



HIPOLIN LIMITED

NINETEENTH ANNUAL REPORT

2011 - 2012

HIPOLIN LIMITED

BOARD OF DIRECTORS

Shri Bhupendra J. Shah
Shri Jaykumar J. Shah
Shri Shailesh J. Shah
Shri Daxesh B. Shah
Shri Rumit B. Shah
Shri Vivek S. Shah
Shri Rohit K. Choksi
Shri Kaushik R. Patel
Shri Narendra N. Shah
Shri Mahesh S. Shah
Shri Sunil H. Talati
Shri Nilesh Desai

Chairman
Vice- Chairman
Managing Director
Wholetime Director
Director (Production)
Executive Director
Director
Director
Director
Director
Director
Director

CHIEF EXECUTIVE

Shri Snehal R. Parikh

AUDITORS

M/s. Harish S. Patel & Co.
Chartered Accountants

BANKERS

The Kalupur Comm. Co. Op. Bank Ltd.
Corporation Bank.
Bank of India
HDFC Bank Ltd.
AXIS Bank Ltd.
Vijaya Bank
AMCO Bank
Yes Bank

CORPORATE OFFICE:

45, Madhuban, 4th Floor,
Nr, Madalpur Garnala,
Ellisbridge, Ahmedabad : 380006.

REGISTERED OFFICE & FACTORY

A/1/1, Nilkanth Ind. Estate,
Sanand-Viramgam Highway,
Nr, Iyava Bus Stand,
Via Virochannagar (P. O.)
Pin Code No.-382170. Dist : Ahmedabad.

REGISTRAR AND TRANSFER AGENT

M/s. Sharepro Services (I) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyas Ashram, Ellisbridge,
Ahmedabad – 380 006.
Tel. No. : 079 – 26582381-82-83-84

HIPOLIN LIMITED

NOTICE

NOTICE is hereby given that the NINETEENTH ANNUAL GENERAL MEETING of the Members of HIPOLIN LIMITED will be held at A/1/1, Nilkanth Ind. Estate Sanand -Viramgam Highway, Near Iyava Bus Stand, Via.Virochannagar -382170 on **Saturday, 29th September, 2012 at 2.00 p. m.** to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Nilesh Desai**, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of **Shri Daxesh B. Shah**, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of **Shri Kaushik R. Patel**, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. REVISION OF REMUNERATION OF MR. BHUPENDRABHAI J. SHAH AS CHAIRMAN :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 314, 317 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given for the increase in remuneration and allowances payable to Shri Bhupendra J. Shah, Chairman of the Company on the following terms and conditions and that the Board of Directors be authorised to alter and vary the terms and conditions of the said appointment and remuneration payable as mentioned herein."

1 SALARY	Rs. 19,500/-p.m. From 01.05.2012 to 31.03.2013 Rs. 21,500/- p.m. From 01.04.2013 to 31.07.2014
2 PERQUISITES	Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 10,000/- p.m. from 01.05.2012 to 31.03.2013 Rs. 12,000/- p.m. from 01.04.2013 to 31.07.2014 (ii) House Rent Allowance: Rs. 5000/- p.m. from 01.05.2012 to 31.03.2013. Rs. 6000/- p.m. from 01.04.2013 to 31.07.2014 (iii) Conveyance Allowance: Rs.5,500/- per month

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	CATEGORY : B
	(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.
	(ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.
	The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3 OTHER TERMS & CONDITIONS	(i) "Family" means spouse, dependent children and dependent parents of Mr. Bhupendra J. Shah.
	(ii) Leave with full pay and allowance shall be allowed as per company's rules.
	(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
	(iv) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

7. REVISION OF REMUNERATION OF MR. JAYKUMAR J. SHAH, VICE-CHAIRMAN :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198,269,309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given for the increase in the remuneration payable to Shri Jaykumar J. Shah, Vice-Chairman of the Company on the following terms and conditions and that the Board of Directors be authorised to alter and vary the terms and conditions of the said appointment and remuneration payable as mentioned herein."

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1	SALARY Rs. 19,500/-p.m. From 01.05.2012 to 31.03.2013 Rs. 21,500/- p.m. From 01.04.2013 to 31.07.2014
2	PERQUISITES Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 10,000/- p.m. from 01.05.2012 to 31.03.2013 Rs. 12,000/- p.m. from 01.04.2013 to 31.07.2014 (ii) House Rent Allowance: Rs. 5000/- p.m. from 01.05.2012 to 31.03.2013. Rs. 6000/- p.m. from 01.04.2013 to 31.07.2014 (iii) Conveyance Allowance: Rs.5,500/- per month. CATEGORY : B (i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year. (ii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act. The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3	OTHER TERMS & CONDITIONS (i) "Family" means spouse, dependent children and dependent parents of Mr. Jaykumar J. Shah. (ii) Leave with full pay and allowance shall be allowed as per company's rules. (iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed. (iv) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

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8. RE-APPOINTMENT OF MR. RUMIT B. SHAH AS DIRECTOR (PRODUCTION) :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198,269,309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given to the re-appointment of Shri Rumit Bhupendrabhai Shah, Director (Production) of the Company with effect from 16/05/2012 to 31.03.2015 on the following terms and conditions and that the Board of Directors be and is here by authorised to alter and vary the terms and conditions of the said re-appointment and remuneration payable as mentioned herein."

1	TERM	16.05.2012 to 31.03.2015
2	SALARY	Rs. 26,000/-p.m. from 16.05.2012 to 31.03.2013. Rs. 28,500/-p.m. from 01.04.2013 to 31.03.2014. Rs. 31,000/- p.m. from 01.04.2014 to 31.3.2015.
3	PERQUISITES	Perquisites will be allowed in addition to salary as under :
		CATEGORY : A
		(i) Special Allowance : Rs. 11,000/- per month
		(ii) House Rent Allowance: Rs. 5000/- p.m. from 16.05.2012 to 31.03.2013. Rs. 7000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 9000/- p.m. from 01.04.2014 to 31.03.2015.
		(iii) Conveyance Allowance: Rs.6,000/- p.m. from 16.05.2012 to 31.03.2013. Rs. 7000/- p.m. from 01.04.2013 to 31.03.2014. Rs.8000/- p.m. from 01.04.2014 to 31.03.2015.
		CATEGORY : B
		(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.
		(ii) Provident Fund : Company's contribution to provident fund shall be as per the statutory rules or the scheme as may be applicable to the Company.
		(iii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.
		The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

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3 OTHER TERMS & CONDITIONS	(i) "Family" means spouse, dependent children and dependent parents of Mr. Rumi B. Shah
	(ii) Leave with full pay and allowance shall be allowed as per company's rules.
	(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
	(iv) No sitting fees shall be paid for attending the meetings of the Board or Directors or committee thereof.
	(v) He shall not be liable to retire by rotation.

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, which ever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

9. REVISION OF REMUNERATION OF MR. DAXESH B. SHAH AS WHOLETEIME DIRECTOR:

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given for the increase in the remuneration payable to Shri Daxesh B. Shah, Wholetime Director of the Company on the following terms and conditions and that the Board of Directors be authorised to alter and vary the terms and conditions of the said appointment and remuneration payable as mentioned herein."

