effect of the position of our Company;
- (b) there are no litigations against our Directors involving violation of statutory regulations or alleging criminal offence;
- (c) there are no pending proceedings initiated for economic offences against our Company or our Directors;
- (d) there are no past cases in which penalties were imposed by the concerned authorities on our Company or our Directors;
- (e) there are no outstanding litigations, defaults, etc., pertaining to matters likely to affect operations and finances of our Company or our subsidiaries, including disputed tax liabilities, prosecution under any enactment in respect of Schedule XIII to the Companies Act, 1956 (1 of 1956);
- (f) there are no instances where our Company owes a sum exceeding Rs. 1 lakh which is outstanding for more than 30 days to any small scale undertaking(s);
- (g) there are no pending litigations in which our Promoters and/or our Group Companies are involved, there are no defaults by our Promoters and/or our Group Companies to financial institutions / banks, there are no instances of non-payment of statutory dues and dues towards instrument holders like debenture holders, fixed deposits, and arrears on cumulative preference shares by the Promoters and the companies/ firms promoted by the Promoters;
- (h) there are no instances of pending litigations, defaults, etc. in respect of companies / firms / ventures with which the promoters were associated in the past but are no longer associated (in case their names continue to be associated with the litigation);
- (i) there are no litigations against our Promoters involving violation of statutory regulations or alleging criminal offence;
- (j) there are no pending proceedings initiated for economic offences against our Promoters, companies and firms promoted by our Promoters;
- (k) there are no past cases in which penalties were imposed by the concerned authorities on our Promoters and/or our Group Companies;
- (l) there are no pending litigations, defaults, instances of non payment of statutory dues, proceedings initiated for economic offences / civil offences (including the past cases, if found guilty), no instances of any disciplinary action taken by the Board / stock exchanges against our Promoters and their other business ventures (irrespective of the fact whether they are companies under the same management with our Company as per section 370 (1B) of the Companies Act, 1956);
- (m) there are no pending litigations, defaults, instances of non payment of statutory dues, proceedings initiated for economic offences / civil offences (including the past cases, if found guilty), no instances of any disciplinary action taken by the Board / stock exchanges against our Company or our Directors.

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**CASES/APPEALS BY AND/OR AGAINST OUR COMPANY:****(A). By Our Company:****I. Income Tax Litigation:****1. Block Assessment Years 1990 to 14.11.2000.  
(Income Tax)**

A search action conducted on our Company on 14/11/2000 and certain documents were found and seized. The DCIT had assessed our Company under section 158BC of Income Tax Act, 1961 (for Block Assessment) and passed order dated 31/12/2002 claiming tax of Rs. 134,869/- along with interest of Rs. 8,429 (aggregating to Rs. 143,298/-) payable on certain undisclosed income. Our Company has already paid Rs. 143,298/-. However, against the said order, our Company had filed an appeal before the Commissioner of Income Tax (Appeals) which was dismissed by its order dated 04/07/2003. Therefore, our Company has filed an Appeal dated 10/09/2003 before ITAT against the aforesaid order and the same is pending.

**2. Assessment Year 1997-98  
(Income Tax)**

Our Company has not claimed depreciation in respect of assets relating to Daman Unit as well as Baddi Unit pursuant to the option available to our Company for claiming depreciation under the Income Tax Act. This view has been adopted by our Company based on a High Court decision which has not been accepted by the Department. However, our Company was eligible for deduction under section 80IA for 100% of the profit. The Department assessed income after considering depreciation and passed order dated 05/01/2000 u/s-143(3) of the Income Tax Act, 1961. Therefore, our Company had filed an appeal before Deputy Commissioner (Appeals) who dismissed the appeal by its order served on our Company on 13/2/2001. Our Company has now filed an appeal before the Appellate Tribunal ("ITAT") against the order made by the Deputy Commissioner (Appeals). The same is pending.

**3. Assessment Year 2000-01  
(Income Tax)**

Our Company has not claimed depreciation in respect of assets relating to Daman- II as well as Baddi Unit pursuant to the option available to our Company for claiming depreciation under the Income Tax Act. This view has been adopted by our Company based on a Supreme Court decision which has not been accepted by the Deputy Commissioner of Income Tax ("DCIT"). However, our Company was eligible for deduction under section 80IA for 100% of the profit. DCIT had assessed income after considering depreciation and has passed order dated 28/03/2003 u/s-143(3) and accordingly issued Notice of Demand under section 156 of the Income Tax Act, 1961 demanding a sum of Rs. 2,54,977/-. This demand includes other disallowances on account of certain interest working by applying section 14A of the Income Tax Act. Against the said Order, our Company had filed an Appeal dated 25/04/2003 before the Commissioner of Income Tax (Appeals) who partly allowed the appeal by its order dated 18/06/2004 whereby decision was given for applicability of section 14A in favour of the Company but on the depreciation matter he has confirmed order of the Deputy Commissioner of Income Tax. Our Company has now filed an appeal dated 30/07/2004 before the Appellate Tribunal ("ITAT") against the aforesaid and the same is pending.

**4. Assessment Year 2001-02  
(Income Tax)**

Our Company has not claimed depreciation in respect of the assets relating to Daman Unit – II as well as Baddi unit pursuant to the options available to our Company for claiming depreciation under Income Tax Act. This view has been adopted by our Company based on High Court decision which has not been accepted by the Deputy Commissioner of Income Tax ("DCIT"). However, our Company was eligible for deduction under section 80IB for 100% profit for Daman Unit – II and 100% of profit for Baddi Unit. DCIT also disallowed certain interest by applying section 14A of the Income Tax Act. DCIT assessed income tax after considering the depreciation and passed Order dated 27/02/04 u/s- 143(3) and accordingly issued Notice of Demand under section 156 of the Income Tax Act, 1961 demanding a sum of Rs. 'NIL'. Against the said Order, our

## TIME TECHNOPLAST LIMITED

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Company had filed an Appeal dated 19/04/2004 before the Commissioner of Income Tax (Appeals), Mumbai who partly allowed the appeal by its order dated 18/06/04 whereby decision given for 'applicability of section 14A' in favour of the Company but on the issue of 'depreciation' matter he has confirmed order of the DCIT. The Company filed an Appeal before the Appellate Tribunal on 30/07/04 and the same is pending.

### 5. **Assessment Year 2003-04** **(Income Tax)**

In calculating the book profits, the Assessing officer had disallowed the claim of depreciation amounting to Rs. 23,118,328 and had also added Rs. 3,772,142 on account of excise duty on closing inventory as per section 145A of the Income Tax Act. Accordingly, Assessment order dated 15/3/2006 under section 143(3) was passed and the demand was made for Rs. 2,702,642. Our Company had filed an appeal before Commissioner of Income Tax (Appeals) against the said order. The Commissioner of Income Tax (Appeals) passed the order allowing Rs. 3,772,142 on account of Excise duties vide its order dated 29/09/2006. Our Company has already deposited Rs. 1,352,000/- against the said demand. Our Company has preferred an appeal on 15/11/2006 against the said order in ITAT on account of disallowance of Depreciation and the same is pending.

### 6. **Assessment Year 2004-05** **(Income Tax)**

The Assessing Officer had disallowed the depreciation of Rs. 1,33,24,104/- which was claimed by our Company in calculating the Book profit. The Assessing Officer has also revalued the closing stock by appreciating its value by Rs. 14,53,767 and also by not giving the deduction which is eligible U/s 80IB for the Unit – I at Baddi and accordingly passed order dated 22/12/2006 under section 143(3) of Income Tax Act, 1961. Assessing Officer has also issued notice of demand under section 156 demanding a sum of Rs. 25,22,974/-. Further, Additional Commissioner of Income Tax has also issued notice to show cause as to why order imposing "penalty" should not be made under section 271(1)(c). Against this, our Company has submitted a letter on February 02, 2007, U/s 154 for Rectification of mistake apparent in calculating the working of allowable deductions U/s 80IB and further filed an appeal dated 23/01/2007 before Commissioner of Income Tax (Appeal) against the same order and the same is pending.

### 7. **Assessment Year 2000-01**

**[Oxford Moulding Pvt. Ltd. - Now merged with our Company]**

**(Income Tax)**

Our Company had claimed deduction under section 80IB of Income Tax Act and accordingly did not claim depreciation. Our Company submitted that the claim of depreciation is optional and wherever no such claim is being made in computation of income, it can not be thrust upon. Assessing officer had thrust the allowance of the depreciation amounting to Rs. 14,535,910 and passed assessment order dated July 19, 2005 under section 143(3) r/w section 147 of the Income Tax Act, 1961 demanding "NIL" tax duty. Our Company filed an appeal before Commissioner of Income Tax (Appeals) bearing Appeal No. CIT(A) VIII/IT-374/2004-05 against the said order, which was dismissed by its order dated 19/7/2005. Therefore, our Company made an Appeal to ITAT against the said order. The appeal is pending.

### 8. **Assessment Year 2001-02**

**[Oxford Moulding Pvt. Ltd. - Now merged with our Company]**

**(Income Tax)**

Our Company had claimed deduction for interest income on NSC and Fixed Deposit aggregating to Rs. 468,778/- as deduction under section 80IB of Income Tax Act. However, the Assessing Officer treated such



Interests as Other income and therefore, disallowed deduction under section 80IB. Our Company was also claiming deductions under section 80IB and therefore was not claiming depreciation. However, Assessing Officer had thrust the allowance of the depreciation amounting to Rs. 20,851,605 and disallowed interest income of Rs. 468,778 by its order dated 27/02/04 passed under section 143(3) and also raised a demand of Rs. 2,144,896. In response to the demand made by the Assessing Officer, our Company had applied for rectification of order under section 154 of the Income Tax Act, 1961. After rectification demand was reduced to Rs. 6,91,806/- as tax demand and Rs. 236,314/- as interest levied. Our Company has already paid the amount demanded by the Income Tax Department and further filed an appeal before Commissioner of Income Tax (Appeals) against the said order, which was dismissed by its order dated 25/08/2004. However, our Company has filed an Appeal on 04/10/2004 to ITAT against the said order and the same is pending.

**9. Assessment Year 1999-00**  
**[Shalimar Packaging Private Limited - Now merged with our Company]**  
**(Income Tax)**

Our Company had claimed deduction under section 80IA of Income Tax Act and accordingly did not claim depreciation. Assessing officer recalculated the Income and Assessment order dated 30.1.2006 was passed, whereby he had thrust the allowance of the depreciation amounting to Rs. 11,454,474 and also assessed interest accrued of Rs. 45,393 on Bank FD as Income under the head "Income from other Sources". However, after recalculating the income, demand notice was sent for payment of sum of Rs. "NIL". Our Company filed an appeal before Commissioner of Income-Tax (Appeals) against the said order passed under section 143(3) read with section 147 of Income Tax Act, 1961. The same is pending.

**10. Assessment Year 2000-01**  
**[Shalimar Packaging Private Limited - Now merged with our Company]**  
**(Income Tax)**

Our Company had claimed deduction under section 80IA of Income Tax Act and accordingly did not claim depreciation. Assessing officer recalculated the Income and Assessment order dated 30/01/2006 was passed, whereby the authority had thrust the allowance of the depreciation amounting to Rs. 8,659,008. After recalculating the income, demand notice was sent to our Company for payment of sum of Rs. 62,017/-. Our Company has filed an appeal before Commissioner of Income-Tax (Appeals) against the said order passed under section 143(3) read with section 147 of Income Tax Act, 1961. The appeal is pending.

**11. Assessment Year 2000-01**  
**[Shalimar Packaging Private Limited - Now merged with our Company]**  
**(Income Tax)**

Our Company had claimed allowances of certain expenditure which were disallowed by the Assessing Officer. The demand of Rs. 65,824/- was raised by the Assessing Officer by its assessment order passed under section 143(3) read with section 263 of Income Tax Act, 1961. Our Company filed an appeal to CIT (Appeals) which was dismissed by CIT (Appeals). Our Company has already paid the amount demanded. However, our Company made an Appeal dated 20/12/2004 to ITAT against the said order and the same is pending.

**12. Assessment Year 2002-03**  
**[Shalimar Packaging Private Limited - Now merged with our Company]**  
**(Income Tax)**

Our Company had claimed allowances of certain expenditure which were disallowed by the Assessing Officer by its order passed under section 143(3) of Income Tax Act, 1961. Our Company filed an appeal to CIT (Appeals) which was partly allowed by CIT (Appeals) and disallowed the interest income of Rs. 346,345/-. There was no tax demanded from our Company. However, our Company made an Appeal dated 27/10/05 to ITAT against the said order and the same is pending.

## TIME TECHNOPLAST LIMITED

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### 13. Assessment Year 2003-04

**[Shalimar Packaging Private Limited - Now merged with our Company]  
(Income Tax)**

Our Company had claimed deduction for Interest on deposit kept as margin money for Letter of Credit under section 80IB as business income which was disallowed by the Assessing Officer by its assessment order dated 08.02.2006. However, after recalculating the income, demand notice was sent for payment of sum of Rs.14,344/-. Our Company has filed an appeal before Commissioner of Income-Tax (Appeals) against the said order passed under section 143(3) of Income Tax Act, 1961. The appeal is pending.

### 14. Assessment Year 2004-05

**[Shalimar Packaging Private Limited - Now merged with our Company]  
(Income Tax)**

Our Company had claimed allowances of certain expenditure which were disallowed by Assessing Officer by order dated December 15, 2006 passed under section 143(3) of Income Tax Act, 1961. However, after recalculating the income, notice of demand under section 156 was issued demanding a sum of Rs. 2,01,877/-. Our Company has filed an Appeal dated January 29, 2007 to Commissioner of Income-Tax (Appeals) against the said order and the same is pending.

## II. Sales Tax Litigations:

### 1. Assessment Period 01/04/2002 to 31/07/2002

**Oxford Moulding Pvt. Ltd. (Now merged with "TTL")**

Our Company had received Provisional Assessment order dated 25/09/2002 for the period from 01/04/2002 to 31/07/2002 levying tax of Rs. 590,241 under APGST Act, 1957 alleging that it relates to sales of moulded furniture purchased locally with tax paid under a brand name "Regal" under Section- 5AA of the Act. Accordingly, a demand notice dated 25/09/2002 was issued by Assessing Authority, Hyderabad demanding a sum of Rs. 590,241/-. Against the said order, our Company had filed appeal dated 27/11/2002 before Appellate Deputy Commissioner (CT) which was dismissed by its order dated 18/02/2003. Thereafter, our Company has filed further appeal before Sales Tax Appellate Tribunal which is pending. Simultaneously, our Company had also filed application dated 14/05/2005 before the Additional Commissioner for stay of collection of balance disputed tax of Rs. 5,90,241, which was rejected vide its order dated 17/02/2006. Thereafter, the Commercial Tax Officer, Hyderabad had issued notice dated 02/03/2006 directing our Company to pay Rs. 590,240/- within 3 days. Against the said rejection, our Company has filed writ petition before High Court of Andhra Pradesh seeking direction for prohibiting the Commercial Tax Officer from taking any coercive steps for collection of disputed demand of Rs. 5,90,241 pending disposal of appeal before Sales Tax Appellate Tribunal. High Court of Andhra Pradesh has by its order dated 17/03/2006 granted an unconditional stay till the disposal appeal and also directed our Company to deposit 25% of the disputed tax on or before 31<sup>st</sup> March, 2006 and also to pay another 25% within 2 weeks thereafter which is paid by our Company.

### 2. Oxford Moulding Pvt. Ltd. (Now merged with "TTL")

**Assessment Year: 2002-03**

Assessment order dated 31/03/2006 for the Assessment Year 2002-03 levying tax of Rs. 430,064/- under APGST Act, 1957 alleging that it relates to sales of moulded furniture purchased locally with tax paid under a brand name "Regal" under Section- 5AA of the Act. Accordingly, Commercial Tax Officer has issued a demand notice dated 31/03/2006 to our Company demanding a sum of Rs. 430,064/-. Against the said order, our Company has filed appeal dated 24/06/06 before Appellate Deputy Commissioner (CT) and the same is pending.

## III. Excise/Service Tax Litigations:

### 1. Time Packaging Ltd. (now known as "TTL") V/s. The Commissioner of Central Excise: Appeal No. E/2070/04:

The Appellant has availed CENVAT credit of 100% on the capital item, which is received and removed in the same financial year. The Respondent is of the view that the Appellant is eligible to avail CENVAT only of 50% in the current year and balance 50% in the next year. Show cause notice dated 04/03/2002 was issued on

the appellants alleging short payment of duty of Rs. 835,060 on moulds cleared by the appellants. The respondents claimed that capital items were transferred by the Appellants without adopting correct value. The Appellant through their defense replies dated 03/04/2002, 11/07/2002 and 20/11/2002 denied the allegations. Assistant Commissioner through order-in-original dated 29/11/2002 imposed duty of Rs. 642,349/- and imposed penalty of Rs. 15,000 and interest. Therefore, the appellant filed an appeal to the Commissioner (Appeals) which was rejected by the Commissioner (Appeals) vide its Order-in- Appeal dated 31/03/04. Therefore, the Appellant filed an appeal before CESTAT, wherein the appellant was directed to deposit Rs. 200,000/- by its order dated 30/11/2004 which has already been deposited by the appellant on 28/12/2004. Thereafter, the matter is pending for further hearing.

**2. Time Packaging Ltd. (now known as “TTL”) V/s. The Assistant Commissioner of Central Excise, Hosur Division, Chennai.  
Appeal No. 10/2005:**

The Appellant has paid Royalty and know-how fees to Mauser of Germany (Collaborator). Excise department has claimed that Royalties & Know-how fees are chargeable to Service Tax with effect from 1999-2000 and accordingly duty was calculated of Rs. 31,888/- and Penalty of Rs. 32,888/- by its order dated 25/04/2005. The Appellant disputed the claim and has filed an appeal against the said order before Commissioner of Central Excise (Appeals) which is pending.

**IV. Civil Suit for Recovery of Dues**

Sr. No.	Arbitrn. Suit No. /Petrn. No.	Date of Filing	Claimant /Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Civil  Suit No. 257 of 1999.	14/06/99	M/s Time  Packaging Ltd. (now known as “TTL”)	Core  Organics Ltd.& Others.	Civil  Judge, Senior Division, Chandigarh	The Plaintiffs have  filed civil suit for the recovery of the amount due from the defendants.	313,100  plus interest of Rs. 56,358 =Rs. 369,458	The defendant has  paid Rs. 78,275 and decree dated 31/07/2002 was passed against the defendant for the balance Rs. 291,183. The execution is in process.

**V Suit for Mandatory Injunction:**

**Time Packaging Ltd. (now known as “TTL”) V/s. Sh. Haru**

Our Company has filed this suit before Civil Judge, Senior Division, Nalagarh dated 01.02.06 against Sh Haru seeking mandatory Injunction. Sh. Haru had entered into an agreement dated 28/10/2005 to sell a plot of land (i.e. 3 bighas and 17 biswas (“the suit land”) constituting 2/3<sup>rd</sup> share out of total land admeasuring 5 bighas and 15 biswas) situated at Thane (H. P.) to our Company for total consideration of Rs. 30,80,000/-. Our Company has also paid Rs. 616,000/- as earnest money to Sh. Haru. Under the said agreement, Sh. Haru had undertaken to get the suit land separated by way of getting the partition of the same, but Sh. Haru has not applied for the same, nor does Sh. Haru assist our Company for getting the permission to purchase the suit land. The cause of action for filing the above titled civil suit for mandatory injunction has already arisen, but cause of action for filing the suit for main relief of possession by way of specific performance of the said agreement will arise later on. Therefore, our Company has filed application under Order 2 Rule 2 of Code of Civil Procedure seeking leave to reserve his right to file suit for granting decree of specific performance of agreement dated 28.10.05 against Sh. Haru. Our Company has also filed suit for mandatory injunction under O. 7, R. 1 of Code of Civil Procedure seeking direction to be issued to Sh. Haru for getting partition of the suit land from the other co-owner and to get the possession thereof. The application under order 2 Rule 2 and suit for mandatory injunction both are pending.

## TIME TECHNOPLAST LIMITED

### VI. Writ Petitions:

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1	Writ Petition No.1965 of 2003	-	Time Packaging Limited. (now known as "TTL".)	Union of India & Others.	High Court, Mumbai.	<p>The Central Excise officials visited Petitioner's factory where they found discrepancies in the stock of final products as well as raw materials. Show-cause notice was issued to which Petitioner did not reply and ex-parte order dated 24/11/1997 was passed. Petitioner filed Appeal to the Commissioner (Appeals). In the meantime, by Finance Act, 1998, the Central Government introduced a scheme for settlement of tax disputes known as "Kar Vivid Samadhan Scheme" ("KVSS") which was availed by the Petitioner and certificate to that effect was received from the designated authority and accordingly duty of Rs. 162,284 was determined under KVSS which was paid by the petitioners. However, Assistant Commissioner of Central Excise informed the Petitioner that since they have not produced the proof of payment of the sums determined, the benefit of KVSS can not extend to them. However, our Company had paid this amount by cheque on 20/03/99 which was cleared on 23/03/1999. However, the commissioner of Central Excise reconed the period of 30 days w.e.f. 23/03/99 and thereby denied the issuance of the discharge certificate. Pending issuance of discharge certificate under KVSS, the Commissioner (Appeals) directed the Petitioner to deposit entire duty with penalty within 15 days. Further, Superintendent of Central Excise directed Mr. Bharat Vageria, Director of Petitioner to deposit personal penalty of Rs. 100,000/-. Against the said order, the Petitioner fled Writ Petition in the High Court.</p>	242,667/-	The matter is pending for hearing.