1 SALARY	Rs. 26,000/-p.m. from 16.05.2012 to 31.03.2013. Rs. 28,500/-p.m. from 01.04.2013 to 31.03.2014. Rs. 31,000/- p.m. from 01.04.2014 to 31.3.2015.
2 PERQUISITES	Perquisites will be allowed in addition to salary as under :
	CATEGORY : A
	(i) Special Allowance: Rs. 11,000/- per month

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	(ii) House Rent Allowance: Rs. 5000/- p.m. from 16.05.2012 To 31.03.2013. Rs. 7000/- p.m. from 01.04.2013 to 31.03.2014. Rs.9000/- p.m. from 01.04.2014 to 31.03.2015.
	(iii) Conveyance Allowance: Rs.6,000/- p.m. from 16.05.2012 to 31.03.2013. Rs. 7000/- p.m. from 01.04.2013 to 31.03.2014. Rs.8000/- p.m. from 01.04.2014 to 31.03.2015.
	CATEGORY : B
	(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.
	(ii) Provident Fund : Company's contribution to provident fund shall be as per the statutory rules or the scheme as may be applicable to the Company.
	(iii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.
	The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3 OTHER TERMS & CONDITIONS	(l) "Family" means spouse, dependent children and dependent parents of Mr. Daxesh B. Shah.
	(ii) Leave with full pay and allowance shall be allowed as per company's rules
	(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
	(iv) No sitting fees shall be paid for attending the meetings of the Board do Directors or committee thereof.

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

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10. REVISION OF REMUNERATION OF MR. SHAILESH J. SHAH, MANAGING DIRECTOR :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198,269,309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given for the increase in the remuneration payable to Shri Shailesh B. Shah, Managing Director of the Company on the following terms and conditions and that the Board of Directors be authorised to alter and vary the terms and conditions of the said appointment and remuneration payable as mentioned herein."

1	<p>SALARY</p> <p>Rs. 20,000/-p.m. from 01.05.2012 to 31.03.2013. Rs. 22,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 24,000/- p.m. from 01.04.2014 to 31.03.2015.</p>
2	<p>PERQUISITES</p> <p>Perquisites will be allowed in addition to salary as under :</p> <p>CATEGORY : A</p> <p>(i) Special Allowance : Rs. 9,000/- p.m. from 01.05.2012 To 31.03.2013. Rs.10,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 11,000/- p.m. from 01.04.2014 to 31.03.2015.</p> <p>(ii) House Rent Allowance: Rs. 5,000/- p.m. from 01.05.2012 to 31.03.2013. Rs. 6,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 7,000/- p.m. from 01.04.2014 to 31.03.2015.</p> <p>(iii) Conveyance Allowance: Rs. 6,000/- from 01.05.2012 to 31.03.2013. Rs. 7,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 8,000/- p.m. from 01.04.2014 to 31.03.2015.</p> <p>CATEGORY : B</p> <p>(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.</p> <p>(ii) Provident Fund : Company's contribution to provident fund shall be as per the statutory rules or the scheme as may be applicable to the Company.</p> <p>(iii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>

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3 OTHER TERMS & CONDITIONS	(i) "Family" means spouse, dependent children and dependent parents of Mr. Shailesh J. Shah.
	(ii) Leave with full pay and allowance shall be allowed as per company's rules.
	(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
	(iv) No sitting fees shall be paid for attending the meetings of the Board do Directors or committee thereof.

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

11. REVISION OF REMUNERATION OF MR. VIVEK S. SHAH, EXECUTIVE DIRECTOR :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given for the increase in the remuneration payable to Shri Vivek S. Shah, Executive Director of the Company with effect from 01.05.2012 to 30.09.2012 on the following terms and conditions and that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the said appointment mentioned herein."

1 SALARY	Rs. 26,000/- (Rupees Twenty Six Thousands only) Per month.
2 PERQUISITES	Perquisites will be allowed in addition to salary . The same would be restricted to an amount upto Rs. 22,000/- per month, which shall be as under :
	CATEGORY : A
	(i) Special Allowance : Rs. 11,000/- per month
	(ii) House Rent Allowance : Rs. 5000/- per month.
	(iii) Conveyance Allowance : Rs. 6,000/- per month.

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		CATEGORY : B
		(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.
		(ii) Provident Fund : Company's contribution to provident fund shall be as per the statutory rules or the scheme as may be applicable to the Company.
		(iii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.
		The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3	OTHER TERMS & CONDITIONS	(i) "Family" means spouse, dependent children and dependent parents of Mr. Vivek S. Shah.
		(ii) Leave with full pay and allowance shall be allowed as per company's rules.
		(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.
		(iv) No sitting fees shall be paid for attending the meetings of the Board do Directors or committee thereof.

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

12. RE-APPOINTMENT OF MR. VIVEK S. SHAHAS EXECUTIVE DIRECTOR :

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 314, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, approval of the Company be and is hereby given to the re-appointment of Shri Vivek Subhashbhai Shah, Executive Director of the Company with effect from 01/10/2012 to 31.03.2015 on the following terms and conditions and that the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and remuneration payable as mentioned herein."

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1	TERMS	01.10.2012 to 31.03.2015
2	SALARY	Rs. 26,000/-p.m. from 16.05.2012 to 31.03.2013. Rs. 28,500/-p.m. from 01.04.2013 to 31.03.2014. Rs. 31,000/- p.m. from 01.04.2014 to 31.3.2015.
3	PERQUISITES	<p>Perquisites will be allowed in addition to salary as under :</p> <p>CATEGORY : A</p> <p>(i) Special Allowance : Rs. 11,000/- per month</p> <p>(ii) House Rent Allowance: Rs. 5,000/- p.m. from 16.05.2012 to 31.03.2013. Rs. 7,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 9,000/- p.m. from 01.04.2014 to 31.03.2015.</p> <p>(iii) Conveyance Allowance: Rs. 6,000/- p.m. from 16.05.2012 to 31.03.2013. Rs. 7,000/- p.m. from 01.04.2013 to 31.03.2014. Rs. 8,000/- p.m. from 01.04.2014 to 31.03.2015.</p> <p>CATEGORY : B</p> <p>(i) Leave Travel Concession : For self and family every year incurred of not exceeding to the ceiling of the one month in a block of three calendar year.</p> <p>(ii) Provident Fund : Company's contribution to provident fund shall be as per the statutory rules or the scheme as may be applicable to the Company.</p> <p>(iii) Gratuity: Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act.</p> <p>The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.</p>
3	OTHER TERMS & CONDITIONS	<p>(i) "Family" means spouse, dependent children and dependent parents of Mr. Vivek S. Shah.</p> <p>(ii) Leave with full pay and allowance shall be allowed as per company's rules.</p> <p>(iii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed.</p> <p>(iv) No sitting fees shall be paid for attending the meetings of the Board do Directors or committee thereof.</p> <p>(v) He shall not be liable to retire by rotation.</p>

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"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained wherein in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, which ever is lower, unless otherwise determined by the Board of Directors."

"RESOLVED FURTHER THAT the Board be and is hereby empowered to decide not to pay any remuneration or reduce the remuneration which the Board may consider reasonable, in such financial year where there are no profits or the same are considered inadequate by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interest of the Company."

Registered Office:

A/1/1, Nilkanth Ind. Estate
Sanand- Viramgam Highway,
Nr. Iyava Bus Stand,
Via- Virochannagar (P.O.)
Pin- 382170

Date : 27/08/2012
Place : Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED

Sd/-
Bhupendra J. Shah
Chairman

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 6

Shri Bhupendrabhai Jayantilal Shah was appointed by the Board as the Chairman on 30.07.2011 for a period of three years from 1.8.2011 to 31.07.2014. The Remuneration Committee at its meeting held on 30.04.2012 recommended and approved the increased remuneration and allowances with effect from 01.05.2012 for the remaining period of his appointment as Executive Chairman. The service of the said Chairman have been and will be very useful to the Company and Board of Directors considers that it is in the best interest of the Company to increase his remuneration and allowances on the terms and conditions as mentioned in the special resolution. He is promoter Director of the Company and is having rich experience of business of the Company. Hence the special resolution is proposed for your approval.

Daxesh B. Shah, Jaykumar J. Shah, Rumit B. Shah, Vivek S. Shah and Shailesh J. Shah are interested in the resolution no. 6 being relatives of Chairman and Shri Bhupendra Jayantilal Shah is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the revision of remuneration payable to Shri Bhupendrabhai J. Shah, as Chairman is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

Item No. 7

Shri Jaykumar Jayantilal Shah was reappointed as Executive Vice Chairman of the Company in the board meeting held on 27.08.2011 for the period of three years from 01.10.2011 to 30.09.2014. The Remuneration Committee at its meeting held on 30.04.2012 recommended and approved his revision of remuneration and allowances with effect from 01.05.2012. Looking to his involvement in the work of the Company and being promoter director, it is necessary and beneficial for the company to increase the remuneration and allowances on the terms and conditions as mentioned in the resolution. Hence the special resolution is proposed for your approval.

Daxesh B. Shah, Shri Bhupendra J. Shah, Rumit B. Shah, Vivek S. Shah, Shailesh J. Shah are interested in the resolution being relatives of Vice-Chairman and Shri Jaykumar Jayantilal Shah is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the revision of remuneration of Shri Jaykumar Jayantilal Shah, as Vice- Chairman is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

Item No. 8

Shri Rumit B Shah was re-appointed as Director (Production) of the Company in the Board Meeting of the Company held on 31.7.2007 for a period of five years from 16.05.2007 to 15.05.2012. The Remuneration Committee at its meeting held on 30.04.2012 recommended his re-appointment as Director (Production) with effect from 16.05.2012 to 31.03.2015. Looking to the involvement of work in the Company and having rich experience in the field of production, it is necessary and beneficial for the Company to re-appoint him as a Director (Production) on the terms and conditions as mentioned in Resolution No. 8. Hence the resolution is proposed for your approval.

HIPOLIN LIMITED

Shri Bhupendra J. Shah, Shri Jaykumar J. Shah Daxesh B. Shah, Vivek S. Shah and Shailesh J. Shah are interested in the resolution no. 8 being relatives of Director(Production) and Shri Rumit B Shah is also interested in the proposed special resolution for his re-appointment and to the extent of the remuneration to be paid to him.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the re-appointment of Shri Rumit B. Shah, as Director(Production) is available for the inspection of the members by any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

Item No. 9

Shri Daxesh Bhupendrabhai Shah was reappointed as Wholetime Director of the Company in the board meeting held on 27.08.2011 for a period of three years from 01.10.2011 to 30.09.2014. The Remuneration Committee at its meeting held on 30.04.2012 recommended and approved revision of his remuneration and allowances. Looking to the involvement of work in the Company and having rich experience in the marketing field, it is necessary and beneficial for the company to increase remuneration payable to him with effect from 01.05.2012 on the terms and conditions as mentioned in the resolution. Hence special resolution is proposed for your approval.

Shri Bhupendra J. Shah, Shri Jaykumar J. Shah, Shri Vivek S. Shah, Shri Shailesh J. Shah and Shri Rumit B. Shah are interested in the resolution being relatives of Wholetime Director and Shri Daxesh Bhupendrabhai Shah is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the revision of remuneration of Shri Daxesh Bhupendrabhai Shah, as Whole-time Director is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

Item No. 10

Shri Shailesh Jayantilal Shah was appointed as Joint Managing Director of the Company in the Board Meeting of the Company held on 25.3.2010 for a period of five years from 01.04.2010 to 31.03.2015. The Board appointed him as the Managing Director at its meeting held on 27.8.2011. The Remuneration Committee at its meeting held on 30.04.2012 recommended and approved revision of remuneration and allowances as Managing Director. Looking to the involvement of work in the Company and having rich experience, it is necessary and beneficial for the company to increase the remuneration and allowances of Shri Shailesh J. Shah on the terms and conditions with effect from 01.05.2012. Hence the special resolution is proposed for your approval.

Shri Bhupendra J. Shah, Shri Jaykumar J. Shah, Daxesh B. Shah, Rumit B. Shah and Vivek S. Shah are interested in the resolution being relative of Managing Director and Shri Shailesh Jayantilal Shah is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the revision of remuneration of Shri Shailesh Jayantilal Shah, Managing Director is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

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Item No. 11

Shri Vivek S. Shah was appointed as Executive Director of the Company in the Board Meeting of the Company held on 01.10.2007 for a period of five years from 01.10.2007 to 30.09.2012. His terms of appointment was expiring on 30.09.2012. The Remuneration Committee at its meeting held on 27.08.2012 recommended and approved his revision of remuneration and allowances. Looking to the involvement of work in the Company and having rich experience in the field of marketing, it is necessary and beneficial for the company to increase remuneration and allowances and on the terms and conditions as mentioned in the resolution no. 11. Hence the special resolution is proposed for your approval.

Shri Bhupendra J. Shah, Shri Jaykumar J. Shah, Daxesh B. Shah, Runit B. Shah and Shri Shailesh Jayantilal Shah, are interested in the resolution being relatives of Shri Vivek S. Shah Executive Director is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the reappointment of Shri Vivek S. Shah, Executive Director at the increased remuneration is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

Item No. 12

Shri Vivek S. Shah was appointed as Executive Director of the Company in the Board Meeting of the Company held on 01.10.2007 for a period of five years from 01.10.2007 to 30.09.2012. His terms of appointment was expiring on 30.09.2012. The Remuneration Committee at its meeting held on 27.08.2012 recommended his reappointment. Looking to the involvement of work in the Company and having rich experience in the field of marketing, it is necessary and beneficial for the company to reappoint him w.e.f. 01.10.2012 to 31.03.2015 on the terms and conditions as mentioned in the resolution no. 12. Hence the special resolution is proposed for your approval.

Shri Bhupendra J. Shah, Shri Jaykumar J. Shah, Daxesh B. Shah, Runit B. Shah and Shri Shailesh Jayantilal Shah, are interested in the resolution being relative of Shri Vivek S. Shah Executive Director is also interested in the proposed special resolution.

This explanatory note together with the accompanying notice should be treated as the abstract u/s. 302 of the Companies Act, 1956.

The proposed resolution along with the explanatory statement for the reappointment of Shri Vivek S. Shah, Executive Director at the increased remuneration is available for the inspection by the members on any working day between 3.00 p.m. to 5.00 p.m. at Registered Office of the Company.

Registered Office:

A/1/1, Nilkanth Ind. Estate
Sanand- Viramgam Highway,
Nr. Iyava Bus Stand,
Via- Virochannagar (P.O.)
Pin- 382170

Date : 27/08/2012
Place : Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED

Sd/-
Bhupendra J. Shah
Chairman

HIPOLIN LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed From 26th September, 2012 to 29th September, 2012 (Both days inclusive).
3. The Members are requested to intimate their change of address. if any , immediately to the Companies Share Transfer Agent, M/s. Sharepro Services (I) Pvt. Ltd., 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006 quoting their Folio No. or Client ID No.
4. Members desiring any information on Accounts are requested to write to the Company at least One week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
5. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the meeting.
6. Members who have not encashed the Dividend Warrants for the previous years are requested to make their claims to the Company immediately.
7. Nomination facility is available to the Share holders in respect of share held by them.
8. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
9. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act.1956, in respect of the special business under item numbers 6 to 12 is annexed.