**VII. Litigations relating to Intellectual Property Rights:**

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Suit No. 1210 of 2004	16 <sup>th</sup> April, 2004	1. M/s. Mauser Werke GmbH 2. Time Packaging Ltd. (now known as "TTL".)	1. M/s. BSA Polycontainer  2. Mr. Bijay Kumar Agarwal.  3. M/s. Supreme Die Works. 4. Mr. Jairam Vargaokar.	High Court, Mumbai.	Plaintiffs filed the suit for infringement of "patent" and "design" of which Plaintiff No. 1 is the owner and Plaintiff No. 2 is the user. The suit is filed seeking Permanent Injunction restraining the infringement, damages for infringement and accounts of profits and delivery for destruction of infringed/ pirated goods. On filing the suit, the Plaintiffs obtained an interim order dated 22.04.2004 granting ad-interim injunction, ordering appointment of Court Receiver, and, ordering delivery of goods and moulds to Court Receiver. The Court Receiver took possession of the goods on 27.04.2004. Against this, the Defendant No. 1 & 2 took out Notice of Motion and secured order dated 21/05/2004 modifying the order dated 22.04.2004 by which the ad-interim order continued but the order regarding delivery of goods and moulds to the Court Receiver for destruction as being relief of final nature was set aside. Court also ordered desealing the tools and equipments. The Plaintiffs filed an Appeal against the said modification of order. Order dated 08.12.05 was passed by the Appeal Court whereby the Defendant No. 1 & 2 gave undertaking in terms of (a) abide by injunction till further order of the Court (b) Goods and Moulds mentioned in the Court Receiver Report will be retained by the manufacturer / Defendant at their factory premises.	Damages claimed Rs. 80,00,000/- with Interest @10% p.a. OR Account of profits	The Notice of Motion came for hearing which confirmed the injunction order on 15/03/2005. Defendant No. 1 & 2 consented to handover top and bottom portion of the mould used for manufacture of infringing goods to the Court Receiver. In addition, the Plaintiffs have further filed Notice of Motion for contempt of Court Order dated 22.04.2004 and 21.05.2004. The matter is pending. Court Order dated 15.03.2004 vacated ad interim injunction against def. 3 & 4. Plaintiffs preferred appeal and the same is pending.

## TIME TECHNOPLAST LIMITED

Sr. No.	Arbitrn. Suit No. /Petr. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
2.	Suit No. 2454 of 2004	-	1. M/s. Mauser Werke GmbH 2. Time Packaging Ltd. (now known as "TTL".)	1. M/s. Supreme Die Works .2. Jairam Vargaokar. 3. Plastico Industries. 4. Pragati Switches Pvt. Ltd. 5. Nitin Sanghvi. 6. M/s. Rainbow Packaging Pvt. Ltd. 7. Rajesh R. Makwana.	High Court, Mumbai	The Plaintiff No. 1 is the owner of certain patents and designs and Plaintiff No. 2 is the user of the same pursuant to the know-how license arrangement entered into by and between Plaintiff No. 1 & Plaintiff No. 2. The Plaintiffs have filed suit for infringement of its patent and designs and also for damages.	Damages claimed Rs. 2,50,000/- with Interest @10% p.a. OR Account of profits	The Plaintiff obtained ad-interim relief for taking inventory of goods by Order of the Court in Notice of Motion No. 2392 of 2004 dated 23.08.2004. Thereafter, the defendant filed Notice of Motion No. 2612 of 2004 challenging the jurisdiction of High Court of Bombay to entertain the suit. Both the Notice of Motion are pending for hearing. The Plaintiffs have made precepe for submitting the matter before the Chief Justice to place the Notice of Motions no. 2392 and 2612 before the appropriate court as the present judge had on January 19, 2007 ordered on the above Notice of Motions as "Not Before Me". The matter is pending
3.	Suit No. 2455 of 2004.		1. M/s. Mauser Werke GmbH 2. Time Packaging Ltd. (now known as "TTL".)	1. M/s. Supreme Die Works 2. Mr. Jairam Vargaokar 3. M/s. Naman Plastic Processors Ltd. 4. Mr. Chakor Shah.	High Court, Mumbai.	The Plaintiff No. 1 is the owner of certain patents and designs and Plaintiff No. 2 is the user of the same pursuant to the know-how license arrangement entered into by and between Plaintiff No. 1 & Plaintiff No. 2. The Plaintiffs have filed suit against the Defendants for infringement of its patent and designs and also for damages.	Damages claimed Rs. 2,50,000/- with Interest @10% p.a. OR Account of profits	In Notice of Motion No. 2391 of 2004, an interim order dated 25/07/2006 was passed granting injunction against the Defendants No. 3 and 5 (drum manufacturers) The Court

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
				5. M/s. Vin Plasticizer Pvt. Ltd. 6. Mr. Naveen Chandra Shah.				Receiver was also ordered by the court to seize the goods of Defendants No. 3 and 5. The said Defendants No.3 and 5 have filed an appeal challenging the said interim order dated 25/07/2006. Appeal was admitted and the matter is pending.

**VIII. Complaints filed under section 138 of Negotiable Instrument Act / under Section 420 of IPC (having claims above Rs. 1 million ):**

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	CC No. 79/S/02 (193/S S/05)	April 9, 2001	M/s. Supermaid (A division of OMPL) (now merged with our Company)	1. M/s R.K. Plastics 2. Mr. Sanjive R. Kapoor, Prop. Of M/s R.K. Plastics	Metropolitan Magistrate's Court, 44 <sup>th</sup> Court at Andheri, Mumbai.	Accused was a distributor of the Complainant. Pursuant to order placed by the accused, the Complainant sold and delivered goods. The cheque issued in consideration thereof was dishonoured on 24/02/2001 with remark "Payment stopped by the drawer". Therefore, the Complainant filed the Complaint.	1,150,000/-	Arrest warrant was issued against Accused No. 2. The next date of hearing is on 29/08/2007.
2.	CC No. 443/S/ 2003 (963/SS /05)	September 19, 2003.	M/s. Supermaid (A division of OMPL) (now merged with our Company)	Mr. N. Parames waran, Proprietor, M/s. Master Marketing Agency	Metropolitan Magistrate's Court, 44 <sup>th</sup> Court at Andheri, Mumbai.	Accused was a distributor of the Complainant. Pursuant to order placed by the accused, the Complainant sold and delivered goods. The cheque issued in consideration thereof was dishonoured on 16/06/2003 with remark "Exceeds arrangement". Therefore, the Complainant filed the Complaint.	1,180,701/-	Arrest warrant was issued against Accused. The next date of hearing is on 14/06/2007

## TIME TECHNOPLAST LIMITED

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
3.	CC No. 1483/S /02	November 2, 2002	M/s. Supermiad (A division of OMPL) (now merged with our Company)	Mr. Arjun R. Agarwal. Mr. Babulal R. Agarwal.	Metropoli-tan Magist-rate's Court, 22 <sup>nd</sup> Court at Andheri, Mumbai	Accused placed an order, pursuant to which the Complainant sold and delivered goods. Accused failed to make payment. Therefore, the Complainant filed the Complaint for offence of cheating u/s-420 of the Indian Penal Code. However, order for summons was issued only against Mr. Arjun R. Agarwal. The Accused No. 1 has filed application for discharge of accused under section 245(2) of Code of Criminal Procedure, 1973 and has also filed application under section 205 of Code of Criminal Procedure for exemption from personal appearance.	1,249,599/-	The complainant has filed reply to both the above applications under section 245(2) and 205. The next date of hearing is on 26/06/2007.
4.	CCNo 1253/S /02	March 11, 2002	M/s. Supermiad (A division of OMPL) (now merged with our Company)	Mr. S. A. Kannan	Metropolitan Magistrate's Court, 22 <sup>nd</sup> Court at Andheri, Mumbai.	Accused was entrusted with job to appoint dealers, distributors and super stockists in the region of "Tamilnadu". The Accused, by misusing his powers and exceeding his authority, had given long term credit to parties having close relations with him and thereby cheated the complainant. Therefore, the complainant has filed complaint for committing offence of cheating u/s-418.	-	The next date of hearing is on 19/06/2007.
5.	CC No. 28-S/03	5 <sup>th</sup> Decem-ber, 2002	M/s. Supermiad (A division of OMPL) (now merged with our Company)	1. M/s. Sharda Inter Furn 2. Mr. Bhavin Shah, Partner. 3. Mr. Niraj Shah, Partner.	Metropoli-tan Magist-rate's Court, 22 <sup>nd</sup> Court at Andheri, Mumbai.	The Accused No. 1 was distributor of the Complainant who dishonestly made Complainant to extend the credit facility beyond its normal limits. Accused No. 2 and 3 signed MOU and promised to pay on behalf of Accused No. 1. Accused No. 2 & 3 could not honour the promise and thereby cheated the Complainant. Therefore, the Complainant filed Complaint for cheating under section 420 of the Indian Penal Code.	1,148,877/-	Notice was issued against accused No. 2 & 3 for their appearance on 02/01/07. However, the accused failed to appear and therefore bailable warrant was issued against accused No. 2 & 3. The next date of hearing is on 21/08/2007.



Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
6.	CC No. 449/M/ 2003.	September 30, 2003	M/s. Supermiad (A division of OMPL) (now merged with our Company)	Mr. Kishan Agarwal, Proprietor of M/s. Popular Enterprises.	Metropolitan Magistrate's Court, 22 <sup>nd</sup> Court at Andheri, Mumbai.	The Accused was distributor of the Complainant. Pursuant to the order placed by the accused, the Complainant sold and delivered goods. However, Accused did not make payment. Therefore, the Complainant has filed Complaint for cheating under section 420 of the Indian Penal Code.	1,056,376/-	The matter is pending. The next date of hearing is on 03/07/2007.

In addition to the litigations as stated hereinabove, there are 184 complaints (where the amount claimed is Rs. 1 million or less) filed by our Company under section 138 of Negotiable Instrument Act, 1881 and/ or under Section 420 of IPC against our customers/distributors whose cheques have been bounced from time to time/recovery of the outstanding dues. The total claims made by our Company are aggregating approximately Rs. 40.41 million. However, the recovery of the claims will depend upon the success in the litigations and actual recovery in the matter.

#### IX. Winding Up Petitions:

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Company Petition No. 777 of 2000.	16/05 /2000	M/s Time Packaging Ltd. (now known as "TTL")	M/s. Ventron Chemicals Ltd.	High Court, Mumbai.	Pursuant to various purchase orders placed by the Respondents from time to time, the Petitioners sold and delivered goods to the Respondent. However, the Respondent failed to make payment of Rs. 2,598,737.36 Therefore, the Petitioner filed Winding up Petition against the Respondent Company.	Rs.2,284,102.36 plus Interest @30% p.a.= Rs.3,951,108.36	The Petition was accepted and was advertised on December 13, 2004 pursuant to order dated December 2, 2004. The matter is now pending for final hearing.
2.	Company Petition No. 778 of 2000.	16/05/ 2000	M/s Time Packaging Ltd. (now known as "TTL")	M/s. Ventron PolymersLtd.	High Court, Mumbai.	Pursuant to various purchase orders placed by the Respondents from time to time, the Petitioners sold and delivered goods to the Respondent. However, the Respondent failed to make payment of Rs. 96,571. Therefore, the Petitioner filed Winding up Petition against the Respondent.	Rs. 96,571 plus Interest @30% p.a.= Rs. 159,150.35	The Petition was accepted and advertised on December 13, 2004 pursuant to order dated December 2, 2004. The matter is now pending for final hearing.
3.	-	-	M/s Time Packaging Ltd. (now known as "TTL")	M/s. Moti Adhesive Private Ltd.	High Court, New Delhi.	The Petitioners sold and delivered goods to the Respondent. However, the Respondent failed to make payment of Rs. 826,066. Therefore, the Petitioner filed Winding up Petition against the Respondent.	Rs. 826,066 plus Interest @30% p.a.	The matter is now pending.

## TIME TECHNOPLAST LIMITED

### X. BIFR Cases:

Sr. No.	Arbitrn. Suit No. /Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent /Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Application No. 263 of 2000.	JULY 30, 2002	M/s. Time Packaging Ltd. (now known as "TTL")	M/s. Gayatri Starchkem Limited ("GSL")	Board of Industrial and Financial Reconstruction	Pursuant to various purchase orders placed by GSL, the Applicant sold and delivered goods to GSL. However, GSL failed to make payment. The Applicant was informed by GSL that it is a Sick Company. Therefore, the Applicant filed an application with BIFR seeking permission u/s 22 of SICA, 1985 and also submitted claim application to BIFR.	1,271,687/- plus Interest @ 24% p.a.	The GSL is directed to file the comments on the said claim application. The matter is pending.
2.	Application No. 33 of 1987.	April 07, 2000	M/s. Time Packaging Ltd. (now known as "TTL")	M/s. Chemiequip Ltd. ("CL")	Board of Industrial and Financial Reconstruction.	Pursuant to various purchase orders placed by CL, the Applicant sold and delivered goods to CL. CL failed to make payment. The Applicant was informed by CL that it is a Sick Company. Therefore, the Applicant has filed an Application with BIFR seeking permission u/s 22 of SICA, 1985.	1,873,992.50/- plus Interest @30% p.a.	BIFR has directed for winding up of CL.
3.	Case No. 54 of 1996	July 29, 1998	M/s Time Packaging Ltd. (now known as "TTL")	Chemcrown (India) Limited. ("Chemcrown")	Board of Industrial & Financial Reconstruction.	The Applicant had supplied goods to Chemcrown pursuant to which an amount of Rs. 74,310.08 was due from Chemcrown. The Applicant was informed by Chemcrown that its case is pending before office of BIFR at Calcutta. Therefore, the Applicant has made Application to BIFR seeking consent under section 22 of SICA, 1985 for commencing legal proceedings against Chemcrown for recovery of amount due.	151,559.34/-	The matter is pending.

### XI. Complaint filed under the Consumer Protection Act, 1986:-

M/s. Supermaid (a division of OMPL) (now merged with our Company) ("Supermaid") V/s. United India Insurance Company Ltd.:

There is a Consumer Complaint filed by Supermaid against United India Insurance Co. Ltd. ("UII") before National Consumer Dispute Redressal Commission, New Delhi bearing O.P. No. 21 of 2004. Supermaid had made huge investment in setting up our factory at 361/10, Shree Ganesh Industrial Estate, Kachigam, Daman (U.T.) employing large sum of money from its own resources and borrowing from Public Financial Institutions and Nationalised Banks. The factory project was duly insured with UII for Rs. 116 million. On December 2, 1999, fire broke out in the said factory premises of Supermaid in which the entire building was damaged badly and collapsed, Plant and machinery was fully damaged and stocks were totally gutted. Supermaid immediately reported the loss to UII and all the necessary procedures thereon were duly followed. UII appointed 2 senior surveyors who carried out the inspection of site. Supermaid requested for immediate relief by way of "on account payment" of Rs. 90 million

against the insurance policies of Rs. 116 million failure of which would cause irreparable damage to Supermaid's prospects of continuing business. However, UII paid only Rs. 52 million against Supermaid's on account claim of Rs. 90 million. Thereafter, Supermaid made various follow-up from time to time with various officials of UII (including with the then CMD of UII). Several representations, communications and reminders were sent to UII which were neglected and kept unattended by UII. Several meetings and calls were made from time to time with officials of UII which remained unheard and claims remained unsettled. Finally, against the total claim of Rs. 114,258,616 of Supermaid, only amount of Rs. 103,691,955 was received by Supermaid (after about 4 years), thereby there was a short receipt of Rs. 10,566,661 from the amount claimed by our company. Further, Supermaid has claimed interest and the balance amount due. Therefore, Supermaid has filed Consumer Complaint against UII. UII have, by filing its Affidavit of evidence, denied all the allegations and claims that Supermaid has received the insurance claim in full and final settlement. The matter is pending.

## **XII. Potential Litigations:**

1. Our Company has issued a notice dated 06/10/2005 to Ravi Dyeware Co. Limited under section 434 of the Companies Act, 1956 for winding up, for a sum of Rs. 5,10,000/- which was due and recoverable from Ravi Dyeware Co. Limited to our Company. Our Company has not filed the winding up petition so far.

## **(B). CASES/APPEALS AGAINST OUR COMPANY:**

### **I. Income Tax Litigations:**

1. Assessment Year 2000-01  
(Income Tax)

The Deputy Commissioner of Income Tax has disallowed certain interest paid by our Company for making investment in shares and made assessment under section 143(3) of Income tax Act thereby calculated income of Rs. 42,06,520/- and passed order dated 28/03/03 for demand of Rs. 254,977/-. Against the said order dated 28/03/03, our Company had filed appeal before the Commissioner of Income Tax (Appeals) XXIX, Mumbai, who allowed the appeal by its order dated 18/06/2004. Thereafter, the Deputy Commissioner of Income Tax has filed an Appeal before Appellate Tribunal (ITAT), Mumbai which is pending.

2. Assessment Year 2001-02  
(Income Tax)

The Deputy Commissioner of Income Tax claims that the Company is claiming depreciation as per the Income Tax Act for the units where 30% deduction is available under section 80IB and not claiming the depreciation under the Income Tax Act where 100% deduction is available under section 80IB of Income Tax Act, 1961. Similarly, the Deputy Commissioner of Income Tax has also disallowed certain interest paid by our Company for making investment in shares and made assessment under section 143(3) of Income tax Act thereby calculated income of Rs. 39,14,100 and passed order dated 27/02/04 for "NIL" demand. Against the said order dated 27/02/2004, our company had filed appeal before the Commissioner of Income Tax (Appeals) XXIX, Mumbai, who partly allowed the appeal by its order dated 18/06/2004. Thereafter, the Deputy Commissioner of Income Tax has filed an Appeal before Appellate Tribunal (ITAT), Mumbai which is pending.

3. **Assessment Year 2001-02**  
(Income Tax)

Our Company had shown other income (rent income) of Rs. 2,069,807 and claimed deduction u/s- 80IB in respect of the same which was disallowed by Deputy Commissioner of Income Tax. The assessing Officer levied penalty of Rs. 818,600/- under section 271(1)(c) and also issued demand notice for the same. The Company filed an appeal before Commissioner of Income Tax (Appeals) against the notice of demand dated 30/1/06 issued by Deputy Commissioner of Income Tax for Rs. 818,600. The appeal was filed on 21/2/2006 and the same is pending. which was allowed by Commissioner of Income Tax (Appeals) by its order dated 03/11/2006 and accordingly, the aforesaid penalty was deleted and subsequently Asst. Commissioner of Income Tax Range 8(3) Mumbai, filed an appeal in the office of the Income Tax Appellate Tribunal Mumbai which was received by the Company on 19/5/2007 and the same is pending.

## TIME TECHNOPLAST LIMITED

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### II. Excise/Service Tax Litigations:

#### 1. The Commissioner of Central Excise V/s. Time Packaging Ltd (now known as "TTL"): Central Excise Appeal No. 48 of 2005

Excise Department claims excess of 2061 plastic drums/barrels over the recorded balance in RG-1 register. They also claimed that entries of clearances made vide few central excise invoices made but were not entered in RG-1 register and that duty was not debited to PLA or RG 23 Pt.II. Show cause cum demand notice dated 12/06/1996 was issued to the Respondent to which reply was filed by the Respondent. However, Order-in- original dated 30/12/1996 was passed by Dy. Commissioner of Central Excise & Customs against the respondent for- (i). confiscation of seized 2061 Plastic drums which may be redeemed on payment of fine of Rs. 200,000/- (ii). Excise duty of Rs. 33,000/- (iii) penalty of Rs. 50,000/- plus 20,000/-. Challenging the said order, Respondent filed an Appeal before Commissioner (Appeals) Central Excise who passed order-in-appeal dated 21/12/1999 allowing the Appeal. The Appellant filed an appeal before CESTAT who passed an order dated 29/06/2004 dismissing the appeal of the Appellant. Thereafter, the appellant had filed further appeal in the High Court. Now, the High Court has remanded the matter back to the CESTAT to be heard afresh and the same is pending.

2. A show cause notice dated April 28, 2006 was issued by the Deputy Commissioner of Central Excise, Daman claiming that our Company had cleared inputs as such to its sister concern units by adopting the same assessable value and reversing the same credit availed at the time of receipt of input during the period specified therein. The Excise Department claims that if the removal of goods is made for transfer to a sister unit, the valuation should have been done @ 115% of the total cost of such input. The Excise Department accordingly claims that excise duty of Rs. 428,586/- has been short paid by our Company. The show cause notice was issued seeking explanation as to why the differential duty of Rs. 428,586/- with penalty and interest should not be levied on the Company. The Company has filed its reply to the said show cause notice by its letter dated May 26, 2006. The matter is pending for further hearing.
3. Our Company was claiming exemption under Notification No.32/2004-ST which has been disputed by the Service Tax authorities. A show cause notice dated May 25, 2006 bearing No.TV/17/4/2006-CERA (ST) was issued by the Deputy Commissioner of Central Excise, Hosur II Division claiming service tax plus Education Tax of Rs.227,113/- along with interest and penalty. Our Company has filed reply letter dated June 23, 2006. The matter is pending for further hearing.
4. A show cause notice dated May 8, 2006 was issued by the Deputy Commissioner of Central Excise, South Daman Division claiming that our Company has availed CENVAT Credit as "input service" on the amount of service tax paid on the outward freight for transportation of finished goods and accordingly our Company has wrongly availed credit on service tax paid for outward transportation of their final products from their factory to destination of buyers and thereby the Company has wrongly availed CENVAT Credit of Service Tax for outward freight to the tune of Rs.50,974/-. The Show cause notice was issued seeking explanation as to why amount of Rs.50,974/- as aforesaid should not be recovered. Our Company has filed its reply dated June, 27 2006 to the said show cause. The Deputy Commissioner has passed the order on 28/02/2007, served on the company on March,08,2007, rejecting the Company's claim of Rs.50974/- as credit of Input service on the amount of service tax paid for the outward freight and imposing a penalty of Rs.50974/- and to pay the interest at the appropriate rate under Rule 14 of Cenvat Credit Rules 2004 read with Section 75 of Finance Act, 1975. The Company has filed its reply to the said show cause notice on 17/05/2007 and the matter is pending.
5. A show cause notice dated May 3, 2006 was issued by the Deputy Commissioner of Central Excise, South Daman Division claiming that our Company has availed CENVAT Credit as "input service" on the amount of service tax paid on the outward freight for transportation of finished goods and accordingly the Company has wrongly availed credit on service tax paid for outward transportation of their final products from their factory to destination of buyers to the tune of Rs.113,254/-. The Show cause notice was issued seeking explanation to why amount of Rs.113,254/- with penalty and interest should not be recovered. Our Company has filed its reply dated June 2, 2006 to the said show cause. The Deputy Commissioner has passed the order on 28/02/2007 rejecting the Company's claim of Rs.113,254/- as

credit of Input service on the amount of service tax paid for the outward freight and imposing a penalty of R.113,254/- and to pay the interest at the appropriate rate under Rule 14 of Cenvat Credit Rules 2004 read with Section 75 of Finance Act, 1975. The Company has filed its reply to the said show cause notice on 17/05/2007 and the matter is pending.