Details of Directors seeking re-appointment at the Annual General Meeting.

Name of the Director	Brief Details of Educational Qualification & Experience In Functional area	List of other Directorship / C o m m i t t e e membership in other Public Companies as on 31 st March, 2012.
Shri Nilesh Desai	He is B.Com having more than 20 years of experience in production field.	None
Shri Daxesh B. Shah	He is M.B.A. having more than 10 years of experience in the field of Marketing Detergent & Chemicals.	None
Shri Kaushik R. Patel	He is Master of Science having more than 33 years of experience in the field of Production and Marketing of Detergent and Chemicals.	None

By Order of the Board
For, HIPOLIN LIMITED

Sd/-
Bhupendra J. Shah
Chairman

Date : 27/08/2012
Place : Ahmedabad

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DIRECTORS' REPORT

To,

The Members

Your Directors have pleasure in presenting the 19th Annual Report for the year ended on 31st March 2012.

Financial Results

(Rs. In Lacs)

	2011-12	2010-11
Gross sales	3516.65	3164.23
Profit / (Loss) Before Tax	(18.99)	(51.95)
Provision for Taxation (including fringe Benefit tax)	-----	-----
Deferred Tax	(3.50)	(0.48)
Profit / (Loss) After Tax	(22.49)	(52.43)
Opening Balance Profit / (Loss) Account	(4.31)	48.12
Tax on Dividend	-----	-----
Add : Current Year Profit / (Loss)	(18.99)	(51.95)
Add : Differed Tax Liability	(3.50)	(0.48)
Balance Carried to Balance Sheet	(26.80)	(4.31)

DIVIDEND

In view of loss during the year under review, the Board of Directors do not recommend any dividend for the financial year 2011-12.

OPERATIONS

The Company has achieved turnover of Rs. 3516.65 lacs and incurred a loss of Rs. 22.49 lacs during the year under review compared to turnover of Rs. 3164.23 lacs and loss of Rs. 52.43 lacs earned during the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

A report on Management Discussion and Analysis (MDA), which forms part of the report, inter alia, deals adequately with the operation as also current and future outlook of the company.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled Corporate Governance Report" is attached to this Annual Report.

CFO CERTIFICATION

The Managing Director and Whole Time Director who look after Finance functions have submitted a certificate to the Board regarding the financial statements and other matters as required under Clause 49(V) of the Listing Agreement.

DIRECTORS

Shri Nilesh Desai, Shri Daxesh B. Shah and Shri Kaushik R. Patel retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

HIPOLIN LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 217(2AA) of the Companies Act 1956, the Directors state and confirm :

1. That in preparation of the annual accounts for the year ended 31st March, 2012 the applicable accounting standards have been followed.
2. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year viz. March 31st, 2012 and of the loss of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the aforesaid annual accounts on a going concern basis.

AUDITORS

The Audit Committee of the Company has recommended the appointment of M/s. Harish S. Patel & Co, Chartered Accountants, Ahmedabad who retire at the conclusion of the ensuring Annual General Meeting. The Auditors have offered themselves for appointment. The Board recommends their appointment by the members. They have submitted certificate regarding their eligibility for appointment under Section 224(1-B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEE

The Company has not paid any remuneration attracting the provisions of Section 217(2A) of the Company Act, 1956, read with Companies (Particulars of employees) Rules, 1975.

DEPOSITES

The Company has not accepted any deposited from public.

INSURANCE

All fixed assets and movable assets of the Company are adequately insured.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGO

The particulars as required U/s .217(1)(e) of the Company Act, 1956 read with The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the annexure forming part of this report.

ACNOWLEDGEMENTS

Your Directors are thankful to the officers, staff and workers of the Company and Banks for their continued co-operation and contribution extended in the progress of the Company.

Date : 27/08/2012
Place : Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED
Sd/-
Bhupendra J. Shah
Chairman

ANNUAL REPORT 2011-2012

ANNEXURE TO DIRECTORS' REPORT

Details as required U/s.217(1) (e) of the Companies Act, 1956 read with The Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

(A) Conservation of energy

The Company had not incur much amount on electricity, as most of the products of the company are mixing of various ingredients. The percentage of electricity expenses is very negligible to total expenses. However, the company ensures conservation at all possible levels. The Company has been generating the electricity by way of non conventional source of energy from the Company's wind turbine generator.

(B) Technology absorption

The Company has established a well-equipped Quality Control Laboratory and Research and Development Laboratory. The Research & Development Laboratory does not require any sophisticated instruments.

The Company has adopted indigenously available technology for its production process. The Company has not adopted any foreign technology.

(C) Foreign Exchange Earnings and out go

	2011-12	2010-11
	(Rs. in lacs)	(Rs. in lacs)
Foreign Exchange earnings	NIL	5.98
Foreign Exchange outgo	NIL	NIL

Date : 27/08/2012
Place : Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED
Sd/-
Bhupendra J. Shah
Chairman

HIPOLIN LIMITED

REPORT ON CORPORATE GOVERNANCE

Today almost every country has institutionalized a set of governance, codes, and spelt out best practices and has sought to impose appropriate Board Structures, Accountability, Transparency and Integrity from the Cornerstone of effective Governance. Corporate Governance is a phenomenon that stipulates parameters of accountability, control and reporting functions of the Board of Directors and encompasses the relationships among various participants in determining the direction and performance of the Company.

Corporate Governance is a system of making a management accountable to shareholders for effective management of the Company in the interests of the Company and also with adequate concern for ethics, and values. Corporate Governance recognizes issues like maintaining continuity by succession planning, identifying opportunities and allocation of resources towards the right priority. The development of capital market is always dependent on good Corporate Governance. There is a need for setting of high standards of Corporate Governance.

Board of Directors

The Board of Directors is comprised of 12 members of whom one is Chairman, one is Vice Chairman, one is Managing Director, one is Whole-time Director, two are Executive Directors and Six Directors are Non-Executive Directors.

During the Financial year 2011-2012, Seven meetings of the Board of Directors were held. These meetings were held on 30/04/2011, 30/07/2011, 27/08/2011, 30/09/2011, 25/10/2011, 31/01/2012 and 29/03/2012. The last Annual General Meeting was held on 30/9/2011.

The following is the composition of the Board as at 31st March, 2012.

Director	Category	No. of Board Meetings Attended	Attendance In Last AGM	No. of other Companies in which directors	No. of Board/Committee (other than Hipolin Ltd.) in which Members
Bhupendra J. Shah (Chairman)	Executive, Non-Independent	7	Yes	4	-----
Jaykumar J. Shah (Vice Chairman)	Executive, Non-Independent	7	Yes	3	-----
Shailesh J. Shah (Managing Director)	Executive, Non-Independent	7	Yes	3	-----
Daxesh B. Shah (Wholetime Director)	Executive, Non-Independent	7	Yes	1	-----
Rumit B. Shah (Production Director)	Executive, Non-Independent	7	Yes	1	-----
Vivek S. Shah (Executive Director)	Executive, Non-Independent	7	Yes	1	-----
Kaushik R. Patel (Director)	Non - Executive, Independent	2	Yes	3	-----
Narendra N. Shah (Director)	Non - Executive, Independent	2	Yes	1	-----
Rohit K. Choksi (Director)	Non - Executive, Independent	2	Yes	1	-----
Mahesh S. Shah (Director)	Non - Executive, Independent	2	Yes	----	-----
Sunil H. Talati (Director)	Non - Executive, Independent	1	No	5	-----
Nilesh Desai (Director)	Non - Executive, Independent	2	No	5	-----

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Audit Committee

During the financial year under consideration, five meetings of Audit Committee were held on 30/04/2011, 30/07/2011, 27/08/2011, 25/10/2011 and 31/01/2012. The meetings were attended by the all Members.

The Attendance of members at meetings was as under :

Name	Designation	Category	Committee meeting attended
Rohit K. Choksi	Chairman	Non Executive – Independent	Five
Kaushik R. Patel	Member	Non Executive – Independent	Five
Mahesh S. Shah	Member	Non Executive – Independent	Five
Narendra N. Shah	Member	Non Executive – Independent	Five

The terms of reference of Audit Committee cover the matters specified for Audit Committee under clause 49 of the Listing Agreement and section 292 A of the Companies Act, 1956, which are as under.

- * Overall assessment of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- * To review compliance with internal control systems.
- * Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
 - Changes if any are accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management.
 - Observations if any in draft audit report.
 - Significant changes/ amendments, if any arising out of audit.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
- * Reviewing with the auditors adequacy of internal control systems.
- * Reviewing the adequacy of internal audit functions, including the structure of the department, reporting structure coverage and frequency of audit.
- * Discussion with auditors any significant finding and follow up there on, reviewing the finding, if any, of any internal investigations by the auditor into matters and reporting the matter to the Board.
- * Discussion with auditor before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- * Reviewing the company's financial and risk management policies.

HIPOLIN LIMITED

Remuneration committee

The Remuneration committee comprises of the following members.

Name	Designation	Category	Committee meeting attended
Rohit K. Choksi	Chairman	Non Executive Independent	2
Kaushik R. Patel	Member	Non Executive Independent	2
Mahesh S. Shah	Member	Non Executive Independent	2
Narendra N. Shah	Member	Non Executive Independent	2

During the financial year under consideration, two meetings of the committee were held on 27/08/2011, and 31/01/2012. The meetings were attended by the all Members.

Details of Directors Remuneration of Managing Directors and Executive Director for the financial year 2011-12 are as under :

Sr.No.	Name of Director	Designation	Amount Paid (Rs. In Lacs)
1	Bhupendrabhai J. Shah	Chairman	3.06
2	Jaykumar J. Shah	Vice Chairman	3.06
3	Shaileshbhai J. Shah	Managing Director	3.34
4	Daxesh B. Shah	Whole Time Director	4.39
5	Rumit B. Shah	Director (Production)	4.39
6	Vivek S. Shah	Director (Marketing)	4.39
	TOTAL		22.63

Shareholder's / Investor's Grievances Committee

The committee functions under the Chairmanship of Shri Rohit K. Choksi an independent Director. The other members of the committee are Shri Daxesh B. Shah & Shri Rumit B. Shah.

During the financial year under consideration, two meetings of the committee were held on 27/08/2011 and 31/01/2012. The meetings were attended by the all Members.

The Shareholder's / Investor's grievances committee looks into the redressal of Shareholder's / Investor's grievances if any like Transfer / Transmission / Demat of Shares / Loss of Shares Certificate, non receipt of annual report / non receipt of dividend etc.

General Body Meeting:

The details of last three Annual General Meetings of the company held were as under:

Year	The Place where conducted Regd office:	Held on	Time
2008-2009	A/1/1 Nilkanth Industrial Estate Sanand Viramgam highway, Nr. Iyava Bus stop- Sanand 382170	30/9/2009	2 P.M.
2009-2010	A/1/1 Nilkanth Industrial Estate Sanand Viramgam highway, Nr. Iyava Bus stop- Sanand 382170	30/9/2010	2 P.M.
2010-2011	A/1/1 Nilkanth Industrial Estate Sanand Viramgam highway, Nr. Iyava Bus stop- Sanand 382170	30/9/2011	2 P.M.

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The Company has not passed any shareholders resolution through postal ballot during the year under reference.

Disclosures

- a) Materially significant related party transaction i.e. transaction of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company.

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years – None

Means of Communications

The unaudited financial Results on quarterly basis and the half yearly results subjected to limited review by the Auditors in the prescribed form, are taken on record by the Board of Directors at its meeting within stipulated period of the close of every quarter/ half year respectively and the same are furnished to all the Stock Exchange where the Company's shares are listed. The results are also published in two newspapers, one in English and the other in Regional Language of the State.

Management Discussion and Analysis Report

Management discussion and analysis report forms part of this annual report.

General shareholders information

1. Annual general meeting

The Annual general Meeting will be held on 29th September 2012 at 2.p.m. at A/1/1 Nilkanth Industrial Estate, Sanand, Viramgam, Highway, Nr. Iyava Bus stop, Sanand – 382170.

Financial Calendar 2012 – 2013 (Tentative)

First Quarterly results : At the Board Meeting Held on 29th July 2012

Second Quarterly results : On or before 31st October 2012

Third Quarterly results : On or before 31st January 2013

Fourth Quarterly results : On or before 15th May, 2013

2. **Date of Book Closure** : 26th September, 2012 to 29th September, 2012 (both days inclusive)
3. Listing of equity shares on Stock Exchange : Bombay Stock Exchange Limited.
4. The Company has paid Listing fees for the financial year 2012- 2013 of Bombay Stock Exchange Limited ISIN Numbers : INE963A01011.

HIPOLIN LIMITED

5. Stock Market Data (in Rs./Per Share) for the year 2011-2012.

Month	Bombay Stock Exchange	
	Month's High	Month's Low
April, 2011	53.50	31.00
May, 2011	49.65	40.15
June, 2011	60.20	33.90
July, 2011	39.10	34.75
August, 2011	39.75	28.65
September, 2011	41.65	30.75
October, 2011	38.95	29.65
November, 2011	39.80	26.30
December, 2011	36.70	27.00
January, 2012	48.95	26.25
February, 2012	44.90	28.30
March, 2012	35.65	28.15

6. Address for correspondence at present for transfer/dematerialization of shares, changes of address, Changes in status of investors and other query relating to the shares of the Company as below:

Registrar & Transfer Agent:

M/s. Sharepro Services (I) Pvt.Ltd.
 416-420, 4th Floor, Devnandan Mall,
 Opp. Sanyas Ashram, Ellisbridge,
 Ahmedabad 380 006.
 Tel. No. : 079 26582381-82-83-84

7. Shareholding pattern as on 31-03-2012 is as given below.

SR. NO.	CATEGORY	NO. OF SHARES HOLDER	% OF SHARE HOLDINGS
A	PROMOTER'S HOLDING		
	1 INDIAN PROMOTERS	2235504	71.39
	2 FOREIGN PROMOTERS (INDIVIDUAL)	—	—
		2235504	71.39
B	NON PROMOTERS HOLDING	0	00.000
	1 INSTITUTIONAL INVESTORS:	0	00.000
	2 MUTUAL FUNDS AND UTI	0	00.000
	3 BANKS, FINANCIAL, INSURANCE COM.,	0	00.000
		-----	-----
	SUB TOTAL	0	00.000
C	OTHERS		
	1 PRIVATE CORPORATE BODIES	138022	4.41
	2 INDIAN PUBLIC	755974	24.14
	3 NRIs/OCBs	1800	0.06
	4 ANY OTHER	0	0.00
		-----	-----
	SUB TOTAL	895796	28.61
	GRAND TOTAL	31,31,300	100.00

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Distribution of Share Holding as on 31/3/2012 is as below.