6. Our Company has received a show cause notice dated July 12, 2006 from the Deputy Commissioner of Central Excise and Customs Division South Daman claiming that M/s. J.J Polyplast Ltd., Mumbai had received the imported goods without paying proper duty and had illegally availed the inadmissible CENVAT Credit of CVD and Education Cess involved in the Bill of Entry. The said goods were ultimately purchased by our Company and our company had also availed credit of Excise duties vide RG23A based on duty paid invoices issued by the supplier. Therefore, the excise authority has issued show cause notice as to why CENVAT Credit availed of Rs. 16,639 along with interest and penalty should not be recovered from our Company. Our Company has replied to the said show cause notice by its letter dated July 31, 2006 denying the claim. The Deputy Commissioner of Central Excise has by its letter dated February 20, 2007 has fixed the personal hearing on March 6 / 7/ 8 , 2007. Company's representative attended the hearing and the matter is pending .
7. A Show Cause Notice dated December 22, 2006 was received on December 27, 2006 issued by Deputy Commissioner of Central Excise and Customs, Daman claiming that our Company is required to pay differential service tax amounting to Rs.82,957/- for the year 2004-05 on account of Royalty and Know how fee amounting - Rs.11.78 lacs paid to foreign collaborators . However, Company has paid on pro rata basis an amount of Rs.37,199/- for the period from 10/09/04 to 31/03/05 on the basis of imposition of service tax on Intellectual Property Rights. Prior to this, Service tax on Intellectual Property Rights was not applicable. The Company has submitted reply to the Show Cause Notice on 13/02/07 and the matter is pending.
8. A show cause notice dated March 27, 2006 was issued by the Joint Commissioner of Central Excise, Daman claiming that our Company had cleared inputs as such to its sister concern units by adopting the same assessable value and reversing the same credit availed at the time of receipt of input during the period specified therein. The Excise Department claims that if the removal of goods is made for transfer to a sister unit, the valuation should have been done @115% of the total cost of such input. The Excise Department accordingly claims that excise duty of Rs.1,413,128/- has been short paid by the Company. The show cause notice was issued seeking explanation as to why the differential duty of Rs. 1,413,128/- with penalty and interest should not be recovered from the Company. The Company has filed its reply to the said show cause notice by its letter dated 21<sup>st</sup> April, 2006 denying the claims. Order dated August 31, 2006 was passed by the Joint Commissioner demanding the aforesaid differential Excise Duty of Rs.1,413,128/- along with penalty of Rs.1,413,128/- and interest. Our Company has filed an Appeal before Commissioner Central Excise & Customs (Appeals) on November 13, 2006 and the same allowed by Commissioner Central Excise & Customs (Appeals) by its order dated 26/12/2006. The Central Excise Department has preferred an appeal to the Tribunal and the same is pending.
9. The Show Cause Notice dated April 13, 2007 was issued by Deputy Commissioner of Central Excise and Customs, Daman claiming that our Company has availed cenvat credit of Rs.42,646/- on account of service tax paid for insurance premium expenses for insurance of Stocks and Plant & Equipment in one of the Daman unit. The Excise Department is taking a view that insurance premium is not covered under the definition of inputs service provided under Rule 2(1)(ii), therefore the credit is wrongly availed by the Company. Company is in the process of submitting reply of the Show Cause Notice within the validity period.

## TIME TECHNOPLAST LIMITED

### III. Summary Suit:

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Summary Suit No. 2111/2002	15/06/2002	Sanjeev Ramavtar Kapoor, M/s R. K. Plastics.	M/s. Supermaid (a division of OMPL) (now merged with our Company)	City Civil Judge, Ahmedabad	The Plaintiff was a distributor of the Defendant. A cheque amounting to Rs. 1,150,000/- issued by the Plaintiff was dishonoured pursuant to which the Defendant has already filed complaint under section 138 of the Negotiable Instrument Act, 1881 in which non-bailable warrant was issued against the Plaintiff. Against this the Plaintiff has filed the summary suit for recovery of Rs. 603,386 towards rate difference and Rs. 442,440 towards the goods returned to the Defendant, aggregating to Rs. 1,045,826.	1,045,826 Plus interest @ 18% Plus cost of suit.	The defendant could not file its appearance in time and therefore has filed application for condonation of delay for filing appearance in the matter. The matter is pending.

### IV. Civil Suits

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Suit No. 57 of 2000	15/07/1999	Moti Adhesives Private Ltd.	Time Packaging Ltd. (now known as "TTL".)	Civil Judge, Senior Division, Noida.	The Plaintiff whose dues were outstanding to the tune of Rs. 826,066.37 was customer of the defendant. The defendant had sent a notice dated 15/06/1999 to plaintiff calling upon the payment of said dues. The plaintiff by its reply dated 29/6/1999 claims that goods	826,066.37 plus interest @30% p.a.	The matter is pending for hearing.

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
						supplied by the defendant were sold to various customers the same were rejected by them as defective and therefore the plaintiff failed to recover the dues from their customers. Therefore, the plaintiff did not make any payment. Finally, the defendant has sent winding-up notice dated 2/07/1999. In anticipation of winding up petition, the plaintiff has filed this suit for restraining the defendant from filing the winding-up. However, the defendant has filed winding-up petition against the plaintiff as specified in "Winding up Petition" at page 229 of this Prospectus.		
2.	Civil Suit of 2003	31/10/2003	M/s. Meeru Collections & Others	M/s. Supermaid (a division of OMPL) (now merged with our Company)	Court of Civil Judge, Jr. Divn., Amritsar	The Defendant had sent the legal notice to the Plaintiffs for the recovery of dues amounting to Rs. 3,96,231/-. In response to the said notice, the Plaintiffs has filed suit for Declaration to the effect that the Plaintiffs do not owe any liability of whatsoever to the defendants and further for Permanent Injunction restraining the defendants them-	3,96,231/-	The Plaintiffs has also taken out application under O.39, R.1 and 2 read with section 151 of CPC seeking Ad-Interim Injunction Defendant from putting any undue pressure on the plaintiff to admit the demand for the payment of Rs. 3,96,231/- especially by

## TIME TECHNOPLAST LIMITED

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
						selves through their agents, privies, friends and representatives from putting up any undue pressure upon the Plaintiffs to admit the demand for payment of Rs. 3,96,231. The Defendant has filed its Written Statement denying the declaration.		taking undue help from Police Authorities. The defendant has filed its reply for dismissal of the said Application. the case is pending.

### V. Suits for Rendition of Accounts:

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Civil Suit	-	Mange Ram, Sole proprietor of M/s. Agarwal Marketing Company.	1.M/s. Supermaid (a division of OMPL) 2. OMPL (Ghaziabad) 3. OMPL (Haryana) 4. OMPL (Chandigarh)	Civil Court at Hisar	Plaintiff was a dealer of the Defendants. Suit is filed for rendition of accounts for payments made by the plaintiff between 30/09/2000 and 20/01/2001 to Defendants for supplying the moulded furniture and further for recovery of the amount found due from Defendants after settlement of accounts.	-	The defendants have filed its Written Statement on 16/11/2002. The next date of hearing is 07/07/2007.
2.	Civil Suit	26/07/2002	Arjun Agarwal, Proprietor of Sansar Coir Products.	1. M/s. Supermaid(a division of OMPL), 2. OMPL (Sahibabad), 3. OMPL (Chandigarh) (all now merged with our Company)	Civil Court at Hisar	The Plaintiff was a dealer of the defendant. A complaint under section 420 of Indian Penal Code was filed by the defendant against the plaintiff. The same is pending. Against the said complaint, this Counter Suit is filed by the plaintiff for Rendition	-	The defendant has filed its Written Statement on 16/11/2002. The next date of hearing is 28/05/2007.



Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
						of Accounts for the payments made by the plaintiff between 1/4/1999 and 14/12/2000 to defendants for supplying the Moulded furniture and further for recovery of amount found due from Defendants after settlement of accounts.		

**VI. Criminal Complaints against our Company and our Directors:**

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Complaint case No. 266/03	24/06/03	Raj Kumar Jain	1. M/s. SPPL (now merged with our Company) 2. M/s. OMPL (now merged with our Company) 3. Mr. Anil Jain. 4. Mr. K. Menon. 5. Mr. Raghupathy Thyagrajan. 6. Mr. Bharat Vageria. 7. Mr. Prabhakar Huddar. 8. Megha Jain.	The Court of the Chief Judicial Magistrate, Ranchi.	The Complainant was a distributor of the Accused No. 2. The Complainant claims to have handed over an undated but signed blank cheque towards security deposit with Accused No. 1. The Complainant thereafter gave instruction for stop payment of the said cheque and claims to have intimidated the same to the Accused. The said cheque was presented for payment by the Accused after filling the date and the outstanding amount which was dishonoured. Subsequently, the Accused No. 1 has initiated proceedings under section 138 of the Negotiable Instrument Act in which bailable warrant was issued against the Complainant. Against this, the Complainant has filed this complaint under	-	As the application filed by the accused for exemption from appearance in person was disallowed by Judicial Magistrate, 1 <sup>st</sup> Class, Ranchi by an order dated 08/06/06, the accused have filed Criminal Revision Petition No. 450 of 2006 in the High Court of Jharkhand at Ranchi, wherein an order dated 31/07/2006 was passed that no coercive steps shall be taken against the accused in the Complaint

## TIME TECHNOPLAST LIMITED

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
						section 420, 467, 468 r/w 120B of IPC. Thereafter, the accused have filed Criminal Miscellaneous Petition No. 845 of 2006 in the High Court of Jharkhand at Ranchi for quashing the entire criminal proceedings in connection with Complaint No. 266/03 claiming that all the facts stated in the Complaint are false and also that Petitioners claim that majority of the processes issued by the Court from time to time were never served upon them in relation to Complaint No. 266/03 at Ranchi.		case No. 266/03 till the said petition 845/06 is also heard.

### VII. Complaints under section 420 of IPC.

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Case No. 55-BA	-	Mange Ram	1. A.K. Jain 2. Biresh Singhal 3. Sunil Kumar Jain, all being officers of OMPL (now merged with our Company).	Illaqua Magistrate. (now transferred to the Court of Mrs. Narender Kaur, JMIC, Hisar)	The Complainant claims that as discussed with the accused No. 3, the Complainant was allowed to sell the goods of the accused at 5% commission. The Complainant was also requested to take the broken and rejected material which is lying with the customers for which the company will bear the expense of replacement to the Complainant. The Complainant alleges the accused never replaced the damaged material which resulted into loss to the Complainant to the tune of Rs. 350,000/- Therefore, the Complainant filed complaint under section 420 and 120B of IPC.	350,000/-	The matter is pending for hearing on 08/06/2007.

**VIII. LITIGATIONS UNDER WORKMEN COMPENSATION ACT, 1923:**

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	First Appeal No. 22529 of 2006 on W.C.N.F. No. 10 of 2006.	-	M/s. Time Technoplast Ltd.	Shri Arun Chandravanshi	High Court, Mumbai.	Respondent met with an accident when he was on duty which resulted in left midfoot amputation with pain and cosmetic disfigurement. The respondent filed application before Commissioner for workmen's compensation. The application was allowed by the commissioner by its order dated June 28, 2006 and directed the appellant to deposit Rs. 174,720 with the commissioner. The appellant filed Review Application which was rejected by the commissioner by its order dated August 8, 2006. The appellant has deposited the amount ordered and filed this appeal. The Appellant has also filed a Civil Application No. 22532 of 2006 in the said High Court praying to withhold the payment of deposit made by applicant pursuant to the aforesaid order.	174,720/-	The Appellant has also filed a Civil Application No. 22532 of 2006 seeking restraining release of the deposit amount. The matter is pending for hearing.

**IX. Motor Accident Litigations:**

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	M.C.O.P. No. 559 of 2005	27/09/2005	S. Manoharan	1. Time Packaging Ltd. [now known as "TTL".] 2. The Oriental Insurance Co. Ltd,	Motor Accident Claims Tribunal, Chengalpattu (T.N)	For grant of compensation on account of death of the Petitioner's son in a Motor Vehicle Accident on 27.8.05 with the Lorry of Respondent No. 1.	Compensation of Rs. 600,000 and Court fess Rs. 5,372.50	The matter is pending and next date of hearing is on 04/06/2007

## TIME TECHNOPLAST LIMITED

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
2.	M.V.C. No. 488 /2006	24/1/06	K. Muni Reddy	1. Time Packaging Ltd. [now known as "TTL"] 2. The Oriental Insurance Co. Ltd,	Motor Accident Claims Tribunal, Bangalore	For grant of compensation on account of a Motor Vehicle Accident happened on 21/11/2005 with the Respondent's Lorry.	Compensation of Rs. 150,000 with Costs and Interest	The matter has not yet come up for hearing.
3.	M.V.C. 344/06	1/1/06	1. S. Veera Raghavulu Naidu. 2. Smt. Vimala. 3. Purushottam. S.	1. Time Packaging Ltd. [now known as "TTL"] 2. The Oriental Insurance Co. Ltd.	Motor Accident Claims Tribunal, Bangalore	For grant of compensation on account of death of the petitioner's daughter in a Motor Vehicle Accident occurred to him on 21/11/05 with the respondent's Lorry.	Compensation of Rs. 2,000,000/-	The matter has not yet come up for hearing.

### X. Labour Court Litigation:

	Case No : 17/2007	-	S. K. Rajakrishnan	Time Packaging Limited	Labour Court, Salem-7 ( T.N.)	The complainant was employed as "Truck Driver" by our Company w.e.f. 01/10/2004. The complainant met with an two severe accidents: (a) on 27/08/05 near Chengalpattu, Chennai (b) on 21/11/2005, near Bangalore. The cases were filed against our Company by the victims in both the accidents. By adopting the due process of law, our Company conducted enquiry on the driver and found that the accidents were committed by him due to grave negligence on his part. Therefore, the driver was dismissed from services from our Company w.e.f. 22/05/2006. Therefore, the complainant has filed the present complaint claiming that the management's action dismissing complainant from the service is unlawful and prayed to the Labour Court for order directing for his reinstatement in service with backwages, continuity of service, other benefits costs of the petition.	-	Our Company has been summoned by the Court for hearing on 28/06/2007.
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## XI. Potential Litigations:

1. Our Company had received Summons dated 24/07/2006 from Department of Revenue, Central Board of Excise and Customs, requiring us to remain present on a date specified therein for making inquiry about evasion of Central Excise Duty by one of our customer M/s. Jeson Corporation, Daman. Our Company has replied the same by its letter dated 27/07/2006 contending that our Company is supplying packaging products to M/s. Jeson Corporation for domestic consumption under excise paid. However, our Company has not received any debit/credit notes from M/s. Jeson Corporation concerning any sale transaction. The representative of our Company appeared and recorded his statement before the aforesaid authority.
2. Our Company has received a notice dated 08/09/2006 under sections 91 and 160 of Criminal Procedure Code 1973 from Central Bureau of Investigation requesting our Company to provide certain documents (specified therein) on September 22, 2006 for investigation carried out by CBI against Vision Organics Ltd. and Others (ex- customer of our Company). Our Company's Director attended office Central Bureau of Investigation on September 22, 2006 together with requisite documents and the matter was fully explained to the concerned officer.
3. Supermaid (Unit-II) (now merged with our Company) has received notice dated 06/10/2006 from M/s. Super Transport Organisation calling upon our Company to make payment of Rs. 70,100/- towards freight charges for the goods delivered by it. Our Company by its reply dated October 19, 2006 denied the allegations. Our Company conveyed that the goods received were in damaged condition and so un-saleable in the market and therefore our Company is eligible to recover money to the tune of Rs. 236,675/-.
4. Our Company has filed a complaint under section 138 of NI Act against Mr. Prem Hariyani (ex-distributor of our Company) in the year 2003 for dishonour of cheque of Rs. 316,864 and the matter is pending. In the meantime, we have received Notice dated 25/9/2006 from Mr. Prem Hariyani alleging act of cheating by our Company by wrongfully depositing cheque of Rs. 316,864 which was deposited by him with our Company as Security Deposit and which should have been returned to him by our Company on termination of distributorship.
5. Our Company has received a notice dated 17/11/2006 from M/s. National Enterprises demanding return of two cheques of Rs. 300,000/- each which were given by them as security deposits to our Company. Our Company has denied the allegations by its reply dated December 02, 2006 and have called upon M/s. National Enterprises to clear the outstanding dues.

## LITIGATIONS BY AND/OR AGAINST OUR DIRECTORS

(A). *Litigations by our Directors: NIL*

(B). *Litigations Against our Directors:*

### I. Litigations against Mr. Sanjaya Kulkarni:

Sr. No.	Brief Particulars	Claim amount	Court / Forum/ Case No.	Current Status
1.	A case has been filed against Mr. Sanjaya S. Kulkarni by Ginni International Ltd. in his capacity as Director of World Tex Ltd. for the dishonour of cheques by World Tex Ltd.	Not ascertainable	Civil Court – Alwar Bahrod Case No. 20-1-2001	Proceedings are currently pending
2	A case has been filed against Mr. Sanjaya S. Kulkarni by K. C. Fibers Ltd. in his capacity as Director of World Tex Ltd. for the dishonour of cheques by World Tex Ltd.	Not ascertainable	Civil Court – Sonapat Case No. 578/2-2001	Proceedings are currently pending

## TIME TECHNOPLAST LIMITED

Sr. No.	Brief Particulars	Claim amount	Court / Forum/ Case No.	Current Status
3	A case has been filed against Mr. Sanjaya S. Kulkarni by K. C. Fibres Ltd. in his capacity as Director of World Tex Ltd. for the dishonour of cheques by World Tex Ltd.	Not ascertainable	Civil Court – Sonepat Case No. 5772-2001	Proceedings are currently pending
4	A case has been filed against Mr. Sanjaya S. Kulkarni by Smt. Manda Shailesh Panchamatia in his capacity as Director of Sun-Earth Ceramics Ltd. for the dishonour of cheques by Sun-Earth Ceramics Ltd.	Not ascertainable	City Magistrate Court : No.40, Girgaon Case No 614/2002	Proceedings are currently pending
5	A case has been filed against Mr. Sanjaya S. Kulkarni by Smt. Manda Shailesh Panchamatia in his capacity as Director of Sun-Earth Ceramics Ltd. for the dishonour of cheques by Sun-Earth Ceramics Ltd.	Not ascertainable	City Magistrate Court No: 40 Girgaon Case No 615/2002	Proceedings are currently pending

### II. Litigations against Mr. Bharat Vageria:

Sr. No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	Present Status
1.	Cr. Case No. 91 of 1995 of Station bearing C.R. No. I-28/95	-	Boiser Police Station, State of Maharashtra	1. Rajiv Dharmendra Agarwal. 2. Bharat R. Vageria, 3. Abhaykumar Saxena 4. Joseph Pandey 5. Ravi Kamaravatu. 6. Shrikant Pandey. 7. Nandansing Bhakuti.	J.M.F.C., Palghar	Some Trade Union members had entered in the factory of our Company at Tarapur on 3 August, 1995 and started disturbing the operations of our Company, to which the officers and workers of our Company objected. The matter went to police and FIR was registered by the officers and workers of the Company against the Trade Union members in the Boisar Police station. In response, the said Trade Union members also filled a FIR against the Director, officers and workers of our Company and the Complaint was accordingly		On 27/03/03, accused No. 1 and 2 had applied for exemption from Personal appearance which was granted by the Court by its order dated October 30, 2003. The next date of hearing is scheduled on June 07, 2007.

Sr. Status No.	Arbitration. Suit No./ Petn. No.	Date of Filing	Claimant/ Plaintiff/ Petitioner	Respondent/ Defendant	Name of the Court/ Arbitration Panel	Nature of the case	Amount under consideration (in rupees)	P r e s e n t
						filed. None of the Accused, except Accused No. 1 & 2, was appearing since last several years. Therefore, the Court has issued non-bailable warrant against the accused No. 3 to 7 and also Notices to their sureties. However, neither any accused have been arrested till date, nor their sureties are appearing before the court.		

### III. Litigation against Mr. K. N. Venkatasubramanian

Mr. Venkatasubramanian (Independent Chairman of our Company) is also a Director of Essar Oil Limited. In August 2003, lenders to the refinery project of Essar Oil Ltd. approved a Corporate Debt Restructuring (CDR) package which was objected by one of the lenders (IndusInd Bank who had granted a CVD Loan facility of Rs. 550 million in 1999). The objection was rejected by the CDR cell and CDR package was implemented. In April 2006, IndusInd Bank filed a recovery suit in DRT, Mumbai and obtained interim ex parte order dated June 26, 2006 restraining Essar Oil Ltd. from disposing of certain immovable property as well as CVD/MODVAT receivables. DRT, on Essar Oil's application, vacated the aforesaid interim order on August 25, 2006. Thereafter, IndusInd Bank filed an appeal before Debt Recovery Appellate Tribunal, which was rejected on August 28, 2006. However, the original recovery suit in DRT is pending.

### IV. Potential Litigations against Mr. Bharat Vageria:

Mr. Bharat Vageria along with his wife had accepted to book two flats with M/s. Panicker Construction Pvt. Ltd., ("Builders") by issuing 2 advance cheques aggregating to Rs. 1,027,500/- on the assurance from the builder that the builder will produce the photocopies of legal documents relating to flat for inspection and failing which, the Builders will not deposit the cheque. The Builders failed to give inspection of the said papers but deposited cheques, which was dishonoured. Therefore, Mr. Bharat Vageria, our director has received a notice dated October 14, 2006 under section 138 of the Negotiable Instrument Act from the Builders. Our Director has by his reply dated 2/11/2006 disputed the said notice.

### CASES FILED BY AND/ OR AGAINST OUR GROUP COMPANIES:

#### Cases/Appeals made by Avion Exim Pvt. Ltd. ("AEPL"):

##### 1. Block Assessment Year 2000-01 to 2001-02. (Income Tax)

A search action was carried on Time Group on 14/11/2000 and during the course of the search action some documents relating to AEPL were found and seized. On receipt of the seized documents, the assessing officer issued Notice dated 27/08/2004 under section 158BC and 158BD of Income Tax Act, 1961. In response to the said Notice, the Block return of Income was filed by the Assessee declaring the undisclosed income at NIL on 27/10/2004. However, the Assessing Officer completed the assessment and passed order dated 30.08.06 and determined the undisclosed income of Assessee Company at Rs. 1,209,403/-. The Assessing Officer has added Rs. 1,209,403/- on account of the alleged differences of gross profit actually earned by AEPL and as reflected in the

## TIME TECHNOPLAST LIMITED

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regular return of Income filed by AEPL. Notice of demand dated 30/08/06 was issued under section 156 of Income Tax Act, 1961 by the Assessing Officer, Mumbai for a sum of Rs. 836,325. Therefore, AEPL has filed an Appeal dated 06/11/2006 against the aforesaid order dated 30/08/2006 which is pending.