Slab I Share Holding	share holders	%	Holding Shares	%
UP TO 5,000	3273	99.08	786073	25.10
5,001 TO 10,000	7	0.21	55370	1.77
10,001 TO ABOVE	24	0.71	2289857	73.13
TOTAL	3304	100	3131300	100

Address for Correspondence

The shareholders may address their communication / grievances at the following address.

The Compliance Officer

Mr. Snehal R. Parikh

Hipolin Limited

4th Floor, Madhuban, Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad - 380 006.

Declaration :

All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management as approved by the Board.

8. Dematerialization of Shares and liquidity

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trade became compulsory in demat form. As on 31/3/2012, 92% of the total numbers of shares have been dematerialized.

9. Outstanding GDRs/ADRs/Warrants of Conversion instruments, Conversion Date : Nil

10. REGISTERED OFFICE & FACTORY

A/1/1, Nilkanth Ind. Estate,
Sanand- Viramgam Highway, Nr. Iyava Bus Stand,
Via Virchannager (P.O.) Pin Code No. 382 170.

Date : 27/08/2012
Place: Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED
Sd/-

Bhupendra J. Shah
Chairman

HIPOLIN LIMITED

Compliance Certificate of the Auditors

To,

The Shareholders of Hipolin Ltd.

We have examined the compliance of conditions of corporate governance by Hipolin Limited, for the year ended on 31st March 2012. as stipulated in clause 49 of the listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

As required by the Guidance note issued by the Instituted of Chartered Accountants of India, we have to state that as at 31st March, 2012 there were no investor grievances pending for a period exceeding one month against the Company as per the records maintained by the Shareholders'/Investor's Grievance committee.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

HARISH S. PATEL & CO.
Chartered Accountants

Date : 27/08/2012
Place : Ahmedabad

Sd/-
(Hareesh S. Patel)
Proprietor
Membership No.8497

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MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis presents the Industry Overview, Opportunities and Threats, initiatives by the Company and overall strategy of the Company in the midst of the competition faced due to the liberalization and other factors.

Increasing liberalization and competition in the domestic as well as international market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to protect their market shares. The Company, in order to protect and expand its market share, has given thrust on the export and local market.

- 1. Industry Overview:** India's FMCG sector is the fourth largest sector in the economy and creates employment for more than three million people in down stream activities. It is currently growing at double digit growth rate and is expected to maintain high growth rate. The size of detergent market in India is estimated of Rs. 12,000 Crores. With rapid urbanization, emergence of small pack size and increase in disposable income of people, the demand for household care products is flourishing.
- 2. Opportunities:**
 - (i) Demand for detergent is growing steadily due to rise in income of urban and rural population.
 - (ii) Demand in export market is increasing because of cost effectiveness and timely delivery schedule.
 - (iii) Direct approach to end users through retail chain like Big Bazar, Reliance Fresh, Star Bazar and D mart etc.
 - (iv) People are becoming conscious about health and hygiene.
- 3. Threats:**
 - (i) Difficult to keep consumers loyal to Company's brand.
 - (ii) Consumers are price sensitive and shift to other brand in view of promotional offers.
 - (iii) Higher advertisement and promotional expenses required for better brand building.
- 4. Operations:**

The Company has achieved turnover of Rs.3516.65 lacs and incurred a loss of Rs.22.49 lacs during the year under review compared to turnover of Rs.3164.23 lacs and loss of Rs.55.43 lacs earned during the previous year.
- 5. Risks and concerns:**
 - a. Increasing competition from multinational and domestic companies.
 - b. More interest cost due to liberal credit terms.
 - c. Margins under pressure because of higher raw material cost, interest cost, transportation cost and advertisement cost.

HIPOLIN LIMITED

6. Internal control systems:

Your company continues to place considerable emphasis and effort on the internal control systems. There is a well-established internal control system with clearly laid down powers and responsibilities, wherever necessary, that can be exercised by various levels of the Management in the Company.

7. Human Resources :

The company lays significant emphasis in nurturing the all-round development of Human Resources with special emphasis on training its employees to equip themselves to face the challenges in the competitive business environment and achieve the desired goals. In line with this objective, the performance evaluation processes are being redefined to provide dynamic interventions in assessing and developing the individual targets and synchronizing these targets to the Company's objectives and mission.

8. Cautionary Statement :

This Management Discussion and Analysis statements of the Annual Report has been included in adherence to the spirit enunciated in the code of corporate Governance approved by the Securities and Exchange Board of India, Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates expectation may be "forward-looking Statements" within the meaning of applicable securities laws and regulations. Actual result could differ materially form those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the Government regulations, tax laws and other status and other incidental factors. Further, the discussions following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to charge without notice. The Company undertakes no obligation to publicly update or revise any of the opinions of forward-looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements, and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

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COMPLIANCE CERTIFICATE

Registration No. of the Company : 04-21719
Nominal Capital : Rs. 5 Crores

To,

The Members

HIPOLIN LIMITED

A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway,
Nr, Iyava Bus Stand, Via Virochannagar (P.O) Pin Code No.-382170

I have examined the registers, records, books and papers of **M/S. HIPOLIN LIMITED** as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2012**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, on the date as mentioned in the said Annexure 'B'.
3. The Company being Public Limited Company the provisions of Section 3(1) (iii) of the Companies Act, 1956, are not applicable.
4. The Board of Directors duly met 7 (Seven) times on 30/04/2011, 30/07/2011, 27/08/2011, 30/09/2011, 25/10/2011, 31/01/2012 and 29/03/2012 during the financial year under review in respect of which meetings proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Register of members was closed from 27/09/2011 to 30/09/2011 (both days inclusive) during the Financial Year under review.
6. The Annual General Meeting for the financial year ended on 31/03/2011 was held on 30/09/2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956.
9. The Company has not entered into any contract or agreement falling within the purview of Section 297 of the Companies Act, 1956.

HIPOLIN LIMITED

10. The Company was not required to make any entries in the Register maintained under Section 301 of the Act during the financial year.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has issued duplicate share certificates during the financial year under review after following the procedure as required by the Registrar & Transfer Agent.
13.
 - (i) Sharepro Services (India) Pvt. Ltd., Registrar and Transfer Agent of company has delivered all the certificates on lodgement thereof for transfer and transmission of securities within prescribed time. There was no allotment of securities during the financial year.
 - (ii) The Company was not required to deposit the amount of dividend in a separate Bank Account as no dividend was declared during the previous financial year ending on 31st March, 2011.
 - (iii) The Company was not required to post the warrants for dividend to all members of the Company as no dividend was declared during the previous financial year ending on 31st March, 2011.
 - (iv) The Company has transferred unpaid dividend amount for the year 2003-2004 to Investor Education And Protection Fund, after due date due to delay in reconciliation by the Bank.
 - (v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There were no appointments as Additional Directors, alternate Director and Director to fill casual vacancy during the financial year.
15. The appointment and reappointment of Managing Directors/Wholetime Directors and Executive Directors were made during the year under review in compliance with the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company was not required to obtain the approval of Company Law Board, Registrar of Companies, Regional Director or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in Form No.24AA to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares / debentures / other securities during the financial year.
20. The Company has not bought back any securities during the financial year.
21. The Company has not redeemed any preference shares/debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.

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23. The Company has not accepted or renewed deposits including unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company was not required to obtain consent of the shareholders pursuant to section 293(1) (d) of the Companies Act, 1956 in respect of the borrowings made by the Company during the financial year under review.
25. The Company has not made loans or advances or given securities to other bodies corporate during the year under review. The Company has made investments in other bodies corporate during the year under review and has complied the provisions of Section 372A of the Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Company's registered office from one State to another during the financial year.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the memorandum with respect to the name of the Company during the financial year.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security deposit from its employees during the financial year.
33. The Company has regularly deposited both employees' and employer's contribution to Provident Fund with prescribed authorities which is within prescribed time limit.

FOR RAJESH PAREKH & CO.

Company Secretary

Sd/-

PLACE: AHMEDABAD

DATE: 27/08/2012

RAJESH PAREKH

Proprietor

CP.NO.: 2939

M.NO.: 8073

HIPOLIN LIMITED

ANNEXURE 'A'

Statutory and Other Registers maintained by the Company:

1. Register of Directors u/s. 303
2. Register of Members u/s. 154
3. Register of Share Transfer.
4. Minutes Book of the Board of Directors Meetings and General Meetings of the Company.
5. Register of Directors' Shareholding u/s.307
6. Register of Contracts u/s.301
7. Register of Charges u/s. 125
8. Register of Fixed Assets
9. Register of Investments
10. Register of Attendance of Board Meetings
11. Register of Attendance of General Meetings

ANNEXURE "B"

Forms and Return as filed by the Company with the Registrar of Companies, Gujarat during the financial year ended on 31/03/2012

SR. NO.	FORM NO./ RETURN	FILED UNDER SECTION	FOR	DATE OF FILING	WHETHE FILED WITHIN PRESCRIBED TIME	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEES PAID
1	Form 8	125/127	2010-11	20.05.2011	YES	N.A.
2	Form 66	383(A)	2010-11	25.10.2011	YES	N.A.
3	Form 23	192	2010-11	26.10.2011	YES	N.A.
4	Form 32	303	2010-11	26.10.2011	YES	N.A.
5	Form 32	303	2010-11	28.11.2011	NO	YES
6	Form 20B	159	2010-11	28.11.2011	YES	N.A.
7	Form 23ACXBRL & 23ACAXBRL	220	2010-11	24.12.2011	YES	N.A.
8	Form 1INV	205C	2003-04	20.01.2012	N.A.	N.A.
9	Form 25C	269(2) read with Schedule XIII	2010-11	20.01.2012	NO	YES
10	Form 25C	269(2) read with Schedule XIII	2010-11	20.01.2012	NO	YES
11	Form 25C	269(2) read with Schedule XIII	2010-11	20.01.2012	NO	YES

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AUDITOR'S REPORT

To the Shareholders of
HIPOLIN LIMITED.

1. We have audited the attached Balance Sheet of **HIPOLIN LIMITED** as at **31st March 2012** together with the Profit and Loss Account of the Company and Cash Flow Statement for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the annexure a statement on the matters specified in Paragraphs 4 & 5 of the said Order:
4. Further to our comments in the annexure referred to in paragraph-3 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;
 - c) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of account;
 - d) In our opinion the Profit and Loss account, the Balance sheet and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.
 - e) On the basis of written representations received from the directors and taken on record, we report that none of the director is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said statement of accounts read with significant accounting policies and notes thereon gives the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the **BALANCE SHEET**, of the state of the affairs of the Company as at **31st March 2012**.
 - (ii) In the case of the **STATEMENT OF PROFIT & LOSS ACCOUNT**, of the **LOSS** of the Company for the year ended on that date; and
 - (iii) In the case of the **CASH FLOW STATEMENT**, of the cash flows of the Company for the year ended on that date.

Date :27/08/2012
Place :Ahmedabad

For, HARISH S. PATEL & CO.
Chartered Accountants.
[Firm Regi. No. 1035551W]
Sd/-
[HARISH S. PATEL]
PROPRIETOR.
Membership No. 008497

HIPOLIN LIMITED

ANNEXURE TO THE AUDITOR'S REPORT

Annexure Referred to in Paragraph 3 of our report of even date:-

1. In respect of its fixed assets :

[a] The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification.

[b] The Company has not revalued its fixed assets

[c] In our opinion, the company has not disposed of substantial part of fixed assets during the period and the going concern status of the Company is not affected.

2. The Stock of securities has been verified during the period by the management. In our opinion, the frequency of verification is reasonable & adequate in relation to the size of the company and the nature of its business. The discrepancies noticed on verification between the books records and physical stock was not material. On the basis of our examination of the records, we are of the opinion that, the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and on the same basis as in the preceding period.
3. The Company has neither granted or taken any loan; secured or unsecured, to or from the companies, firms or other parties covered in the register maintained under section 301 of the Companies act, 1956. Consequently requirement of clauses 3[iii]b, 3[iii]c, 3[iii]e, 3[iii]f and 3[g] of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and also with regards to the sale of goods. During the course of our audit, no major weaknesses in internal control had come to our notice.
5. In our opinion and according to the information and explanations given to us, the Company has not made any transaction of purchase of goods and materials and sale of goods, materials and services pursuant to contract or agreement which need to be entered in the register maintained under section 301 of the Companies Act, 1956.
6. Directives, issued by the Reserve Bank of India & the provisions of the Section 58-A of the Companies Act, 1956 and the rules framed there under are not applicable as the Company has not accepted any deposits from the public.
7. In our opinion, the Company has internal Audit System commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Government for maintenance of cost record U/s 209(1)(d) of the companies act, 1956 for the products manufactured by the Company. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.
9. [a] In our opinion and according the information and explanations given to us and according to the records of the company, provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally and regularly deposited with the appropriate authorities.

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- [b] According to the information and explanation given to us, there was no undisputed liability of income-tax, Wealth-tax, Sales-tax, Custom duty and Excise duty which is remaining outstanding for a period of more than six months as at 31st March 2012.
10. The Company has accumulated losses. The Company has not incurred cash loss during the current financial year and/or the immediately preceding financial years.
 11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities, therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 13. In our opinion, the Company is not a chit fund or a nidhi, mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Audit's Report) Order, 2003 are not applicable to the company.
 14. The Company is neither dealing nor trading in shares, securities, debentures and other investments. Proper records in respect of shares, securities, debentures and other investments are maintained and timely entries are made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
 15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
 16. The company has not raised any new terms loans during the period. The terms loans outstanding at the beginning of the period were applied for the purposes for which they were raised.
 17. According to the information and explanations given to us and on overall examination of the Balance Sheet and Fund Flow Statement of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
 18. According to the information and explanations given to us, during the period covered by our audit report, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 19. No debentures have been issued by the Company and hence question of creating securities or charge in respect thereof does not arise.
 20. The Company has not raised money by way of public issue during the period
 21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the period that causes the financial statements to be materially misstated.

For, HARISH S. PATEL & CO.
Chartered Accountants.
[Firm Regi. No. 103551W]

Sd/-

[HARISH S. PATEL]
PROPRIETOR.