### Cases/Appeals made by Time Exports Private Ltd. ("TEPL"):

#### Income Tax Cases/Appeals:

##### 1. Assessment Year 2001-02 (Income Tax)

The Assessing Officer has disallowed certain expenditure amounting to Rs. 58,874/- incurred by TEPL and claimed that the same was incurred for earning dividend income which is exempt u/s 10(33). Assessing Officer also claims that since dividend income is exempt u/s 10(33) of I. T. Act, deduction shall not be allowed in respect of such expenditure. TEPL claims that the expenditure is actually incurred for earning rent income on letting-out godown and not on earning dividend income and therefore it should be allowed as expenditure. Notice of Demand dated 28.02.05 was made by the Assessing Officer for the sum of Rs. 32,685/- after making assessment under section 143(3) of Income Tax Act, 1961. TEPL has filed an appeal before Commissioner of Income Tax (Appeals)-II, Thane, which was dismissed by its order dated 30/09/2005. Therefore, TEPL has filed further appeal to Income Tax Appellate Tribunal which is pending.

##### 2. Assessment Year 2002-03 (Income Tax)

The Assessing Officer has disallowed certain expenditure amounting to Rs. 102,064/- incurred by TEPL and claimed that the same was incurred for earning dividend income which is exempt u/s 10(33) of I. T. Act. Assessing Officer also claims that since dividend income is exempt u/s 10(33) of I. T. Act, deduction shall not be allowed in respect of such expenditure. TEPL claims that the expenditure is actually incurred for earning rent income on letting-out godown and not on earning dividend income and therefore it should be allowed as expenditure. Notice of Demand dated 28.02.05 was made by the Assessing Officer for the sum of Rs. 21,433/- after making assessment under section 143(3) of Income Tax Act, 1961. TEPL filed an appeal before Commissioner of Income Tax (Appeals)-II, Thane, which was dismissed by its order dated 30/09/2005. Therefore, TEPL has filed further appeal to Income Tax Appellate Tribunal ("ITAT") which is pending.

### TPL Plastech Limited (formerly Tainwala Polycontainers Limited) ("TPL")

SEBI introduced a Regularization Scheme, 2002 ("Scheme"), which scheme provided an opportunity to regularise non-compliance of regulations 6 & 8 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 on payment of certain fines. TPL did not avail of this scheme for any regularisation. SEBI vide letter dated September 10, 2004 sought to impose a penalty of Rs. 75,000/- for alleged violation of Regulation 6 (2) for 1997 and 8 (3) for the financial years 1998 and 2001. TPL had not chosen to avail of this scheme and filed its reply with in SEBI, vide its letter date October 02, 2004. TPL has not received any further communication from SEBI or Stock Exchanges in this regard.

### Time Capital Limited

Time Capital Limited, is a company promoted by Mr. Arun Jain, relative of one of our Promoters Mr. Anil Jain. . It may be noted that although one of our Promoters Mr. Anil Jain was an original promoter of the company, he disassociated as a shareholder in the year 1994 and further resigned as a director of this company in the year 2001. Currently none of our promoters hold any shares or directorship in Time Capital Limited.

Time Capital Limited is a SEBI registered entity having Trading Membership of Capital Market since August 1995 (Regn. No. CM INB 230771832) F&O Segment since July 2001 (Regn. No. F&O INF230771832) of NSE and dealership of Over the Counter Exchange of India since November 1998 (Regn. No. OTCEI INB 200771831). Time Capital Limited has acquired registration as DP of NSDL since May 1999 (Regn. No. IN-DP-NSDL-95-99).

An enquiry was ordered by SEBI on July 07, 2003 on the basis of certain alleged acts of omission and commission relating to dealing with five unregistered sub-brokers and installation of VSAT at unauthorised premises observed during inspections carried out by SEBI in December 2002. Time Capital Limited made the written submission on August 21, 2006 to Whole-time member of SEBI and same is pending before Whole-time member of SEBI.

In past NSE has levied financial penalties of Rs. 100,000/- during FY 2003-04 and of Rs. 53,500/- during FY 2004-05 on account of procedural lapses while carrying out trading operations.



## GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, we can undertake this Issue and no further material approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

### APPROVALS FOR THE ISSUE

We have received the following approvals relating to the Issue:

The Board of Directors has, pursuant to a resolution passed at its meeting held on November 8, 2006, authorised the Issue.

The Shareholders have also authorised the Issue by a special resolution, passed at the extraordinary general meeting of our Company held on December 02, 2006.

The Board of Directors has pursuant to a resolution dated June 29, 2006 constituted a committee of its Directors, referred to as the IPO Committee, to take decisions relating to the Issue on behalf of the Board of Directors.

### APPROVALS FOR OUR BUSINESS

We are required to obtain several approvals from various Central and State government departments and various other authorities for setting up our manufacturing activities and business operations.

**Corporate Office - Mumbai situated at 102, Todi complex, 35, Saki Vihar road, Andheri (East), Mumbai- 400 072.**

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Provident Fund	Regional Provident Fund Commissioner, Maharashtra & Goa	Code No. MH/40911	19/05/1995	Presently Valid
2.	Bombay Shops & Establishment License.	Inspector under the Bombay Shops and Establishment Act, 1948	L-II/007766.	10/03/1999	31/12/2006***
3.	Importer Exporter Code	Foreign Trade Development Officer.	IEC No.:0390025941	12/08/97	Presently valid
4.	PAN	Dy. Comm. of Income Tax, Mumbai	AAACT2783J	28/01/2000	Presently valid
5.	Service Tax Registration	Superintendent, Division III, Service Tax, Mumbai	ST/Div III/MUM/CENVAT/42/04	17/12/04	Presently valid
6.	Service Tax Registration (for services of Intellectual Property Services)	Superintendent, Division III, Service Tax, Mumbai	ST/ MUM/ Div III/IPR/ 34/05	10/11/05	Presently valid
7.	Registration Certificate of Maharashtra State tax on Professions, Trades, Callings and employment Act, 1975	Sales Tax officer, Mumbai	P/T/R/1/1/30/5214	13/12/2006	Presently Valid

\*\*\* Our Company has applied for renewal of license

## TIME TECHNOPLAST LIMITED

### Manufacturing units:

#### 1. HOSUR Unit: Plot No. 145, SIPCOT Industrial Complex, Phase I, Hosur, Dharampuri, Tamilnadu-635126.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Service Tax	Assistant Commissioner of Central Excise, Hosur	AAACT2783JST001	30/03/2005	Presently Valid
2	ESIC	Regional Director	51-45384-56	22/04/96	Presently Valid.
3	Central Excise	Superintendent of Central Excise	AAACT2783JXM001	31/07/1995	Presently Valid
4	Factory License	Dy. Chief Inspector of Factories, HOSUR	DP-683	-	Valid Up to 31/12/2007
5	Electricity Sanction	Tamilnadu Electricity Board HOSUR for 600 KVA	(a) SED/D/F.5 (HT.SC.202)JE-I/ 257/2006	14/06/2006	Presently Valid
6	Air & Water Pollution	District Environment Engineer, Tamilnadu Pollution Control Board, Hosur	JCEE(VLR)/2377/W/ 99 JCEE(VLR)/2377/A/ 99	10/04/2006 10/04/2006	Valid Up to 31/03/2007 Valid Up to 31/03/2007
7	DG Set Permission	Electrical Inspectorate	Letter No. 219/EI/ DPI/SC/R63/2004	December, 2004.	Presently Valid
8	Central Sales Tax	Commercial Tax Officer, Hosur (North)	448276	28/06/1995	Presently Valid
9	Local Sales Tax	Commercial Tax Officer, Hosur(South)	3320647	28/06/1995	Presently Valid
10.	SIA Registration	Under Secretary to the Government of India.	2411/SIA/IMO/1999	29/05/2006	Presently Valid.

#### 2. Unit-I DAMAN situated at Survey No. 360/10-11 and Unit-II DAMAN situated at Survey No. 377/1, Plot No. 3, 4, 5 & 6 both located at Kachigam, Daman-396210

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Local Sales Tax	Sales Tax Officer, Daman Ward, Daman. DAMAN - I DAMAN - II	TIN No.: 25000003572 DA/3572.	05/07/1994	Presently valid.
2	Sales Tax(CST)	Assistant Sales Tax Officer	DA/CST/3068.	22/02/1994	Presently Valid.
3	Central Excise	Deputy Commissioner of Central Excise DAMAN - I DAMAN - II	AAACT2783JXM003 AAACT2783JXM002	29/05/2006 29/05/2006	Presently Valid
4	Factory License	Chief Inspector of Factories DAMAN - I DAMAN - II	655 1578	19/06/1997 11/04/2000	Valid upto 31/12/2006.*** 31/12/2006***

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
5	Electricity Sanction	Executive Engineer DAMAN - I  DAMAN - II	Letter No. ED/EE/ T-14/166  Letter No. ED/EE/ T-14/109	04/07/2003  04/06/2003	Presently Valid
6	Water Pollution	Pollution Control Committee Daman - I  Daman- II	PCC/DDD/G-1239/ WA /KG/95-96/1634 PCC/DDD/W-297/ WA /KU/94-95/1627	04/03/2005  04/03/2005	Expired on 30/11/2006*** 31/03/2006***
7	DG Set Permission	General Manager (DIC)DAMAN-II	Letter No. DMN/DIC/ MSI/97-98/2211	21/01/1998	Presently Valid
8	Service Tax	DeputyCommissioner Of Central Excise DAMAN -I DAMAN-II	AAACT2783JST003 AAACT2783JST002	29/05/2006 29/05/2006	Presently Valid
9.	Standards of Weights & Measures	Inspector of Legal Metrology (Weights & Measures) Daman I  Daman II	Verification Cert. No. 02987  Verification Cert. No. 02988	27/07/2006  27/07/2006	Next Verification due on 26/07/ 2007 Next Verification due on 26/07/ 2007
10	SIA Registration.	Under Secretary to the Government of India. Daman I  Daman II	1151/SIA/IMO/93 1444/SIA/IMO/95 155/SIA/INO/2000	23/04/93 16/03/95 29/05/2006.	Presently Valid.

\*\*\* Our Company has applied for renewal of license/registration

### 3. Daman-III located at Survey No. 360/9, Kachigam, Daman.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Permission from Gram Panchayat for setting up Small Scale Industries	Sarpanch, Kachigam Grampanchayat	VP/N.O.C./93-94- 1142	28/04/1993	Presently Valid
2	Electricity Sanction	Executive Engineer Nani Daman	Letter No : ED/EE/T- 14/2558	16/07/1997	Presently valid
3	Water Pollution Control	Pollution Control CommitteeDaman & Diu	65/KG/98-99/382	06/05/2005	Up to 31/05/2006***

## TIME TECHNOPLAST LIMITED

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
4	Factory License	Chief Inspector of Factories Daman	1805	06/02/2001	Up to 31/12/2006***
5	Local Sales Tax	Assistant Sales Tax Officer Daman	DA/4009	07/08/1995	Presently Valid
6	Central Sales Tax	Assistant Sales Tax Officer Daman	DA/CST/3503	07/08/1995	Presently valid
7	Central Excise	Assistant Commissioner of Central Excise South Daman Division Daman	AADCS9560KXM001	28/04/2003	Presently Valid
8	Service Tax	Assistant Commissioner of Central Excise South Daman Division Daman	AADCS9560KST001	30/03/2005	Presently Valid
9	Standards of Weights & Measures	Inspetor of Legal Metrology Daman	Verification Cert No : 02986	27/07/2006	Presently Valid
10.	SIA Registration	Under Secretary	No. 4661/SIA/IMO/2006	23/08/2006	Presently valid.

\*\*\* Our Company has applied for renewal of License/Registration

### 4. Daman IV situated at Survey No. 351/1, 351/2 & 352/2, Kachigam, Daman.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Permission from Gram Panchayat for setting up Small Scale Industries	Sarpanch, Kachigam Grampanchayat	VP/N.O.C./98-99/214	08/12/1998	Presently Valid
2	ElectricitySanction	Executive Engineer Nani Daman	ED/EE/T-14/304 ED/EE/T-14/11	28/06/1999 10/04/2003	Presently Valid.
3.	Pollution Control	Pollution Control Committee Daman & Diu & Nagar Haveli	PCC/DDD/G-1245/ KG/WA/98-99/1603	04/03/2005	Expired on 28/02/2006***
4.	Factory License	Chief Inspector of Factories Daman	1404	23/12/1999	31/12/2006***
5.	Local Sales Tax	Sales Tax Officer Daman	DA/4973	22/01/1999	Presently Valid
6.	Central Sales Tax	Assistant Sales Tax Officer Daman	DA/CST/4456	22/01/1999	Presently Valid.
7.	Central Excise	Assistant Commissioner of Central Excise South Daman Division Daman	AACFS1492EXM002	28/04/2003	Presently Valid.
8.	Service Tax	Assistant Commissioner of Central Excise South Daman Division Daman	AACFS1492EST001	30/03/2005	Presently Valid.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
9.	Employees' Provident Fund	Regional Provident Fund Commissioner in-charge, Sub- Regional Office, Vapi.	GJ/VAPI/45528	27/06/2000	Presently Valid
10.	Standards of Weights & Measures	Inspector of Legal Metrology (Weights & Measures) Daman	Verification Cert No: 02989	27/07/2006	Next Verification is due on 26/09/07
11.	SIA Registration	Under Secretary	4672/SIA/IMO/2006.	23/08/2006	Presently Valid.

\*\*\*Our Company has applied for renewal of License/Registration

#### 5. Unit situated at B-19, Site IV, Industrial Area, Sahibabad, Ghaziabad, Uttar Pradesh

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Provident Fund	Regional Provident Fund Commissioner, Merrut (U.P.)	UP/MT/27466	10/03/2000	Presently valid
2.	ESIC	Employees State Insurance Corporation, Sahibabad U.P.	21-22735-24	20/01/2000	Presently Valid
3.	Central Excise	Assistant Commissioner of Central Excise, Sahibabad	AAACT2783JXM009	11/08/2006	Presently valid
4.	Factory License#	Chief Inspector of Factories, Sahibabad (U.P.)	GZB – 3899	02/08/2006	Valid upto 31.12.2006
5.	Electricity Sanction	Electricity Board, Sahibabad (U.P)	5304	25/11/2003	Presently Valid
6.	Air & Water Pollution	Regional Officer, U.P Pollution Control Board)	307- sahamati (vayu) adesh/O-25 311 sahamati / jal adesh/O-25	30/03/2005	Valid upto 31.12.2006
7.	Local Sales Tax	Assistant Commissioner Division- I Ghaziabad	GB 0489437	24/08/2006	Valid upto 31.3.2007
8.	Central Sales Tax	Assistant Commissioner Division, I Ghaziabad	GB 5387929	24/08/2006	Presently valid
9.	Service Tax	Assistant Commissioner of Central Excise Ghaziabad (U.P.)	AAACT2783JST008	10/08/2006	Presently Valid.
10.	SIA Registration	Under Secretary	4322/SIA/IMO/2006	07/08/2006	Presently valid

# License granted in the name of Mr. Bharat Vageria (Occ.)

## TIME TECHNOPLAST LIMITED

### 6. Baddi- I situated at Sai Road, Baddi, Solan, Himachal Pradesh.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	ESIC	Employee State Insurance Corp.-Chandigarh.	PB14/37163/24	26/05/1997	Presently Valid
2.	Excise (for manufacturing excisable goods)	The Assistant Commissioner, Central Excise Division, SHIMLA (H.P.)	AAACT2783JXM005	07/06/2006	Presently Valid
3	Factory License	Chief Inspector of Factory, Shimla	9-9 / 96 / KA / SHRAM/1517	27/03/1996	31.12.1996***
4	Electricity Sanction	Deputy Chief Engg. Operation Circle HPSEB - SOLAN.	HC-11CS-E - 1/606/04-8708-11	30/09/2004	Presently Valid
5	Air & Water Pollution	Member Secretary, H.P State Environment Protection & Pollution Control Board – SHIMLA	Letter No. PCB(162) Time Packaging Unit- II/04-5511-13.	08/07/2005	Expired on 31.03.2006***
6	Diesel Generating Set Permission	Chief Engg.(Comm.) HPSEB – Shimla	HPSEB/CE:COMM/PC/DGS/396/95/18271-78	04/01/1996	Presently Valid
7	Local Sales Tax	Assessing Authority	SOL –III- 4281	27/05/1995	Presently valid
8	Central Sales Tax	Assessing Authority, Solan (H.P)	SOL-CST-4193	20/09/1995	Presently valid
9	Service Tax	The Assistant Commissioner, Central Excise Division, SHIMLA (H.P.)	AAACT2783JST006	06/06/2006	Presently Valid
10.	SIA Registration	Public Relations and Compliance Officer.	4678/SIA/IMO/95.	12/09/95	Presently valid.

\*\*\* Our Company has applied for renewal of License / Registration

### 7. Baddi- II situated at 224-A, HPSIDC, Industrial Area, Baddi, Solan, Himachal Pradesh.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	ESIC	Regional Director.	CIF/1521/61/16/07/2003.	10/07/2003	Presently Valid
2.	Excise	The Assistant Commissioner, Central Excise, Division, SHIMLA (H.P.)	AAACT2783JXM006.	07/06/2006	Presently Valid
3.	Factory License	Chief Inspector of Factories, Himachal Pradesh	9-111/02/ (FAC)/ LAB/2188	June 2004	31/12/2005***.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
4.	Electricity Sanction	Superintendent Engg. (OP) Circle HPSEB – SOLAN	ITC-11/CS-e-1-722/02-8094-97	18/09/2002	Presently Valid
5.	Air & Water Pollution	Member Secretary, H.P State Environment Protection & Pollution Control Board – SHIMLA	PCB(162)Time Packaging Limited UNIT-II/04-5511-13	Renewed on 08/07/2005	Expired on 31/03/2006***
6.	Local Sales Tax	Assessing Authority	SOL -III- 4281	20/03/2002	Presently Valid.
7.	Central Sales Tax	Assessing Authority, Solan (H.P)	SOL-CST-4193	20/03/2002	Presently valid
8.	Service Tax	Superintendent of Central Excise Division, Shimla	AAACT2783JST004	06/06/2006	Presently Valid
9.	SIA registration	Undersecretary to the Government of India.	2744/SIA/IMO/2001	29/05/2006	Presently Valid

\*\*\* Our Company has applied for renewal of License / Registration

#### 8. Baddi III situated at Village Dharampur, Thane, Solan, Himachal Pradesh

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Industrial Set up	Director of Industries H.P – Shimla	Provisional Registration No. 02/09/653/Regn (L&M)	11/07/2005	Presently Valid
2	Local Sales Tax	Assessing Authority	SOL -III- 4281	14/06/06	Presently Valid.
3	Central Sales Tax	Assessing Authority, Solan (H.P)	SOL-CST-4193	14/06/06	Presently valid

#### 9. Baddi- IV situated at Village Dharampur, Thane, Solan, Himachal Pradesh

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Industrial Set up	Director of Industries H.P – Shimla	Provisional Registration No. 02/09/783/Regn (L&M)	07/01/2006	Presently Valid
2	Local Sales Tax	Assessing Authority	SOL -III- 4281	14/06/06	Presently valid.
3	Central Sales Tax	Assessing Authority, Solan(H.P)	SOL-CST-4193	14/06/06	Presently valid

## TIME TECHNOPLAST LIMITED

### 10. Baddi- V situated at 232, HPSIDC, Industrial Area, Baddi, Solan, Himachal Pradesh.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Factory License	Chief Inspector of Factories.	L & E (FAC) 9-171/05	September 2006	31/12/2006***
2.	ESIC	Assistant Director,	14/43273/90	19/05/2006	Presently Valid
3.	Employees Provident Fund	Assistant Provident Fund Commissioner – Shimla	HP-4927	02/08/2006	Presently Valid
4.	Electricity Sanction	Chief Engg. (OP) South HPSEB - Shimla	CEO/M&C/42(SL) 2004-3688	29/06/2005 29/07/2005	Presently Valid
5.	Air & Water Pollution	Member Secretary, H.P State Environment Protection & Pollution Control Board – SHIMLA	PCB/(687) Shalimar Packaging/ 05/17088-92	21/12/2005	Expired on 31/3/2006 ***
6.	Local Sales Tax	Assessing Authority.	SOL -III- 4281	14/09/06	Presently Valid.
7.	Central Sales Tax	Assessing Authority.	SOL-CST-4193	14/09/06	Presently valid
8.	Service Tax	The Assistant Commissioner, Central Excise Division, SHIMLA (H.P.)	AAACT2783JST009	11/08/2006	Presently Valid
9.	Industrial Set up	Directorate of Industries H.P – Shimla	IND.DEV. F(34) REGN(L&M)- 383/2004	29/06/2005	Presently Valid
10.	SIA Registration	Under Secretary to the Government of India.	4676/SIA/IMO/2006	23/08/2006	Presently valid.
11.	Approval under Drugs and Cosmetics Act, 1940 and the Rules thereunder.	Drug Controlling cum Licensing Authority, Shimla - 9 (H.P.)	MB/05/199	October 7, 2005	October 6, 2010

\*\*\* Our Company has applied for renewal of License / Registration

### 11. Baddi- VI located at Village Dharampur, Thane, Solan, Himachal Pradesh.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Electricity Sanction	Superintendent Engineer, Electrical Sub-Div, HPSEB, Barotiwala-174103 (H.P.)	HC-11/CS-e-1/ 49B-05-11700-03	05/10/2005	Presently Valid
2.	Air & Water Pollution	Member Secretary, H.P State Environment Protection & Pollution Control Board – Shimla	PCB/(351) Shalimar Packaging (unit-ii)/ 04-10262-66.	27/08/2005	Expired on 26/08/2006 ***
3.	Local Sales Tax	Assessing Authority.	SOL -III- 4281	14/09/06	Presently valid
4.	Central Sales Tax	Assessing Authority.	SOL-CST-4193	14/09/06	Presently valid



Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
5.	Service Tax	The Assistant Commissioner, Central Excise Division, SHIMLA (H.P.)	AAACT2783JST010	11/08/2006	Presently valid
6.	Industrial Set up	Directorate Of Industries H.P – Shimla	IND.DEV. F(34) REGN(L&M)-471/2004	01/07/2004	Presently Valid
7.	SIA Registration	Under Secretary of India	4675/SIA/IMO/2006	23/08/2006	Presently Valid

\*\*\* Our Company has applied for renewal of License / Registration.

**12. Unit situated at Plot No. 57 & 63, Sector- 4, I.I.E, Pantnagar, Uttaranchal.**

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Sales tax (CST)	Assistant Commissioner	R-U-5042252	14/08/2006	Presently valid.
2	Local sales Tax / VAT	Assistant Commissioner	05006349839	31/05/2006	Presently Valid.
3	Central Excise	Deputy Commissioner of Central Excise, Central Excise and Customs Division, Rampur.	AAACT2783JXM012	28/08/2006	Presently valid.
4	Electricity Sanction	Junior Engineer, Uttaranchal Power Corporation Ltd.	168/06-07	06/07/06	Presently valid.
5	Service Tax	Superintendent of Central Excise, Range-I, Rudrapur.	AAACT2783JST013	04/10/2006	Presently Valid
6.	SIA Registration.	Under Secretary to the Government of India.	3587/SIA/IMO/2005. 3586/SIA/IMO/2006.	22/07/2005. 27/07/2005	Presently valid. Presently valid.
7.	Environmental Pollution	Uttaranchal Pollution Control Board	UEPPCB/HO/NOC/-515/06/421	22/06/2006	Presently Valid
8.	Provident Fund	Regional PF Commissioner, Haldwani.	EPF/XK/pravartan/ U.P./33673/3176	27/11/2006	Presently Valid
9.	ESIC	Employee State Insurance Corporation, Dehradun, Uttaranchal	61-4516-34/RU/474	24/01/2007	Presently Valid

## TIME TECHNOPLAST LIMITED

### 13. Unit situated at Plot No. D-65, M.I.D.C., Mahad, Raigad, Maharashtra.

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	Sales tax (CST)	Department of Sales Tax Government of Maharashtra	27770560815C	31/08/2006	Presently Valid
2.	Local sales Tax / VAT	Department of Sales Tax Government of Maharashtra	27770560815V	31/08/2006	Presently Valid
3.	Central Excise Registration	Deputy Commissioner/ Assistant Commissioner Of Central Excise,	AAACT2783JXM013	09/10/2006	Presently Valid
4.	Electricity Sanction.	Superintending Engineer (PC), Maharashtra State Electricity Board	Sanction Letter No. SE/PC/Tech/GRN/ Cons. 360/ 01816	13/04/2006	Valid upto 1 year.
5.	Air & Water Pollution and also authorization under Hazardous Waste (Management and Handling) Rules, 1989	Maharashtra Pollution Control Board	Consent No. MPC/ SRM/CC/Raigad-4	06/10/2006	Valid upto 30/09/2015.
6.	Service Tax	Superintendent of Central Excise	RAIGAD/MHD/R-IV/ ST- G.T.A./97/06-07	04/08/06	Presently valid.
7.	SIA Registration.	Secretariat for Industrial Assistance New Delhi	IEM Acknowledgement No ; 5951/SIA/IMO/ 2005	December, 12, 2005	Presently Valid

### 14. Sales Depots at Zirkapur [Near Choice Resorts, Pabhat, Mohali, Dist. Ropar Punjab]/ Roorkee[Shop No. 14, 29 civil lines, Roorkee] / Hyderabad[508, Meridian Plaza, Ameerpeth, Hyderabad(A.P)]

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1	Sales tax (CST)	Zirkapur: (Assessing Authority)	60801911	16/11/2000	Presently valid.
		Roorkee (Sales Tax Officer)	RK-5066427	04/05/2006	Presently valid
		Hyderabad (Commercial Tax Officer)	28570190748	20/09/2006	Presently valid
2	Local sales Tax / VAT	Zirkapur (Assessing Authority)	60801911	16/11/2000	Presently valid
		Roorkee (Sales Tax Officer)	RK-0128234	04/05/2001	Presently Valid
		Hyderabad (Commercial Tax Officer)	28570190748	.20/09/2006	Presently valid

#### 15. Other Licenses obtained by the Company

Sr. No.	Nature	Authorities	Reg. No.	Date of Registration	Date of Expiry
1.	EPCG License under the Foreign Trade (Development and Regulation) Act, 1992.	Foreign Business Development Officer.	0330000477/3/11/00	07/08/2000	Valid upto 06/08/2008
2.	TAN	Income Tax Department	MUMT08803E	01/06/2006	Presently valid.
3.	SIA Registration for unit situated at W-162, MIDC Tarapur, Palghar, Thane, Maharashtra.	Under Secretary of India	2875/SIA/IMO/1998.	30/05/2006	Presently valid.
4.	SIA Registration.	Under Secretary to the Government of India. Address: II E, Pantnagar, Uddhamsingh Nagar, Uttaranchal.	4658/SIA/IMO/2006	23/08/2006.	Presently valid.

Note: Our Company has already initiated process of changing the name in the records with respective authorities for some of the licenses/permissions/approvals aforesaid which are held in the name of erstwhile SPPL or OMPL or in previous name of our Company.

#### Our Company has been allotted the following approvals from the concerned authorities for its strategic investment and Joint Ventures:

1. RBI letter dated October 7, 1997 granting its no objection to the resident shareholder of our Company transferring 1,960,000 Equity Shares of Rs. 10/- each of our Company from resident to non-residents at price of Rs. 62/- per share.
2. RBI approval dated March 21, 2005 to M/S Core International FZE (Foreign entity) for acquiring 1,060,000 Equity Shares of Rs. 10/- of our Company from Century Direct Fund (Mauritius) LLC.
3. RBI approval dated January 6, 1997 for entering into Technical Collaboration with M/s. Mauser Werke GmbH. and making the payment of a lump sum amount of DM 280,000 subject to taxes.
4. Identification number BYWAZ20060327 by RBI letter dated August 4, 2006 with regard overseas direct investment by our Company for its investment in wholly owned subsidiary in Poland i.e. Novo Tech SP Z o.o., Poland.
5. Identification number BYWAZ20060003 by RBI letter dated January 9, 2006 with regard overseas direct investment by our Company for its investment in wholly owned subsidiary in Sarjah i.e. Elan Incorporated FZE, Sharjah.

#### Approvals applied for by our Company:

1. For Baddi- VI above, our Company has by its letter dated October 30, 2006 applied to Chief Inspector of Factories, Shimla for renewal of Factory License under Factories Act, 1948. Till date, our Company has not received the original license.
2. For our Unit at Pantnagar above, our Company has by its letter dated November 7, 2006 applied to Chief Inspector of Factories for Factory License under Factories Act, 1948
3. For Mahad Unit above, our Company has by its letter dated December 8, 2006 applied to the Joint Director, Industrial Safety and Health for issue of Factory License and approval of factory plan under the Factory's Act.
4. Our Company has by its letter dated December 7, 2006 applied for registration under Karnataka Shops and Commercial Establishment Act, 1961 for our Regional Office at Bangalore.
5. Our Company is in process of applying for Shops and Establishment Licenses for some of our Regional Offices.

## **TIME TECHNOPLAST LIMITED**

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### **License and approvals required for the proposed expansion/new projects which needs to be applied for**

Our Company will be required to make applications for all governmental approvals as required for setting up of the New Project for Disposable Medical Devices at Thane (H.P.) and at Silvasa for setting up an integrated injection moulding facility, including the following:

- Factory License
- Central Excise
- Electricity Sanction
- Pollution Control Dept.
- Central Sales Tax
- Local Sales Tax
- ESIC

### **Approvals of our overseas Subsidiaries**

#### **Elan Incorporated (FZE)**

1. Industrial Licence No.03-01-02793 dated March 28, 2005 and expiring on September 07, 2007
2. Certificate of Incorporation/Registration No. 2151 dated November 15, 2005

## SECTION VII - OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorised by a resolution of our Board dated November 08, 2006 and by a special resolution passed pursuant to section 81(1A) of the Companies Act passed at the extraordinary general meeting of our Company held on December 02, 2006.

Our Board has approved the Draft Red Herring Prospectus at a meeting held on December 16, 2006.

### Prohibition by SEBI

Our Company, our Directors, our Promoters, our Subsidiaries, our Group Companies and other companies promoted by our Promoters, Directors or the person(s) in control of our Promoters, Group Companies, companies in which our Company has substantial shareholding and companies in which our Directors are associated with as directors, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

Further, our Promoters and Group Companies have confirmed that they have not been detained as wilful defaulters by the RBI or any other governmental authority and there are no violation of securities law committed by them in the past or are pending against them.

### Eligibility for the Issue

The Company is eligible for the Issue as per Clause 2.2.1 of the SEBI Guidelines as explained under:

- (a) The company has net tangible assets of at least Rs. 30 million in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets;
- (b) The company has a track record of distributable profits in terms of Section 205 of the Companies Act, 1956, for at least three (3) out of immediately preceding five (5) years;
- (c) The company has net worth of at least Rs.10 million in each of the preceding 3 full years (of 12 months each);
- (d) The proposed Issue Size would not exceed five times the pre-issue net worth as per the audited accounts for the year ended March 31, 2006; and
- (e) The Company has changed its name to Time Technoplast Limited during last one year, new name reflects its current nature of business. The company is deriving more than 50% of its revenue from technology based plastic/polymer products.

Our Company has received certificate dated December 14, 2006 from our statutory auditors viz., M/s. Raman S. Shah & Co., Chartered Accountants certifying that our Company has fulfilled the above mentioned eligibility criterion in the following manner:

(Rs. in Million)

As at	March 31, 2006	March 31, 2005	March 31, 2004	March 31, 2003	March 31, 2002
Net Tangible Assets	1951.11	1150.45	1100.25	1019.83	953.04
Monetary Assets	382.11	50.10	39.27	41.80	44.17
Net Profit, as restated	250.19	80.76	51.02	33.61	58.36
Net worth	1339.80	794.11	723.39	666.09	659.67

- (1) Net tangible assets are defined as the sum of fixed assets (including capital work in progress and excluding revaluation reserves), trade investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities and long-term liabilities), net of provision for diminution in value.
- (2) Monetary assets include cash on hand and bank balance and quoted investments including units in open ended mutual funds schemes at cost.

## **TIME TECHNOPLAST LIMITED**

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Further, the Issue is subject to the fulfillment of the following conditions as required under rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 as amended ("SCRR"):

- A minimum of 2,000,000 Equity Shares (excluding reservations, firm allotment and promoters contribution) are being offered to the public;
- The Net Issue size, which is the Issue Price multiplied by the number of Equity Shares issued to the Public, is a minimum of Rs. 1000 million; and
- The Net Issue is made through the Book Building Process with allocation of 60% of the Net Issue to QIB's as defined under the SEBI Guidelines.

The Company undertakes that the number of allottees in the Issue shall be atleast 1,000. Otherwise the entire application money shall be refunded forthwith. In case of delay, if any, in refund, the Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

### **Disclaimer Clause**

**AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER IL&FS INVESTSMART LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS IL&FS INVESTSMART LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 27, 2006 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:**

- “(I) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- (II) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**
- A. THE DRAFT RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.**

- D. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE, SUCH REGISTRATIONS ARE VALID.
- E. WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- F. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN WILL NOT BE DISPOSED/ SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.

The filing of the Draft Red Herring Prospectus does not, however, absolve the Company from any liabilities under section 63 and section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Managers, any irregularities or lapses in the Draft Red Herring Prospectus.”

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

#### **Disclaimer from our Company and the BRLMs**

Our Company, our Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website [www.timetechnoplast.com](http://www.timetechnoplast.com) would be doing so at his or her own risk.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into among the BRLMs and our Company and the Underwriting Agreement to be entered into among the Underwriters and our Company.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres etc.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs, Underwriters and their respective directors, officers, agents, affiliates, and representatives, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the BRLMs, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are majors, Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares, Public financial institutions as specified in Section 4A of the Companies Act, venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus

## TIME TECHNOPLAST LIMITED

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of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, and to permitted non-residents, FIIs registered with SEBI and eligible NRIs provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

**The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **Disclaimer Clause of BSE**

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE.

BSE has given vide by its letter dated January 18, 2007 permission to our Company to use BSE’s name in the Red Herring Prospectus as one of the stock exchanges on which our Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. The Exchange does not in any manner;-

- (i) warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; or
- (ii) warrant that our Company’s securities will be listed or will continue to be listed on the BSE; or
- (iii) take any responsibility for the financial or other soundness of our Company, its promoters, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed that the Red Herring Prospectus has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

### **Disclaimer Clause of the NSE**

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. NSE has given by its letter ref: NSE/LIST/37813-7 dated January 22, 2007 permission to our Company to use NSE’s name in this prospectus as one of the stock exchanges on which our Company’s securities are proposed to be listed. NSE has scrutinized the Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that the Company’s securities will be listed or will continue to be listed on the NSE nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.



Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **Filing**

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051. A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, was delivered for registration to the RoC and a copy of this Prospectus required to be filed under Section 60 of the Companies Act will be delivered for registration to the RoC.

#### **Listing**

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of the Equity Shares. BSE shall be the Designated Stock Exchange with which the basis of allocation will be finalised for this Issue.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the date of Bid/Issue Closing Date, whichever is earlier), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within seven working days of finalisation of the basis of allotment for the Issue.

#### **Consents**

Consents in writing of: (a) our Directors, the Company Secretary and Compliance Officer, the Auditors, the Legal Advisors to the Issue, Bankers to the Company, Advisors to the Company and the Bankers to the Issue; and (b) the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bankers and the Registrar to the Issue to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

M/s. Raman S. Shah & Co., Chartered Accountants, our Auditors have given their written consent to the inclusion of their Tax Benefit Statement report and the Auditors Report in the form and context in which it appears in this Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

#### **Expert Opinion**

Except as stated in the section titled "Financial Statements" beginning on page 132 of this Prospectus, we have not obtained any expert opinions.

## TIME TECHNOPLAST LIMITED

### Expenses of the Issue

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated expenses of the Issue are as follows:

(Rs. in million)

Activity	Expense	% of Total Expenses	% of Total Issue size
Lead management, underwriting and selling commission	38.20	41.33	3.09
Advertisement & Marketing expenses	18.79	20.33	1.52
Printing, stationery including transportation of the same	22.63	24.49	1.83
Others (Registrar's fees, Legal fees, Listing fees, etc.)	12.80	13.85	1.04
<b>Total estimated Issue expenses</b>	<b>92.42</b>	<b>100.00</b>	<b>7.48</b>

### Fees Payable to the Book Running Lead Managers and Syndicate Members

The total fees payable to the Book Running Lead Managers and Syndicate Members (including underwriting commission and selling commission) will be as stated in the Engagement Letter with the BRLMs, a copy of which is available for inspection at the corporate office of our Company and reimbursement of their out of pocket expenses.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU dated December 16, 2006 executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at the corporate office of our Company.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/speed post/under certificate of posting.

### Underwriting commission, brokerage and selling commission on Previous Issues

Since this is an initial public offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

### Particulars regarding Public or Rights Issues

Our Company has not made any rights or public issue during the last five years.

### Issues otherwise than for Cash

Except as stated in Note 1 to the capital Structure beginning on page 17 of this Prospectus we have not issued any Equity Shares for consideration otherwise than for cash.

### Companies under the Same Management

We do not have any other company under the same management within the meaning of erstwhile Section 370 (1B) of the Companies Act, save and except for the Group Companies mentioned in the section titled "Group Companies" beginning on page 194 of this Prospectus.

### Promise vs. Performance – Last Three Issues

There has not been any previous public issue of our Equity Shares.

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### **Promise vs. Performance – Last Issue of Group/Associate Companies**

- **Issuer Company**

This is Initial Public Issue of our Company

- **Group / Associate Companies**

See section titled “Subsidiaries” under the chapter titled “History and certain Corporate Matters” on page 98 of this Prospectus.

### **Outstanding Debentures or Bonds or Preference Shares**

As of date, we do not have any outstanding debentures or bonds or Preference Shares issued by our Company.

### **Payment or benefit to officers of our Company**

Except for statutory benefits available upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

### **Stock Market Data of our equity shares**

There has been no prior issue of the Equity Shares of our Company and hence the data cannot be provided.

### **Mechanism for Redressal of Investor Grievances by our Company**

The Memorandum of Understanding entered into between the Registrar to the Issue and us, provides for retention of records with the Registrar to the Issue for a period of at least one year from the last date of dispatch of letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of shares applied for, amount paid on application, Depository Participant and the bank branch or collection center where the application was submitted.

### **Disposal of Investor Grievances by our Company**

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. K. Venkataraman our Company Secretary & Chief of Legal as the Compliance Officer and he may be contacted in case of any pre Issue or post Issue related problems. He can be contacted at the following address:

#### **Time Technoplast Limited**

102, Todi Complex

35, Saki Vihar Road, Andheri (East),

Mumbai 400 072.

Tel: +91-22-2803 9999

Fax: +91-22-2857 5672

E-mail: investors@timemauser.com.

### **Mechanism for Redressal of Investor Grievances by Companies under the Same Management**

We do not have any other company under the same management within the meaning of erstwhile Section 370 (1B) of the Companies Act, save and except for the Subsidiary as given below.

### **Mechanism for Redressal of Investor Grievances by our listed Subsidiary – TPL Plastech Ltd. (formerly known as Tainwala Polycontainers Ltd.)**

TPL has appointed Intime Spectrum Registry Ltd. as the Registrar & Transfer agents. All shareholder related services including transfer, demat of shares is carried out by the Registrar & Transfer agents.

## TIME TECHNOPLAST LIMITED

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### Pending Investor Complaints

Total No. of Complaints received for FY 2006-2007	Total No. of Complaints resolved for FY 2006-2007	Pending
86	86	Nil

### Changes in Auditors in the last three years

There have been no changes of the auditors in the last three years except as detailed below:

M/s. Parimal R. Shah & Co., Chartered Accountants, the Joint Auditors of the Company (other being M/s. Raman S. Shah & Co., Chartered Accountants) expressed their inability to continue as auditors of our Company from the FY 2004-05 due to their other engagements. Since then M/s. Raman S. Shah & Co., Chartered Accountants are sole Auditors of our Company.

### Capitalisation of Reserves or Profits

Our Company has not capitalised our reserves or profits during the last five years, except as stated in the section titled "Capital Structure" beginning on page 17 of this Prospectus.

### Revaluation of Assets

Our Company has not revalued its assets in the last five years.

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## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, this Prospectus, the Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/ or other authorities, as in force on the date of the Issue and to the extent applicable.

#### Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividend or any other corporate benefits (including dividend), if any, declared by our Company after the date of Allotment.

#### Mode of Payment of Dividend

Our Company shall pay dividend to our shareholders as per the provisions of the Companies Act.

#### Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 315 each. At any given point of time there shall be only one denomination for the Equity Shares of our Company.

#### Rights of the Equity Shareholders

Subject to applicable laws, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability;
- Such other rights, as may be available to a shareholder of a listed public Company under the Companies Act and the terms of the listing agreements with the Stock Exchanges; and
- Such other rights as may be available to our shareholders under our Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation/ splitting, pledge, see the section titled “Main Provisions of Articles of Association of the Company” beginning on page 293 of this Prospectus.

#### Market Lot and Trading Lot

In terms of existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialized form for all investors and hence, the tradeable lot is one Equity Share. In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form in multiples of one Equity Share subject to a minimum Allotment of 20 Equity Shares.

#### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/authorities in Mumbai, India only.

## **TIME TECHNOPLAST LIMITED**

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### **Nomination Facility to the Investor**

In accordance with Section 109A of the Companies Act, the sole or First Bidder, along with other joint Bidder(s), may nominate any one person in whom, in the event of death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form available on request at the Registered office of our Company or at the registrar and transfer agent of our Company. In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with. Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require to change the nomination, they are requested to inform their respective Depository Participant.

### **Minimum Subscription**

If we do not receive the minimum subscription of 90% of the Issue, including devolvement of the members of the syndicate, if any, within 60 days from the Bid/ Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, our Company shall pay interest as per Section 73 of the Companies Act. Further, in accordance with Clause 2.2.2A of the SEBI Guidelines our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event we are not able to allot at least 60% of the Net Issue to QIBs, we shall refund the entire application money.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Arrangement for disposal of Odd Lots**

There are no arrangements for disposal of odd lots.

### **Restriction on transfer of shares**

There are no restrictions on transfers and transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles. See "Main Provisions of our Articles of Association" on page 293 of this Prospectus.

## ISSUE PROCEDURE

### Book Building Procedure

In terms of Rule 19(2)(b) of the SCRR, this is an Issue for less than 25% of the post-Issue capital of our Company, therefore, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders out of which 5% shall be available for allocation on a proportionate basis to the Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to all other QIBs including Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded. Further, upto 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and upto 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be submitted only through the members of the Syndicate. In case of QIB Bidders, our Company in consultation with BRLMs may reject Bid at the time of acceptance of Bid cum Application Form provided that the reasons for rejecting the same are provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that the Equity Shares would be allotted to all successful Bidders only in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

### Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the ROC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the ROC and as would be required by ROC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Indian public and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs or FIIs applying on a repatriation basis	Blue
Eligible Employees	Pink

### Who can Bid?

1. Persons eligible to invest under all applicable laws, rules, regulations and guidelines.
2. Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);
3. Hindu undivided families or HUFs in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs would be considered at par with those from individuals;
4. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws. NRIs, other than Eligible NRIs, are not permitted to participate in this Issue;

## TIME TECHNOPLAST LIMITED

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5. Companies and corporate bodies registered under the applicable laws in India and authorized to invest in equity shares;
6. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;
7. Scientific and/or industrial research organizations authorized to invest in equity shares;
8. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI guidelines and regulations, as applicable);
9. Mutual Funds registered with SEBI;
10. Multilateral and bilateral development financial institutions;
11. FIs registered with SEBI;
12. FVCIs registered with SEBI;
13. Venture capital funds registered with SEBI;
14. State Industrial Development Corporations;
15. Insurance companies registered with the Insurance Regulatory and Development Authority, India;
16. As permitted by the applicable laws, provident funds with minimum corpus of Rs. 250 million and who are authorized under their constitution to invest in equity shares;
17. Pension funds with a minimum corpus of Rs. 250 million and who are authorized under their constitution to invest in equity shares; and
18. Permanent employees of the Company including Directors of the Company whether whole-time Directors, part-time Directors or otherwise, excluding Promoter Director. The permanent employees should be on the payroll of the Company as of April 30, 2007 and the Directors should be directors on the date of the Red Herring Prospectus. **As per the existing policy of the Government of India, OCBs cannot participate in this Issue.**

**The information below is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

### **Participation by BRLMs and Syndicate Members**

The BRLMs and the Syndicate Member shall not be entitled to participate in this Issue in any manner except towards fulfilling their underwriting obligation. However, associates and affiliates of the BRLMs and Syndicate Members are entitled to bid and subscribe to Equity Shares in the Issue either in the QIB Portion or in Non Institutional Portion as may be applicable to such investors, where the allotment will be on a proportionate basis. Such bidding and subscription may be on their own account or on behalf of their clients.

### **Maximum and Minimum Bid Size**

- a. **For Retail Individual Bidders:** The Bid must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter and it must be ensured that the Bid Amount payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of option to bid at Cut-off Price, the Bid would be considered for allocation under the Non Institutional Portion. The option to bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.
- b. **For Non-Institutional Bidders and QIB Bidders:** The Bid must be for a minimum of such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount exceeds Rs. 100,000 and in multiples of 20 Equity Shares



thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid /Issue Closing Date and is liable to pay QIB margin upon submission of Bid.

In case of revision in Bids, the Non Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIB Bidders are not entitled to the option of bidding at Cut-off Price.

- c. For Employee Reservation Portion:** The Bid must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter. Bidders in the Employee Reservation Portion applying for maximum Bid in any of the bidding options not exceeding Rs.100,000 may bid at Cut-off Price. The allotment in the Employee Reservation Portion will be on a proportionate basis.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

**Information for the Bidders:**

- a. Our Company will file the Red Herring Prospectus with the ROC at least three days before the Bid/Issue Opening Date.
- b. The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.
- c. Our Company, the BRLMs shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date and Price Band at the time of filing the Red Herring Prospectus with the RoC and also publish the same in three widely circulated newspapers (one each in English, Hindi and Gujarathi).
- d. Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from our Registered Office, Corporate Office or from the BRLMs or any of the members of the Syndicate.
- e. The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of a member of the Syndicate. Bid cum Application Forms, which do not bear the stamp of a member of the Syndicate will be rejected.
- f. The Bidding/Issue Period shall be a minimum of three working days and shall not exceed seven working days. The members of the Syndicate shall accept Bids from the Bidders during the Bidding/Issue Period in accordance with the terms of the Syndicate Agreement.
- g. The Price Band has been fixed at Rs. 290/- to Rs. 315/- per Equity Share. The Bidders can bid at any price within the Price Band, in multiples of Re. 1 (One). Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding Period. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.
- h. In case the Price Band is revised, the Bidding/ Issue Period may be extended, if required, by an additional three days, subject to the total Bidding/ Issue Period not exceeding 10 working days. The revised Price Band and Bidding/ Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, and by publishing in two national newspapers (one each in English and Hindi) and a Gujarati language newspaper of wide circulation in the place where our Registered Office is situated and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.
- i. Our Company, in consultation with the BRLMs, can finalise the Issue Price within the Price Band, without the prior approval of, or intimation to, the Bidders.

## TIME TECHNOPLAST LIMITED

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### Method and Process of Bidding

- a. Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details, see the section titled “Bids at Different Price Levels and Revision of Bids” beginning on page 270 of this Prospectus) within the Price Band and specify the demand (i.e. the number of Equity Shares bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.
- b. The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to a member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the section titled “Bids at Different Price Levels and Revision of Bids” beginning on page 270 of this Prospectus.
- c. The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- d. During the Bidding Period, Bidders may approach a member of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.
- e. Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled “Terms of Payment” beginning on page 275 of this Prospectus.

### Bids at different price levels and revision of Bids

- a. The Bidder can bid at any price within the Price Band. The Bidder has to bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Eligible Employees applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB Bidders, Eligible Employees and Non Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 and such Bids from QIB Bidders, Non Institutional Bidders and Eligible Employees shall be rejected.
- b. Retail Individual Bidders and Eligible Employees bidding in the Employees Reservation Portion who bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Eligible Employees under the Employee Reservation Portion bidding at Cut-Off Price shall deposit the Bid Amount based on the Cap Price in the Escrow Account. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, who Bid at Cut-off Price (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), such Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the Escrow Account or the Refund Account, as the case may be.
- c. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion who had bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the higher end of the Revised Price Band (such that the total amount i.e., original Bid Price plus additional payment does not exceed Rs. 1,00,000 for Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, if such Bidder wants to continue to bid at Cut-off Price), with the Syndicate Members to whom the original Bid was submitted. In case the total amount (i.e., original Bid Price plus additional payment) exceeds Rs. 100,000 for Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the higher end of the Price Band prior to revision, the number of Equity Shares bid for shall be adjusted downwards for the purpose of Allotment, such that the no additional payment would be required from such Bidder and such Bidder is deemed to have approved such revised Bid at Cut-off Price.

- d. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, who have bid at Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account or the Refund Account, as the case may be.
- e. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain 20 Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.
- f. During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band during the Bidding/Issue Period using the printed Revision Form, which is a part of the Bid cum Application Form.
- g. Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.
- h. The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid.
- i. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- j. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of upward revision of the Bid at the time of one or more revisions by the QIB Bidders.
- k. When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

#### **Application in the Issue**

Equity Shares being issued through the Red Herring Prospectus can be applied for in the dematerialized form only.

#### **Bids and revisions of Bids must be:**

- a. Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (white colour for Resident Indians, blue colour for NRIs and FIIs applying on a repatriation basis and pink colour for Bidders under Employee Reservation portion).
- b. In single name or in joint names (not more than three and in the same order as their Depository Participant details).
- c. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form.
- d. The Bids from the Retail Individual Bidders must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter subject to a maximum Bid Amount of Rs.100,000.
- e. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of 20 Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of 20 Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations.

## **TIME TECHNOPLAST LIMITED**

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- f. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- g. For Eligible Employees bidding in the Employee Reservation Portion, the Bid must be for a minimum of 20 Equity Shares in multiple of 20 Equity Shares thereafter subject to a maximum of up to 10,000 Equity Shares
- h. NRIs for a Bid Price of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Price of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation.
- i. Bids by Non Residents, NRIs and FIIs on a repatriation basis shall be in the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

### **Bids by Mutual Funds**

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than 109,812 Equity Shares, Allocation shall be made to Mutual Funds on proportionate basis to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Funds Portion.

The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations.

### **Bids made by Insurance Companies**

In case of the Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject such Bids in whole or in part.

### **Bids made by Provident Funds**

In case of the Bids made by provident funds, subject to applicable law, with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

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**Bids by Eligible NRIs**

Eligible NRI Bidders to comply with the following:

1. Individual Eligible NRIs can obtain the Bid cum Application Forms from the Registered/Corporate Office, members of the Syndicate or the Registrar to the Issue.
2. Eligible NRI Bidders may note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for resident Indians.

**Bids by FIIs**

*As per the current regulations, the following restrictions are applicable for investments by FIIs:*

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital (i.e. 10% of 20,926,500 Equity Shares). In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. Under the current foreign investment policy applicable to our Company foreign equity participation up to 100% is permissible under the automatic route. As of now, the aggregate FII holding in Company cannot exceed 24% of our total issued capital. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended, an FII or its sub account may issue, deal or hold, off shore derivative instruments such as Participatory Notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “know your client” requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

**Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on Venture Capital Funds and Foreign Venture Capital Investors registered with the SEBI. For example the holding by any Venture Capital Fund in one Venture Capital Undertaking should not exceed 25% of the corpus of the Venture Capital Fund.

Pursuant to the SEBI Guidelines, the shareholding of SEBI registered Venture Capital Funds and Foreign Venture Capital Investors held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filling the draft prospectus with SEBI. The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. The Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. The Company and the BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

The Company does not require any approval for the Issue of Equity Shares to Eligible NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions and other Eligible NRIs. As per the RBI regulations, OCBs are not permitted to participate in this Issue. It is to be distinctly understood that there is no reservation for Eligible NRIs and FIIs and all such Bidders will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in the Issue. Further, NRIs who are not Eligible NRIs are not permitted to participate in the Issue.

## TIME TECHNOPLAST LIMITED

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### Bids by Eligible Employees

For the purpose of the Employee Reservation Portion, Eligible Employee means : A permanent employee of the Company including the Director of the Company, whether a whole time Director, part time Director or otherwise, except any Promoters or members of the Promoter Group, as of April 30, 2007 and based and present in India as on the date of submission of the Bid cum Application Form.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink colour Form).
- Only Eligible Employees (as defined above) would be eligible to apply in this Issue under the Employee Reservation Portion.
- Eligible Employees, as defined above, should mention the Employee Number at the relevant place in the Bid cum Application Form.
- The sole/ first Bidder shall be the Eligible Employee as defined above.
- Bids by Eligible Employees will have to bid like any other Bidder. Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- The Bids must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter. The allotment in the Employee Reservation portion will be on a proportionate basis.
- Eligible Employees who Bid for Equity Shares of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-Off Price. This facility is not available to other Eligible Employees whose Bid Amount in any of the bidding options exceeds Rs. 100,000.
- The maximum bid under Employee Reservation Portion by an Employee cannot exceed 10,000 Equity Shares.
- Bid/ Application by Eligible Employees can also be made in the "Net Issue" portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to 261,100 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.
- If the aggregate demand in this category is greater than 261,100 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, please see section titled "Basis of Allotment" on page 279 of this Prospectus.
- Under-subscription, if any, in the Employee Reservation portion will be added back to the Net Issue to the Public, and the ratio amongst the investor categories will be at the discretion of the Company and the BRLMs. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation portion.

### PAYMENT INSTRUCTIONS

#### Escrow Mechanism

Our Company shall open Escrow Accounts with the Escrow Collection Banks in whose favour the Bidders shall write the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders would be deposited in the Escrow Account. The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The monies in the Escrow Account shall be maintained by the Escrow Collection Bank(s) for and on behalf of the Bidders. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Account to the Issue Account and the Refund Account as per the terms of the Escrow Agreement.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

### Terms of Payment and Payment into the Escrow Accounts

Each Bidder shall pay the applicable Margin Amount at the time of submission of the Bid cum Application Form by way of a cheque or demand draft in favour of the Escrow Account as per the below terms:

- a. The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders till the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Issue Account. The balance amount after transfer to the Issue Account shall be transferred to the Refund Account.
- b. Each category of Bidders i.e. QIB Bidders, Non Institutional Bidders, Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form by way of a cheque or demand draft for the maximum amount of his/ her Bid in favour of the Escrow Account of the Escrow Collection Bank(s). (For details please see the section titled "Payment Instructions" beginning on page 274 of this Prospectus) and submit the same to the member of the Syndicate to whom the Bid is being submitted. The Margin Amount payable by each category of Bidders is mentioned in the section titled "Issue Structure" beginning on page 42 of this Prospectus. Bid cum Application Forms accompanied by cash shall not be accepted. The maximum Bid Price has to be paid at the time of submission of the Bid cum Application Form based on the highest bidding option of the Bidder.
- c. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated/allotted at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.
- d. Where the Bidder has been allocated lesser number of Equity Shares than he or she had bid for, the excess amount paid on bidding, if any, after adjustment for allotment, will be refunded to such Bidder within 15 days from the Bid /Issue Closing Date, failing which our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above
- e. The payment instruments for payment into the Escrow Account should be drawn in favour of:
  - i. In case of Resident QIB Bidders: **"Escrow Account – TTL Public Issue-QIB-R"**
  - ii. In case of non resident QIB Bidders: **"Escrow Account – TTL Public Issue-QIB-NR"**
  - iii. In case of other resident Bidders: **"Escrow Account – TTL Public Issue - R"**
  - iv. In case of Eligible NRIs Bidders: **"Escrow Account – TTL Public Issue - NR"**
  - v. In case of Eligible Employee – **"Escrow Account – TTL Public Issue – Employees"**
- f. In case of Bids by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE accounts or Foreign Currency Non-Resident (FCNR) accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE or FCNR account.
- g. In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to a Special Rupee Account.
- h. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.

## TIME TECHNOPLAST LIMITED

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- i. The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Issue Account.
- j. On the Designated Date and not later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.
- k. Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub member of the banker's clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.
- l. Bidders are advised to mention the number of application form on the reverse of the cheque / demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

### Payment by Stockinvest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn.

### Electronic registration of Bids

- a. The members of the Syndicate will register the Bids using the on-line facilities of the BSE and the NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.
- b. The BSE and the NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents during the Bidding/Issue Period. The members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on a regular basis. On the Bid /Issue Closing Date, the members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that could not be uploaded may not be considered for allocation.
- c. The aggregate demand and price for Bids registered on the electronic facilities of the BSE and the NSE will be displayed on-line at all bidding centers and at the websites of BSE and NSE. A graphical representation of consolidated demand and price would be made available at the bidding centers during the Bidding Period. The Book gets built up at various price levels. This information will be available with the BRLMs on regular basis.
- d. At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:
  - Name of the Bidder(s)
  - Investor category – individual, corporate, or Mutual Fund etc.
  - Numbers of Equity Shares bid for
  - Bid price
  - Bid cum Application Form number
  - Margin Amount paid upon submission of Bid cum Application Form
  - Depository participant identification no. and client identification no. of the beneficiary account of the Bidder
- e. A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate.** The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or our Company.



- f. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- g. In case of QIB Bidders, members of the syndicate have the right to accept the bid or reject it. A rejection can be made only at the time of receiving the bid and only after assigning a reason for such rejection in writing. In case of non-institutional Bidders and Retail Individual Bidders who Bid, Bids may be rejected on technical grounds as listed on page 288 of this Prospectus.
- h. It is to be distinctly understood that the permission given by the BSE and the NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLM are cleared or approved by the BSE and the NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.
  - i. It is also to be distinctly understood that the approval given by the BSE and the NSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by the BSE and the NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on the BSE and the NSE.
  - j. Only bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/allotment. In case of discrepancy of data between the BSE and NSE and the members of syndicate, the decision of the BRLMs based on the physical records of Bid Applications Forms shall be final and binding on all concerned.

#### **Price Discovery and Allocation**

- a. After the Bid /Issue Closing Date, the BRLMs will analyse the demand generated at various price levels.
- b. Our Company, in consultation with the BRLMs, shall finalise the "Issue Price".
- c. The allocation under the Issue shall be on proportionate basis, in the manner specified in the SEBI Guidelines and this Prospectus and in consultation with Designated Stock Exchange.
- d. Under-subscription, if any, in any category of the Issue, other than the QIB Portion, would be allowed to be met with spill over from any of the other categories at the discretion of our Company in consultation with the BRLMs. However, if the aggregate demand by Mutual Funds is less than 109,812 Equity Shares, the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders.
- e. Under-subscription, if any, in the Employee Reservation portion will be added back to the Net Issue to the Public, and the ratio amongst the investor categories will be at the discretion of the Company and the BRLMs. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation portion.
- f. The BRLMs, in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- g. We reserve the right to cancel the Issue any time after the Bid/Issue Opening Date but before the Allotment without assigning any reasons whatsoever.
- h. In terms of the SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.
- i. Allocation to eligible NRIs, FIIs, FVCIs etc. applying on a repatriation basis will be subject to applicable law and the terms and conditions stipulated by RBI while granting permission to allotment of Equity Shares to them in this Issue.

#### **Signing of Underwriting Agreement and ROC Filing**

- a. Our Company, the BRLMs and the Syndicate Member shall enter into an Underwriting Agreement upon finalisation of the Issue Price.

## **TIME TECHNOPLAST LIMITED**

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- b. After signing the Underwriting Agreement, we would update and file the updated Red Herring Prospectus with ROC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price and Issue size and would be complete in all material respects.
- c. Our Company will file a copy of this Prospectus with the RoC in terms of Section 56 and Section 60 of the Companies Act.

### **Advertisement regarding Issue Price and Prospectus**

After filing of the Prospectus with the ROC, a statutory advertisement will be issued by our Company in a widely circulated English national newspaper, a Hindi national newspaper and a Gujarati newspaper of wide circulation in the place where our Registered Office is situated. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **Issuance of CAN**

- a. Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders and Bids from Eligible Employees bidding in the Employee Reservation Portion. Investors should note that the Company shall ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue;
- b. The BRLMs or members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. Those Bidders who have paid the Margin Amount into the Escrow Account at the time of bidding shall pay the balance amount payable into the Escrow Account by the Pay-in Date specified in the CAN; and
- c. Such Bidders who have been allocated Equity Shares and who have already paid the Margin Amount for the said Equity Shares into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of their cheque or demand draft paid into the Escrow Accounts. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **INVESTORS ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOTTED TO THEM PURSUANT TO THIS ISSUE.**

### **Notice to QIBs: Allotment Reconciliation and Revised CANs**

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bid applications received. Based on the electronic book, QIBs will be sent a CAN indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the physical book prepared by the Registrar. Subject to SEBI Guidelines, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange and specified in the physical book. As a result, a revised CAN may be sent to QIBs, and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. It is not necessary that a revised CAN will be sent. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

### **Designated Date and Allotment of Equity Shares**

- a. Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account and the Refund Account on the

Designated Date, our Company would ensure the credit to the successful Bidders' depository accounts of the allotted Equity Shares to the allottees within two working days from the date of approval of the basis of Allotment.

- b. As per the SEBI Guidelines, **Equity Shares will be issued and allotted only in the dematerialised form to the allottees**. Allottees will have the option to re-materialise the Equity Shares so allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

**Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ allotted to them pursuant to this Issue.**

#### **BASIS OF ALLOCATION**

##### **A. For Retail Individual Bidders**

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Net Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 1,098,120 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than 1,098,120 Equity Shares at or above the Issue Price, the allotment shall be made on a proportionate basis up to a minimum of 20 Equity Shares.

##### **B. For Non-Institutional Bidders**

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Net Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 366,040 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 366,040 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 20 Equity Shares.

##### **C. For Employee Reservation Portion**

- a. The Bid must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid-at Cut off Price.
- b. The maximum Bid under the Employee Reservation Portion cannot exceed 261,100 Equity Shares.
- c. Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Issue Price.
- d. If the aggregate demand in this category is less than or equal to 261,100 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- e. If the aggregate demand in this category is greater than 261,100 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of 20 Equity Shares and in multiple of 1 Equity Share thereafter.
- f. Only Eligible Employees eligible to apply under Employee Reservation Portion.

## TIME TECHNOPLAST LIMITED

### D. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The QIB Portion shall be available for Allotment to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
  - (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion shall be determined as follows:
    - (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.
    - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid bids received above the Issue Price.
    - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
  - (b) In the second instance Allotment to all QIBs shall be determined as follows:
    - (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
    - (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
    - (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.
- The aggregate Allotment to QIB Bidders shall not be less than 2,196,240 Equity Shares.

### Illustration of Allotment to QIBs and Mutual Funds ("MF")

#### A. Issue Details

Sr. No.	Particulars	Issue details
1	Issue size	200 million equity shares
2	Allocation to QIB (60%)	120 million equity shares
	Of which:	
	a. Allocation to MF (5%)	6 million equity shares
	b. Balance for all QIBs including MFs	114 million equity shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 million equity shares

**B. Details Of QIB Bids**

S. No	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	<b>Total</b>	<b>500</b>

# A1-A5: ( QIB bidders other than MFs), MF1-MF5 ( QIB bidders which are Mutual Funds)

**C. Details of Allotment to QIB Bidders/ Applicants**

(Number of equity shares in million)

Type of QIB Bidders	Shares bid for	Allocation of 6 million Equity Shares to MF Proportionately (please see note 2 below)	Allocation of balance 114 million Equity Shares to QIBs Proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	50	0	11.40	0
A2	20	0	4.56	0
A3	130	0	29.64	0
A4	50	0	11.40	0
A5	50	0	11.40	0
MF1	40	1.2	9.12	10.32
MF2	40	1.2	9.12	10.32
MF3	80	2.4	18.24	20.64
MF4	20	0.6	4.56	5.16
MF5	20	0.6	4.56	5.16
	<b>500</b>	<b>6</b>	<b>114</b>	<b>51.64</b>

## TIME TECHNOPLAST LIMITED

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Please note:

1. The illustration presumes compliance with the requirements specified in the Red Herring Prospectus in the section titled "Issue Structure" beginning on page 42 of this Prospectus].
2. Out of 120 million Equity Shares allocated to QIBs, 6 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 shares in QIB category.
3. The balance 114 million Equity Shares (i.e. 120 - 6 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 Equity Shares (including 5 MF applicants who applied for 200 Equity Shares).
4. The figures in the fourth column titled "Allocation of balance 114 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:
  - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 114 / 494
  - For Mutual Funds (MF1 to MF5)= [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted ( i.e., column III of the table above)] X 114/494
  - The numerator and denominator for arriving at allocation of 114 million shares to the 10 QIBs are reduced by 6 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

### Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company shall finalize the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalized in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorized according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than 20 Equity Shares per Bidder, the Allotment shall be made as follows:
  - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
  - Each successful Bidder shall be allotted a minimum of 20 Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than 20 but is not a multiple of 1 (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

## **PAYMENT OF REFUNDS**

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid-cum-Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable and any such delay shall be at the Bidders' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

### **Mode of making refunds**

The payment of refund, if any, would be done through various modes in the following order of preference:

1. ECS – Payment of refund would be done through ECS for applicants having an account at any of the following fifteen centres: Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned fifteen centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.
2. NEFT (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. The process flow in respect of refunds by way of NEFT is at an evolving stage hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.
3. Direct Credit – Applicants having bank accounts with the Refund Banker(s), in this case being, UTI Bank Ltd., shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
4. RTGS – Applicants having a bank account at any of the abovementioned fifteen centres and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

### **Letters of Allotment or Refund Orders**

We shall give credit of Equity Shares allotted, if any, to the beneficiary account with Depository Participants within two working days from the date of the Allotment. Applicants residing at 15 centres where clearing houses are managed by

## TIME TECHNOPLAST LIMITED

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the RBI will get refunds through ECS (subject to availability of information for crediting the refund through ECS) except where applicant is otherwise disclosed as eligible to get refunds through Direct Credit, NEFT or RTGS. In case of other applicants, our Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 15 days of the Bid /Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter (refund advice) through ordinary post intimating them about the mode of credit of refund within 15 working days of the closure of the Issue. Our Company shall ensure dispatch of refund orders/refund advice (for Direct Credit, NEFT, RTGS or ECS), if any, by "Under Certificate of Posting" or registered post or speed post, as applicable, only at the sole or First Bidder's sole risk within 15 days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- Allotment shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date;
- Dispatch of refund orders shall be done within 15 days from the Bid/Issue Closing Date; and
- We shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if Allotment is not made, refund orders are not dispatched and/or demat credits are not made to investors within the 15 day time prescribed above.

Our Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Save and except refunds effected through the electronic mode, i.e. Direct Credit, NEFT, RTGS or ECS, refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by our Company as an Escrow Collection Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

### GENERAL INSTRUCTIONS

#### Do's:

- a. Check if you are eligible to apply.
- b. Read all the instructions carefully and complete the Bid cum Application Form (white or blue or pink in colour) as the case may be.
- c. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.
- d. Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate.
- e. Ensure that you have been given a TRS for all your Bid options.
- f. Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS.
- g. Where Bid(s) is/are for Rs. 50,000 or more, each of the Bidders, should mention their Permanent Account Number (PAN) allotted under the IT Act. The copies of the PAN card or PAN allotment letter should be submitted with the Bid cum Application Form. If you have mentioned "Applied For" or "Not Applicable", in the Bid cum Application Form in the section dealing with PAN number, ensure that you submit Form 60 or 61, as the case may be, together with permissible documents as address proof.
- h. Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form
- i. Ensure that the Demographic Details are updated, true and correct, in all respects.



**Don'ts:**

- a. Do not Bid for lower than the minimum Bid size.
- b. Do not Bid/revise Bid price to less than Floor Price or higher than the Cap Price.
- c. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate.
- d. Do not pay the Bid amount in cash, by money order or by postal order or by stockinvest.
- e. Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only.
- f. Do not Bid at Cut-off Price (for QIB Bidders, and Non-Institutional Bidders and Eligible Employees bidding in the Employee Reservation Portion, for whom the Bid Amount exceeds Rs. 100,000).
- g. Do not fill up the Bid cum Application Form such that the Equity Shares bid for exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.
- h. Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

**Bidder's Depository Account and Bank Account Details**

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs or the registrar or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

**IT IS MANDATORY FOR ALL THE BIDDERS TO GET THE EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.**

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/ Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**In case of Bidders receiving refunds through electronic transfer of funds, delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Company, the , the Registrar, Escrow Collection Bank(s) nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary

## TIME TECHNOPLAST LIMITED

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account number, then such Bids are liable to be rejected.

The Company and the BRLMs in their absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

**Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. The Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

### **Bids under Power of Attorney**

- a. In case of Bids made pursuant to a power of attorney or Bids made by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject such Bids in whole or in part, in either case, without assigning any reason therefore.
- b. In case of the Bids made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject such Bid in whole or in part.
- c. In case of Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.
- d. In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.
- e. We, in our absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that we/the BRLMs may deem fit.

### **SUBMISSION OF BID CUM APPLICATION FORM**

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts equivalent to the Margin Amount shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection center of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

### **OTHER INSTRUCTIONS**

#### **Joint Bids in case of Individuals**

Bids may be made in single or joint names (not more than three). In case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communication will be addressed to the first Bidder and will be dispatched to his or her address as per the demographic details received from the Depository.

### Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same. In this regard, illustrations of certain procedures which may be followed by the Registrar to the Issue to detect multiple applications are provided below:

1. All applications with the same name and age will be accumulated and taken to a separate process file as probable multiple master.
2. In this master, a check will be carried out for the same PAN/GIR numbers. In cases where the PAN/GIR numbers are different, the same will be deleted from this master.
3. Then the addresses of all these applications from the address master will be strung. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names.
4. The applications will be scanned for same or identical DP ID and Client ID numbers. In case applications bear the same numbers, these will be treated as multiple applications.
5. After consolidation of all the masters as described above, a print out of the same will be taken and the applications physically verified to tally signatures as also fathers/husbands names. On completion of this, the applications will be identified as multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

Bids made by Employees both under Employees Reservation Portion as well as in the Net Issue shall not be treated as multiple Bids.

The Company reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.

### Permanent Account Number

Where Bid(s) is/are for Rs. 50,000 or more, the Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. **The copy of the PAN card(s) or PAN allotment letter(s) is required to be submitted with the Bid cum Application Form. Applications without this information and documents will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground. In case the sole/First Bidder and joint Bidder(s) is/are not required to obtain PAN, each of the Bidder(s) shall mention "Not Applicable" and in the event that the sole Bidder and/or the joint Bidder(s) have applied for PAN which has not yet been allotted each of the Bidder(s) should mention "Applied for" in the Bid cum Application Form. Further, where the Bidder(s) has mentioned "Applied for" or "Not Applicable", the sole/First Bidder and each of the joint Bidder(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified in Rule 114B of the Income Tax Rules, 1962), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income-tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) ration card (b) passport (c) driving licence (d) identity card issued by any institution (e) copy of the electricity bill or telephone bill showing residential address (f) any document or communication issued by any authority of the Central Government, state government or local bodies showing residential address (g) any other documentary evidence in support of address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended vide a notification issued on December 1, 2004 by the Ministry of Finance, Department of Revenue, Central Board of Direct Taxes. All Bidders are requested to furnish, where applicable, the revised Form 60 or 61, as the case may be**

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### Unique Identification Number (“UIN”)- MAPIN

With effect from July 1, 2005, SEBI had decided to suspend all fresh registrations for obtaining UIN and the requirement to contain/quote UIN under the SEBI MAPIN Regulations/Circulars by its circular MAPIN/Cir-13/2005. However, in a recent press release dated December 30, 2005, SEBI has approved certain policy decisions and has now decided to resume registrations for obtaining UINs in a phased manner. The press release states that the cut off limit for obtaining UIN has been raised from the existing limit of trade order value of Rs. 100,000 to Rs. 500,000 or more. The limit will be reduced progressively. For trade order value of less than Rs. 500,000, an option will be available to investors to obtain either the PAN or UIN. These changes are, however, not effective as of the date of the Red Herring Prospectus and SEBI has stated in the press release that the changes will be implemented only after necessary amendments are made to the SEBI MAPIN Regulations.

### Right to Reject Bids

In case of QIB Bidders, the Company in consultation with the BRLM may reject Bids provided that the reason for rejecting the same shall be provided to such Bidders in writing. In case of Non-Institutional Bidders, Retail Individual Bidders, we have the right to reject Bids based on technical grounds only. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk.

### GROUNDINGS FOR TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected on, among other things, the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;
- Age of first Bidder not given;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no such partnership firm, shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and insane persons;
- **PAN not stated if Bid is for Rs. 50,000 or more or copy of PAN, Form 60 or Form 61, as applicable, or GIR number furnished instead of PAN.**
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;
- Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders and Bidders in the Eligible Employee Reservation Portion bidding in excess of Rs. 100,000;
- Bids for number of Equity Shares, which are not in multiples of 20;
- Category not ticked;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by stockinvest/money order/postal order/cash;
- Signature of sole and/or joint Bidders missing;
- Bid cum Application Form does not have the stamp of the BRLMs or the Syndicate Members;
- Bid cum Application Form does not have the Bidder's depository account details;
- Bid cum Application Form is not delivered by the Bidder within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Form;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the depository participant's identity (DP ID) and the beneficiary account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations.
- Bids in respect where the Bid cum Application form do not reach the Registrar prior to the finalisation of the basis of allotment;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws; and
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. See the details regarding the same in the section titled "Issue Procedure- Bids at different Price Levels" beginning on page 270 of this Prospectus.
- Bids by OCBs
- Bids by QIBs not submitted through members of the Syndicate
- Bids by employees of the Company or Directors of the Company not eligible to apply in the Employees Reservation Portion.

#### **Equity Shares in dematerialised form with NSDL or CDSL**

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialised form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- a. an agreement dated December 08, 2006 between NSDL, us and Registrar to the Issue;
- b. an agreement dated March 06, 2007 between CDSL, us and Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- a. A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.
- b. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.
- c. Equity Shares allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- d. Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.
- e. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- f. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

## TIME TECHNOPLAST LIMITED

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- g. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- h. The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

### COMMUNICATIONS

All future communication in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

### Disposal of Investor Grievances

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. K. Venkataraman, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

**102, Todi Complex,  
35, Saki Vihar Road,  
Andheri (East)  
Mumbai 400072.**

**Tel: +91-22- 28570302 / 28039999**

**Fax: +91-22-28575672**

**E-mail: investors@timemauser.com**

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in respective beneficiary accounts, refund orders etc.

### IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

**“Any person who:**

- a. **makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**
- b. **otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,**

**shall be punishable with imprisonment for a term which may extend to five years.”**

### DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND REFUND ORDERS

Our Company shall give credit of Equity Share allotted to the beneficiary account with Depository Participants within 15 working days of the Bid/Issue Closing Date. Applicants residing at 15 centres where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS (subject to availability of all information for crediting the refund through ECS) except where applicants are otherwise disclosed as eligible to get refunds through Direct Credit, NEFT or RTGS.

In case of other applicants, the Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500 by “Under Certificate of Posting”, and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post, except for Bidders who have opted to receive refunds through Direct Credit, NEFT, RTGS or ECS.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 working days of closure of the Issue.

Our Company shall ensure dispatch of refund orders, if any, by “Under Certificate of Posting” or registered post or speed post or Direct Credit, NEFT, RTGS or ECS, as applicable, only at the sole or First Bidder’s sole risk within 15 days of the Bid/Issue Closing Date, and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer.

Our Company shall ensure dispatch of allotment advice, refund orders and shall give credit of Equity Shares allotted, if any to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the Stock Exchanges within 2 (two) working days of date of Allotment.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within 7 (seven) working days from the finalisation of the basis of allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, we further undertake that:

- allotment of Equity Shares shall be made only in dematerialised form within 15 (fifteen) days of the Bid /Issue Closing Date;
- Refunds shall be made within 15 days from the Bid/Issue closing date at the sole or First Bidder’s sole risk, except for Bidders who have opted to receive refunds through Direct Credit, NEFT, RTGS or ECS; and
- Our Company shall pay interest at 15% (fifteen) per annum if allotment letters/ refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or ECS, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days from the Bid/Issue Closing Date.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by us, as an Escrow Collection Bank and payable at par at places where Bids are received, except where the refund or portion thereof is made in electronic manner as described above. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

#### **Undertakings by our Company**

Our Company undertakes the following:

- that the complaints received in respect of this Issue shall be attended to expeditiously and satisfactorily;
- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of allotment;
- that the funds required for dispatch of refund orders or allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- that no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the bid monies are refunded on account of non-listing, under subscription etc.
- Refund order or allotment advice to the successful Bidders shall be dispatched within the specified time.
- That the Allotment advice or refund orders to the Non – Resident Bidders shall be dispatched within specified time.

## TIME TECHNOPLAST LIMITED

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### Utilisation of Issue proceeds

Our Board of Directors certifies that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- details of all monies utilised out of the Issue referred above shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

### Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy and FEMA. While the Industrial Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investments.

### Subscription by Non-Residents

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, registration requirements of the Securities Act.

There is no reservation for any FIIs or Eligible NRIs and such FIIs or Eligible NRIs will be treated on the same basis with other categories for the purpose of allocation.

*As per the current regulations, the following restrictions are applicable for investments by FIIs:* No single FII can hold more than 10% of our post-Issue paid up capital (i.e. 10% of 20,926,500 Equity Shares). In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FIIs holding in our Company cannot exceed 26% of the total issued capital of our Company. Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations, 1995, an FII or its sub account may issue, deal or hold, offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

As per the current regulations, the following restrictions are applicable for investments by SEBI registered VCFs:

The SEBI (Venture Capital) Regulations, 1996 prescribe investment restrictions on venture capital funds registered with SEBI. Accordingly, the holding by any VCF should not exceed 25% of the corpus of the VCF.

As per the current regulations, OCBs cannot participate in this Issue. The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations. However, we shall update the Red Herring Prospectus and keep the public informed of any material changes in matters concerning our business and operations till the listing and commencement of trading of the Equity Shares.



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## SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY

Capitalized terms used in this section have the meaning given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the DIP Guidelines, the main provisions of the Articles of Association of our Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares/debentures and/or on their consolidation/splitting are detailed below.

The regulations contained in Table A in the First Schedule of the Companies Act, 1956, shall not apply to our Company but the regulations for the management of the Company and for the observance thereof by the Members of the Company and their representatives, shall subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the Companies Act, 1956, be such as are contained in these Articles.

#### **Increase and Reduction of Capital**

Article 3 provides that

- (a) The Company in general meeting may from time to time increase the capital by the creation of new shares of such amount as may be deemed expedient.
- (b) Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company then issued the new shares may be issued upon such terms and conditions and with such rights and privileges attached thereto as the general meeting resolving upon the creation thereto shall direct and if no direction be given as the Board shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.
- (c) Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the same shall be offered in the instance and whether at par or at a premium or subject to the provisions of Section 79 of the Act, at a discount, the new shares may be issued in conformity with the provisions of Articles.
- (d) Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the existing capital of the Company and shall be subject to the provisions herein contained with reference to the payments of calls and instruments, transfer and transmission, forfeiture, lien and otherwise.
- (e) If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to it have the offer of such shares or any of them amongst the member such difficulty shall, in the absence of any direction in the resolution creating the shares or by Company in general meeting be determined by the Board.
- (f) The Company may from time to time by Special Resolution reduce its capital and any capital Redemption Reserve Fund or Share premium Account in any manner and with and subject to any incident authorisation and consent required by law.

#### **Alteration of Capital**

Article 4 provides that the Company in General Meeting may:

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (ii) Sub-divide its existing shares; or any of them into shares of smaller amount than is fixed by the memorandum
- (iii) cancel any shares which as the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (iv) convert all or any of its fully paid shares into stock and reconvert that stock into fully paid up shares of any denominations.

## **TIME TECHNOPLAST LIMITED**

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### **Sweat Equity**

Article 5 provides that subject to the provisions of Section 79A of the Companies Act 1956 including any statutory modification or reenactment thereof for the time being in force and .or as may be reenacted from time to time , the Company may issue Sweat Equity shares of a class already issued by the Company to employees or Directors at a discount or for consideration other than cash for providing know-how or for making available right in the nature of intellectual property rights or value additions by whatever name called.

### **Employee Stock Option Scheme**

Article 6 provides that the Board may offer the shares in or the debentures or other securities of the Company, which the Company issues from time to time to the employees, other than the promoters and the part time directors through the Employee Stock Option Scheme.

PROVIDED THAT a director who is not a promoter but is an employee is entitled to receive such shares, debentures or other securities which may be offered to the employee.

### **Redeemable Preference Shares**

Article 7 provides that the Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as it thinks fit.

### **Convertible Cumulative Preference Shares**

Article 8 provides that subject to the provisions of the Act, the Company shall have the power to issue Convertible Cumulative Preference Shares in accordance with the guidelines issued by the Central Government in force, and the resolution authorising such issue shall prescribe the terms and conditions of such issue.

### **Provision to apply on issue of Redeemable Preference Shares**

Article 9 provides that on the issue of Redeemable Preference Shares under the provisions of Articles hereof the following provisions shall take effect:

- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed.
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there, shall out of profits which would otherwise have been available for dividends be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- (e) Subject to the provisions of the Section 80 of the Act, the redemption of preference shares may be a effected in accordance with the terms and conditions of their issue and failing that, in such manner the Board of Directors may think fit and the Company may issue shares at a nominal amount of the shares redeemed as if those shares have never been issued.
- (f) Whenever the Company shall redeem any Redeemable Preference Shares the Company shall within thereafter give notice thereof to the Registrar of Companies as required by Section 95 of the Act.

### **Further Issue Of Shares**

Article 10 (1) provides that where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:

- (a) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at that date;
- (b) such offer shall be made by a notice specifying the number of shares offered and within not less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined;
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right. **PROVIDED THAT** the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;
- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as it may think fit, in its sole discretion.

Article 10 (2) provides that notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons referred to in clause (a) of sub-clause (1) hereof in any manner whatsoever:

- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
- (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled to do so, vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

Article 10 (3) provides that nothing in sub-clause (c) of (1) hereof shall be deemed:

- (a) To extend the time within which the offer should be accepted; or
- (b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

Article 10 (4) provides that nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

- i) To convert such debentures or loans into shares in the Company: or
- ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

**PROVIDED THAT** the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf: and
- b) In the case of debentures or loans or other than the debentures issued to, or loans obtained, from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the . **Reduction of Capital**

Article 11 provides that the Company may (subject to the provisions of Sections 78, 80, and 100 to 104 inclusive of the Act) from time to time by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called upon again or otherwise and paid up capital may be cancelled as aforesaid without reducing the nominal amount of shares by the like amount to the intent that the unpaid and the uncallable capital shall be increased by the like amount. This Article is not to derogate from any power the Company would have, if it were omitted.

#### **Board may accept surrender of shares**

Article 12 provides that subject to the provisions of Section 100 to 105 (inclusive) of the Act, the Board may accept from any member on such terms and conditions as shall be agreed of all or any of his shares.

## **TIME TECHNOPLAST LIMITED**

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### **Sub-division, consolidation and cancellation of shares**

Article 13 provides that subject to the provisions of Section 94 of the Act, the Company in general meeting may, from time to time, consolidate all or any of its share capital into shares of larger amount than its existing shares or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the memorandum so however, that in the subdivision of the proportion between the amount paid and the amount unpaid on each reduced share shall be the same as it was in the case of share from which the share is reduced. Subject to as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

### **Buy-Back of Shares**

Article 14 provides that the Company may subject to the provisions of the Companies Act, 1956, including any statutory modification(s) or reenactment thereof for the time being in force and/or as may be reenacted from time to time, buy back its own fully paid Equity Shares or such other securities of the Company from time to time whether or not they are redeemable at such rate(s) and on such terms as the Board may deem proper and make payment(s) for such purchases and to keep them alive/cancel them and/or resell from time to time such number(s) of shares so purchased at such rates and on such terms and conditions as the Board may deem proper, in accordance with the provisions of the Companies Act, 1956, and any other law/regulations as may be applicable from time to time, which shall not be construed as reduction of Equity Share Capital under Section 100 to 104 and Section 402 of the Act.

### **Issue of non-voting shares**

Article 16 provides that in the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

### **Modification of rights**

Article 17 provides that if at any time share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up be varied, modified, comminuted, affected or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if these Articles were omitted. The provisions of these Articles relating to general meetings, shall, mutatis mutandis, apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined above is not present, those persons who are present shall be the quorum.

### **Acceptance of shares**

Article 28 provides that any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles be a Member.

### **Liability of Members**

Article 31 provides that every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall from time to time in accordance with the Company's regulations require or fix for the payment thereof.

### **The first named of joint-holders deemed sole holder**

Article 37 provides that if any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipts of dividends or bonus or service of notice and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof.

### **Company not bound to recognise any interest in share other than that of registered holder**

Article 38 provides that except as ordered by a Court of competent jurisdiction or as by law required, the Company shall

not be bound to recognise any equitable, contingent, future or partial interest in any share, (except only as is by these Articles otherwise expressly, provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

### **Nomination of Shares and Transfer Thereof**

Article 40 provides that Every Holder of shares in, or holder of Debentures of the Company may, at any time nominate, in the prescribed manner under Section 109A of the Act, a person to whom his shares, in or Debentures of the Company shall vest in the event of his death.

- (i) Where the Shares in, or debentures of the Company are held by more than one person, jointly, the joint holders may together nominate, in the prescribed manner under Section 109A of the Act, a person to whom all the rights in the Shares or Debentures of the Company shall vest in the event of death of all joint holders.
- (ii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of shares in, or debentures of the Company, where a nomination made in the prescribed manner under Section 109A of the Act, purports to confer on any person the right to vest the Shares in, or Debentures of the Company, the nominees shall, on the death of the Shareholder or holder of Debentures of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or Debentures of the Company or, as the case may be, all the joint holders, in relation to such shares in, or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the Act. .
- (iii) Where the nominee is a minor, it shall be lawful for the holder of the Shares, or holder of Debentures, to make the nomination to appoint, in the prescribed manner under Section 109A of the Act, any person to become entitled to shares in, or Debentures of the Company, in the event of his death, during the minority.
- (iv) Any person who become a nominee by virtue of the provisions of the Section 109A of the Act, upon the production of such evidence as may be required by the Board and subject to as hereinafter provided, elect, either:
  - (a) to be registered himself as holder of the Shares or Debentures, as the case may be; or
  - (b) to make such transfer of the Share or Debenture, as the case may be, as the deceased Shareholder or Debenture holder, as the case maybe, could have made.
- (v) The Board shall, in either case, have the right to decline or suspend registration as would have had, if the deceased Shareholder or Debenture holder had transferred the Shares or Debentures, as the case may be, before his death.
- (vi) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Shares or Debentures, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Shareholder or Debenture holder, as the case may be.
- (vii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that Shareholder or Debentures holder, as the case may be.
- (viii) A person, being a nominee, becoming entitled to a Share or Debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture except that he shall not, before being registered as holder in respect of his Share or Debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time give requiring any such person to elect either to be registered himself or to transfer the Share or Debenture, and if the notice is not compiled within 90 days, the Board may thereafter withhold the payment of all dividend, bonuses or other monies payable in respect of the Share or Debenture, until the requirements of the notice have been compiled with.

## **TIME TECHNOPLAST LIMITED**

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### **Dematerialisation of Securities**

Article 42 (2) provides that either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

Article 42 (4) provides that every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.

If a person opts to hold his security with Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.

Article 42 (6) provides that

- (a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Article 42 (7) provides that except as ordered by a court of competent jurisdiction or as required by the, Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in their joint names of any two or more persons or the survivors of them.

Article 42 (12) provides that except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien, or shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.

### **Commission may be paid**

Article 43 provides that subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of

- (i) his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company as per the limits as may be specified by the relevant authorities.
- (ii) his procuring or agreeing to procure the subscriptions whether absolute or conditional, for any shares in or debentures of the Company.

### **Brokerage**

Article 44 provides that the Company may pay such brokerage as may be reasonable and lawful on any issue of share or debentures.

### **Liability of joint-holders**

Article 50 provides that the joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares and for incidents thereof according to the Company's regulations

### **Calls to carry interest**

Article 52 provides that if any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time fixed by the Board, but they shall have the power to waive the payment thereof wholly or partly.

### **Payment in anticipation of calls may carry interest**

Article 55 (a) provides that the Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the money due upon the share held by him beyond the sums actually called for and upon the money so paid or satisfied in advance, or upon so much thereof as from time to time exceeds the amount of the call then made upon the shares in respect of which such advance had been made, the Company may pay interest at such rate as the member paying such sum in advance and the Board agree upon. Money so paid in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing.

Articles 55 (b) that no member paying any such sum in advance shall be entitled to voting rights)in respect of the money so paid by him until the same would but for such payment become presently 'payable.

Article 55 provides that the provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

### **Company to have lien on shares/debentures**

Article 56 provides that the Company shall have a first and paramount lien upon all the Shares/ debentures (other than fully paid up Shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereon, for all moneys (Whether presently payable or not) called or payable at a fixed time in respect of such Shares/debentures, and no equitable interest in any Shares/debentures shall be created except upon the footing and upon the condition that the Article shall have effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/debentures. Unless otherwise agreed the registration of a transfer of Shares/debentures shall operate as a waiver of the Company's lien, if any, on such Shares/debentures. The Directors may at any time declare any Shares/debentures wholly or in part to be exempt from the provisions of this clause.

### **As to enforcing lien by sale**

Article 57 provides that for the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

### **Validity of Sale**

Article 58 provides that upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any- person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

### **Forfeiture of shares**

#### **If money payable on share not paid notice to be given to member**

Article 61 provides that if any member fails to pay any calls or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter during such time as the call or installment remains unpaid give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

## **TIME TECHNOPLAST LIMITED**

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### **Partial payment not to preclude forfeiture**

Article 63 provides that neither a judgement in favour of the Company for call or other moneys due in respect of any share nor any past payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of its shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from proceeding to enforce a forfeiture of such shares as hereinafter provided.

### **Forfeited share to be the Property of the Company and may be sold, etc.**

Article 66 provides that any share so forfeited shall be deemed to be property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

### **Effect of forfeiture**

Article 69 provides that the forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

### **The Provision of these Articles as to forfeiture to apply in case of non-payment of any sum.**

Article 72 provides that the provision of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **Transfer and Transmission of Shares/Debentures**

#### **Instrument of transfer**

Article 75 provides that a transfer of shares in the Company shall be by an Instrument of transfer in writing in the prescribed form and shall be duly stamped and delivered to the Company in accordance with the provisions of the Act. All the provisions of Section 108 of the Companies Act, 1956 and any statutory modifications thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

#### **Transfer form to be completed and presented to the Company**

Article 76 provides that the instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of transfer the certificate of the shares must be delivered to the Company. Shares of different classes shall not be included in the same instrument of transfer.

#### **Directors may refuse to register transfers**

Article 77 provides that subject to the provisions of Section 111 of the Act, the Board may, at its own absolute discretion and without assigning any reasons, decline to register or acknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a member) but in such cases it shall within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of the refusal to register such transfer. Registration of transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares. Transfer of shares/ debentures in whatever lot shall not be refused.

#### **Refusal to sub-divide/consolidate**

Article 78 provides that notwithstanding anything contained in Article 35 the Board may refuse applications for subdivision of a share certificate into several scrips of small denominations or a proposal or transfer of shares comprised in a share certificate to several parties, if on the face of it such splitting or transfer appears to be unreasonable or without genuine need.

#### **Notice of application when to be given**

Articles 79 provides that where, in the case of partly paid shares, an application for registration is made by the transferor,



the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

#### **Death/Insolvency of one or more joint holders of shares**

Article 80 provides that in the case of the death/insolvency or liquidation of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of deceased joint-holder/ person under insolvency or liquidation from any liability on shares held by him jointly with any other person.

#### **Title of shares of deceased Member**

Article 81 provides that the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless they have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India or any Court or authority authorised by any act of the Legislature of India or by any order or notification of the President of India provided that in any case where the Board in its absolute discretion, thinks fit, it may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

#### **Transmission**

Article 82 provides that subject to the provisions of the Act and Articles 82 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee as instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This Article shall be referred to as the Transmission Clause.

The Director shall subject to the provisions of the Articles hereof have the same right to refuse to register a person entitled by transmission to any shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration.

#### **Company not liable for disregard of a notice prohibiting registration of a transfer**

Article 85 provides that the Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

#### **Transfer of Debentures**

Article 86 provides that the provisions of these Articles mutatis mutandis apply to the transfer of or transmission by operation of law of the right to debenture of the Company.

#### **Transfer to be left at the office as evidence of title given**

Article 89 provides that every instrument, of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

## **TIME TECHNOPLAST LIMITED**

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### **Votes of members**

#### **Voting In Person or by proxy**

Article 124 provides that subject to the provisions of these Articles votes may be given either personally or by proxy, body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

#### **Members in arrears not to vote**

Article 125 provides that no member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of class of share-holders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

#### **Number of votes to which member entitled**

Article 126 provides that subject to the provisions of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid up equity share capital of the Company. provided, however, that if any preference shareholder be present at any meeting of this Company, save as provided in clause (b) of sub-section (2) Section 87, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

#### **How members non-compos mentis is may vote**

Article 128 provides that a Member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may, on poll vote, by proxy.

#### **Votes of joint-members**

Article 129 provides that if there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and if more than one of such joint holders be present at any meeting, the, one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at meeting. Several executors or administrators of a deceased member in whose name shares stand shall be for the purpose of these Articles deemed joint holders thereof.

#### **Vote in respect of shares of deceased and insolvent member**

Article 130 provides that any person entitled under the Transmission Article to transfer any share may vote at any general meeting in respect thereof in the same manner as he were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any)) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

#### **Proxies**

Article 131 provides that any member of the Company entitled to attend and vote at the meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself , but a proxy so appointed shall not have any right to speak at the meeting.

#### **Proxy to vote only on a poll**

Article 134 provides that a member present by proxy shall be entitled to vote only on a poll.

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**Validity of votes given by proxy not with standing death of member**

Article 137 provides that a vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.

**Time for objections of votes**

Article 140 provides that no objection shall be made to the validity of any vote, except at any meeting or adjourned meeting at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

**Chairman of the meeting to be the judge of validity of any vote**

Article 141 provides that the chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

**Number of Directors**

Article 142 provides that the number of Directors shall not be less than three or until otherwise determined by a General Meeting, more than twelve, including the special Director, debenture Director or corporation Director, if any

**First Directors**

Articles 143 provides that the following are the First Directors of the Company.

1. **MR. ANIL JAIN**
2. **MR. BHARAT KUMAR VAGERIA**
3. **MR. RAGHUPATHY THYAGARAJAN**
4. **MR. NAVEEN JAIN**

**Share qualification of Directors**

Article 148 provides that a Director shall not be required to hold any qualification shares.

**Remuneration of Directors**

Article 149 provides that

- (a) Subject to the provisions of Section 309 of the Act, each Director other than the Managing Director and whole time Director shall be entitled to receive out of the funds of the Company for his services such sums not exceeding the amount prescribed under the Section from time to time as applicable for attending meetings of the Board or committees thereof, attended by him as may be decided by the Board from time to time.
- (b) Subject to the provisions of the Act, a Managing Director or Director in the whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (c) Subject to the provisions of the Act, a Director who is neither in the whole time employment of the Company nor a Managing Director may be paid remuneration either:
  - (i) by way of monthly, quarterly or annual payment with the approval of the Central Government, if the approval is required under the Act; or
  - (ii) by way of commission if the Company by a special resolution authorises such payment.

**Special remuneration of Directors performance extra services**

Article 150 provides that if any Director be called upon to perform extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee of the Board), the Board may arrange with such Director for special remuneration for such service or exertions or efforts either by a fixed sum or

## **TIME TECHNOPLAST LIMITED**

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otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.

### **Director may contract with Company**

Article 154 (1) provides that a Director or his relative, firm in which such Director or relative is a partner; or any other partner in such firm or a private Company of which the Director is a member or Director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company, provided that in the case of the Company having a paid-up capital of not less than Rupees one crore, no such contract shall be entered in to except with the previous approval of the Central Government and the sanction of the Board shall be obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.

### **Disclosure of interest**

Article 155 provides that a Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contact or arrangement entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act. Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in any such other Company.

### **Retirement and rotation of Directors**

Article 160 provides that subject to the provisions of Section 256 of the Act and of these Articles, at every Annual General Meeting of the Company, one third of such of the Directors, for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office, in the following Articles 'a Retiring Director' means a Director retiring by rotation.

### **Managing Director**

Article 172.(1) provides that subject to the provisions of Section 269 of the Act the Directors may from time to time subject to the provisions of the Act and to the approval of the Central Government, if required, appoint one or more of their body to be the Managing Director or Managing Directors or Whole-time Director or whole-time Directors of the Company for a term not exceeding five years at a time and may from time to time subject to the provisions of any contract between the Company and him or them remove or dismiss him or them from office and appoint another or other in his or their place or places.

Article 172 (2) provides that the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors, while he or they continues or continue to hold that office, may not be subject to retirement by rotation and may not be taken into account in determining the retirement by rotation of Directors or the number of Directors to retire, but he or they shall be subject to the same provisions as to resignations or removal of the other Directors of the Company and he or they shall ipso facto and immediately cease to be a Managing Director or Managing Directors or Whole-time Director or Whole-time Directors if he or they ceases or cease to hold the office of a Directors for any cause.

Article 172 (3) provides that subject to the provisions of the Act, the remuneration of a Managing Director or Managing Directors or Whole-time Director or Whole-time Directors shall subject to the provisions of any contract between the Company and him or them, be from time to time fixed by the Directors and subject to the provisions of the Act, may be by way of fixed salary or commission and/or in any other mode and may be in addition to the remuneration for attendance of the Board Meetings and any other remuneration which may be provided under any other Articles

Article 172 (4) provides that the Directors may from time to time subject to the provisions of the Act entrust to or confer upon the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors for the time being such of the powers exercisable by the Directors under these presents or by law, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient, and they may confer such power either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke ,withdraw ,alter or vary all or any of such powers.

### **Minimum managerial remuneration in absence or inadequacy of profits**

Article 173 provides that if in any financial year the Company has no profits or its profits are inadequate, the Company may subject to the approval of the Central Government, unless such approval has been obtained under any other provisions of the Act, pay its Directors including the Managing Director or Whole-time Director or its Manager if any, or if there are two or more of them holding office in the Company to all of them together by way of minimum remuneration such sum (exclusive of any fees payable to Directors under Section 309(2) of the Act) as subject to the provisions of Section 198 of the Act it considers reasonable.

### **Powers of Directors**

Article 197 provides that the Board may exercise all such powers of the Company and do all such acts and things as the Company is authorised to exercise and do. Provided that the Directors shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Article 198 provides that without prejudice to the general powers conferred by preceding Article and the other powers conferred by these presents and so as not in any way to limit any or all these powers, the Directors shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Directors.

### **Certain powers to be exercised by Directors only at meeting**

Articles 199 provides that the Board of Directors shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Directors –

- a) the power to make calls on shareholders in respect of moneys unpaid on their shares;
- b) the power to issue debentures;
- c) the power to borrow moneys otherwise than on debentures;
- d) the power to invest the funds of the Company; and
- e) the power to make loans.

Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, the Whole-time Director, Manager, Secretary or any other principal officer of the Company or in the case of a branch office of the Company, a principal office or the Branch office of the Company, the powers (1) to borrow moneys other than on debentures (2) to invest the funds of the Company and (3) to make loans to the extent and subject as hereinafter specified namely –

- (i) every resolution delegating the power to borrow moneys otherwise than on debentures shall specify the total amount outstanding at one time up to which moneys may be borrowed by the delegate;
- (ii) every resolution delegating the power to invest the funds of the Company shall specify the total amount upto which the funds may be invested, and the nature of the investments which may be made by the delegate;
- (iii) every resolution delegating the power to make loans shall specify the total amount upto which loans may be made by the delegate the purposes for which the loans may be made, and the maximum amount of loans which may be made for each purposes in individual cases.

Nothing in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers in sub-clause (a), (b), (c), (d) and (e) above specified.

### **Restrictions on the powers of the Directors**

Article 200(1) provides that the Board of Directors of the Company shall not except with the consent of the Company in General Meeting

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;

## **TIME TECHNOPLAST LIMITED**

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- (b) remit or give time for repayment of any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertakings as is referred to in sub-clause (a) or of any premises or properties used for any such undertakings and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
- (d) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding whichever is greater.

### **Borrowing power**

Article 201 provides that subject to the provisions of Section 292 and 293 of the Act the Board of Directors may from time to time at their discretion and by means of resolutions passed at their meetings accept deposits from members either in advance calls or otherwise or borrow or secure the payment of any sum or sums of money for the purpose of the Company provided however that where the moneys to be borrowed, together with money already borrowed by the Company ( apart from temporary loans obtained from the Company's bankers in the ordinary course of business ) exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, the Directors shall not borrow such moneys without the consent of the Company in General Meeting. Every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow moneys shall specify the total amount upto which moneys may be borrowed by the Board of Directors. No debt incurred by the Company in excess of the limit imposed by this clause shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article has been exceeded.

### **DIVIDENDS**

#### **Division of Profits**

Articles 221 provides that the profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid or credited as paid-up on the shares held by them respectively.

#### **The Company in General Meeting may, declare a dividend**

Articles 222 provides that the Company in General Meeting may declare dividends to be paid to members according to their respective rights and interest in the profits and may fix the time for payment, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this clause as paid on the share

#### **Dividends only to be paid out of profits**

Article 225 provides that no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that:

- (a) if the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide or such depreciation out of the profits of the financial year or out of the profits of any other previous financial year of year;
- (b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation or that year or those years whichever is less, shall be set off against the profits of the Company for the year or which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.

The declaration of the Directors as to the amount of the net profit shall be conclusive

#### **Interim dividend**

Article 226 provides that the Board may, from time to time, pay to the members such interim dividend as in their judgement the position of the Company justifies.

#### **Capital paid up advance at interest not to earn dividend**

Article 227 provides that where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participation in profits.

#### **Dividends in proportion to amount paid up**

Article 228 provides that all dividends shall be apportioned and paid proportionately to the amounts **paid or** credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, but if any share is issued on **terms providing** that it shall rank for dividend as from a particular date, such share shall **rank** for dividend accordingly.

#### **Retention of Dividends until completion of transfer**

Article 229 provides that subject to the provisions of the Act, the Board may retain the dividends payable upon shares in respect of which any person is entitled to become a member, or which any person under the Transmission Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

#### **Dividend etc. to joint-holders**

Article 230 provides that any one or several persons who are registered as the jointholders of any share may give effectual receipts for all dividends or bonus or other moneys payable in respect of such shares.

#### **No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereof**

Article 231 provides that No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise, however, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

#### **Transfer of share must be registered**

Article 232 provides that a transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

#### **Interest on unpaid dividend**

Article 234 provides that subject to the provisions of Sections 205 to 207 of the Act, no unpaid dividend shall bear interest as against the Company.

#### **Unclaimed Dividend**

Article 235 provides that where the company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the company shall within 7 days from the date of expiry of the said period of 30 days , open a special account in that behalf in any scheduled bank called "Unpaid Dividend of " Time Technoplast Limited " and transfer to the said account , the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the Central Government. A claim to any money so transferred to the Investor Education and Protection Fund may be preferred to the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid, dividend shall be forfeited by the Board.

Dividends unclaimed will be dealt with in accordance with the provisions of sections 205A, 205B and 205C of the Companies Act, 1956.

**SECTION X – OTHER INFORMATION**

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which shall be attached to the copy of this Prospectus, to be delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company situated at 102, Todi Complex, 35, Saki Vihar Road, Andheri (East), Mumbai 400 072, India from 10.00 am to 4.00 pm on working days from the date of this Prospectus until the Bid/ Issue Closing Date.

**Material Contracts**

1. Engagement Letter dated September 07, 2006 for appointment of IL&FS Investsmart Ltd. and Enam Financial Consultants Ltd. as BRLMs.
2. Memorandum of Understanding dated December 16, 2006 amongst our Company and the BRLMs.
3. Memorandum of Understanding dated December 16, 2006 executed by our Company with Registrar to the Issue.
4. Copy of the Syndicate Agreement dated May 04, 2007 among our Company, BRLMs and Syndicate Members.
5. Copy of the Escrow Agreement dated May 04, 2007 among our Company, BRLMs, Syndicate Members, Escrow Collection Banks and the Registrar to the Issue.
6. Copy of the Underwriting Agreement dated May 26, 2007 among our Company, BRLMs and Syndicate Members.

**Material Documents**

1. Memorandum and Articles of Association as amended from time to time.
2. Shareholders' resolution dated December 02, 2006 in relation to this Issue and other related matters.
3. Resolution of the Board dated November 08, 2006 authorizing this Issue.
4. Shareholders resolutions
  - (a) Dated September 30, 2005 for appointment and approval of remuneration of Mr. Anil Jain, Managing Director and Mr. Bharat Vageria, Whole-time Directors.
  - (b) Dated August 12, 2006, for appointment and approval of remuneration of Mr. Raghupathy Thyagarajan and Mr. Naveen Jain, Whole-time Directors.
5. Report of the Statutory Auditors of our Company M/s. Raman S. Shah & Co., Chartered Accountants dated April 21, 2007 on Restated Unconsolidated Financial Statements of our Company.
6. Report of the Statutory Auditors of our Company M/s. Raman S. Shah & Co., Chartered Accountants dated April 21, 2007 on Restated Consolidated Financial Statements of our Company.
7. Copy of Statement of Tax Benefits dated April 24, 2007 prepared by the Statutory Auditors of our Company M/s. Raman S. Shah & Co., Chartered Accountants.
8. Copies of annual reports of our Company for the years ended March 31, 2002, 2003, 2004, 2005 and 2006.
9. General Powers of Attorney executed by the Directors of our Company in favour of person(s) for signing and making necessary changes to the Red Herring Prospectus and other related documents.
10. Consents of Auditors, Bankers to the Issue, Bankers to the Company, BRLMs, Syndicate Members, Registrar to the



Issue, Advisors to the Company, Legal Advisors to the Issue, Directors of our Company, Company Secretary and Compliance Officer and EXIM Bank as referred to, in their respective capacities.

11. Applications dated December 27, 2006 and December 27, 2006 for in-principle listing approval from BSE and NSE, respectively.
12. In-principle listing approvals dated January 18, 2007 and January 22, 2007 from BSE and NSE respectively.
13. Agreement between NSDL, our Company and the Registrar to the Issue dated December 08, 2006.
14. Agreement between CDSL, our Company and the Registrar to the Issue dated March 06, 2007.
15. Due diligence certificate dated December 23, 2006 to SEBI from IL&FS Investsmart Limited.
16. SEBI observation letter CFD/DIL/NB/JAK/91196/2007 dated April 16, 2007 and our in-seraitim reply to the same dated April 25, 2007.
17. Joint Venture Agreement dated February 27, 2004 and an Additional Protocol dated February 28, 2006 between Mauser Holding International GmbH and our Company and Time Mauser Industries Pvt. Ltd.
18. Know How Agreement dated April 24, 1992 and Amendment Agreement dated November 6, 2001 between our Company and Mauser-Werke GmbH.
19. Foreign Collaboration Agreement dated September 30, 2004 between Mauser Holding International GmbH, our company and QPAK Industries Pvt Ltd. (Now known as Time Mauser Industries Pvt. Limited).
20. Memorandum of Settlement dated February 10, 2006 with Trade Union at Hosur.
21. Agreement dated November 03, 2006 between Time Securities Services Pvt. Ltd., Mauser Holding Netherlands B. V. and Mauser Holding Asia Pte. Ltd.
22. Share Purchase Agreement dated April 23, 2007 between Time Securities Services Pvt. Ltd and our Company.
23. Appraisal Memorandum dated November 28, 2006 by EXIM Bank.
24. Shareholders Agreement dated March 07, 2007 between Zephyr Peacock India I and Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan, Mr. Naveen Jain, TSSPL, VTFPL, TEPL and our Company.
25. Share Subscription Agreement dated March 07, 2007 between Zephyr Peacock India I and Mr. Anil Jain, Mr. Bharat Vageria, Mr. Raghupathy Thyagarajan, Mr. Naveen Jain and our Company.
26. Share Subscription and Shareholders Agreement dated March 13, 2007 between Mr. Anil Jain, Mr. Bharat Vageria, Mr. Ragupathy Thyagarajan, Mr. Naveen Jain, TSSPL, VTFPL, TEPL, our Company and India Business Excellence Fund I and India Business Excellence Fund.
27. Valuation Report dated December 18, 2005 by M/s. C.K. Doshi & Co, Chartered Accountants on Amalgamation of OMPL and SPPL with Time Packaging Ltd. (now known as Time Technoplast Ltd.)
28. Certificate by M/s. Raman S. Shah & Co., Chartered Accountants dated October 04, 2006 certifying the use of funds of the Term Loan from IL&FS Ltd.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## TIME TECHNOPLAST LIMITED

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### DECLARATION

All the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government of India or the guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines issued thereunder, as the case may be. We further certify that all statements in this Prospectus are true and correct.

#### **Signed by all Directors**

sd/-

Mr. K. N. Venkatasubramanian  
Chairman

sd/-

Mr. Anil Jain  
Managing Director

sd/-

Mr. Bharat Vageria  
Whole-time Director

sd/-

Mr. Raghupathy Thyagarajan  
Whole-time Director

sd/-

Mr. Naveen Jain  
Whole-time Director

sd/-

Mr. Sanjaya Kulkarni  
Independent Director

sd/-

Mr. Mahinder Kumar Wadhwa  
Independent Director

sd/-

Mr. Kartik Parija  
Non-Executive Director

Date : May 26, 2007

Place : Mumbai