Membership No. 008497

Place : Ahmedabad

Date : 27/08/2012

HIPOLIN LIMITED

BALANCE SHEET AT 31/03/2012

PARTICULARS	Note No.	Current Reporting Period 31/03/2012 Amt. Rs.	Previous Reporting Period 31/03/2011 Amt. Rs.
I EQUITIES AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	1	31313000	31313000
(b) Reserves & Surplus	2	<u>60418046</u>	<u>62667671</u>
		91731046	93980671
(2) Non-current Liabilities			
(a) Long term Borrowings	3	1273962	889168
(b) Deffered tax Liability		<u>4735258</u>	<u>4385120</u>
		6009220	5274288
(3) Current Liabilities	4		
(a) Trade Payables		37640391	45060982
(b) Short term Borrowings		47623459	39607008
(c) Advances From Customers		4622031	4208933
(d) Other Current Liabilities		2899183	2468364
(e) Short term Provisions		<u>466089</u>	<u>466089</u>
		93251153	91811376
TOTAL		<u>190991419</u>	<u>191066335</u>
II ASSETS			
(1) Non current Assets			
(a) Fixed Assets			
Tangible Fixed assets	5	28327815	32582393
(b) Non Current Investments	6	7220520	8408250
(2) Current Assets	7		
(a) Trade Receivables		94895604	85807002
(b) Inventories		16253210	20698913
(c) Cash and Cash Equivalents			
Cash in Hand		275270	256159
Bank Balance with In Current Account		3885349	2982335
(d) Short Term Loans and advances		<u>40133651</u>	<u>40331283</u>
TOTAL		<u>190991419</u>	<u>191066335</u>

Significant accounting policies and notes to accounts 17

As per our Separate report of even date
For, M/s. HARISH S. PATEL & CO.
Chartered Accountants

(HARISH S. PATEL)
Proprietor
Membership No. 8497
Place : Ahmedabad
Date : 27/08/2012

Shailesh J. Shah
Managing Director
Jaykumar J. Shah
Vice-Chairman

Place : Ahmedabad
Date : 27/08/2012

For and behalf of the Board
BHUPENDRA J. SHAH
Chairman

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Statement of Profit & Loss Account For the Year ended 31st March 2012

PARTICULARS	Note No.	Current Reporting Period 31/03/2012 Amt. Rs.	Previous Reporting Period 31/03/2011 Amt. Rs.
A. REVENUE			
Revenue From Operations			
Revenue from Operations (Net)	8	351665478	316423163
Other Income	9	3869589	4909018
TOTAL REVENUE		<u>355535067</u>	<u>321332181</u>
Expenses			
Cost of Material Consumed	10	86527961	99729651
Purchase of Stock in Trade	11	171101903	134982719
Change in Inventories	12	-2144253	6650687
Employee Benefit expenses	13	19029030	16124399
Finance Cost	14	5057074	4036971
Depreciation and Amortisation Exp.	15	3004204	3021339
Other Expenses	16	74858635	61981775
TOTAL EXPENSES		<u>357434554</u>	<u>326527541</u>
Profit / (Loss) Before Exceptional and Extraordinary Item and Tax		(1899487)	(5195360)
Less : Exceptional Item		0	0
Profit / (Loss) Before Extraordinary Item and Tax		<u>(1899487)</u>	<u>(5195360)</u>
Less : Extraordinary Items		0	0
Profit / (Loss) Before Tax		<u>(1899487)</u>	<u>(5195360)</u>
Tax Expense			
Current year Tax		0	0
Deffered Tax		(350138)	(48204)
Profit / (Loss) After Tax		<u>(2249625)</u>	<u>(5243564)</u>
Profit / (Loss) For the year		<u>(2249625)</u>	<u>(5243564)</u>
Earnings per Equity Share			
(a) Basic		-0.72	-1.67
(b) diluted		-0.72	-1.67
Significant accounting policies and notes to accounts	17		

As per our Separate report of even date
For, M/s. HARISH S. PATEL & CO.
Chartered Accountants

(HARISH S. PATEL)
Proprietor
Membership No. 8497
Place : Ahmedabad
Date : 27/08/2012

Shailesh J. Shah
Managing Director
Jaykumar J. Shah
Vice-Chairman

Place : Ahmedabad
Date : 27/08/2012

For and behalf of the Board
BHUPENDRA J. SHAH
Chairman

HIPOLIN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2012 (PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGES)

(Rs.in Lacs)

	2011-12	2010-11
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX		
AND EXTRAORDINARY ITEMS ADJUSTMENTS FOR :		
Depreciation	-18.99	-51.95
Miscellaneous expenditure written off	30.04	30.21
Interest and Dividend received Net	-	0.00
Profit / (Loss) on sale of Shares	1.07	15.14
Profit / (Loss) on sale of Fixed Assets	1.09	-2.77
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	21.97	0.00
ADJUSTMENTS FOR : -		
Direct taxes paid	35.18	-9.37
Trade & other receivables	1.14	0.00
Inventories	(90.88)	77.75
Trade payables	44.45	28.64
CASH GENERATED FORM OPERATIONS	65.76	-3.75
NET CASH FROM OPERATING ACTIVITIES	55.65	93.27
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Asses	(21.09)	-5.27
Sale of Fixed Asses	40.25	5.72
Sale/ (Purchase) of investments	11.87	21.70
Interest and Dividend received Net	1.07	14.36
Loans and Advances	7.98	-100.32
Deferred Revenue Expenses	3.50	0.48
NET CASH USED IN INVESTING ACTIVITIES	43.58	-63.33
C CASH FLOW FORM FINANCING ACTIVITIES:		
Proceeds form Issue of Share Capital		
Including share premium amount	0.00	0.00
Public Issue Expenses	0.00	0.00
Proceeds form long - term borrowings	(84.01)	-45.82
Repayment of long - term borrowings	0.00	0.00
Dividend paid	0.00	0.00
NET CASH USE IN FINANCING ACTIVITIES	(84.01)	-45.82
Net Increase in Cash & Cash Equivalents (A+B+C)	15.22	-15.88
Cash & Cash Equivalents As at 1.4.2011 (Op. Bal.)	185.92	201.80
Cash & Cash Equivalents As at 31.3.2012 (Cl. Bal.)	201.14	185.92
	(15.22)	15.88

As per our Separate report of even date
For, M/s. HARISH S. PATEL & CO.
Chartered Accountants

(HARISH S. PATEL)
Proprietor
Membership No. 8497
Place : Ahmedabad
Date : 27/08/2012

Shailesh J. Shah
Managing Director
Jaykumar J. Shah
Vice-Chairman

Place : Ahmedabad
Date : 27/08/2012

For and behalf of the Board
BHUPENDRA J. SHAH
Chairman

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NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT 31/03/2012 Amt. Rs.	AS AT 31/03/2011 Amt. Rs.
NOTE 01 : SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
5000000 Equity Shares of Rs. 10 Each	50000000	50000000
	<u>50000000</u>	<u>50000000</u>
Issued Subscribed & Paid up Share Capital		
3131300 Equity Shares of Rs.10 Each Fully Paid up	31313000	31313000
	<u>31313000</u>	<u>31313000</u>

NOTES :

During the period of five financial years immediately preceding the Balance Sheet date, the company has not:

- (i) allotted any fully paid-up equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

RECONCILIATION OF NUMBER OF SHARES

PARTICULARS	Number of equity Shares	
	31/03/2012	31/03/2011
At the beginning of the year	3131300	3131300
Add : Issued during the year	0	0
As the end of the year	<u>3131300</u>	<u>3131300</u>

Rights, Preferences and Restrictions

The authorised share capital of the Company has only one class of shares referred to as 'equity shares' having a par value of '10/- each. The rights and privileges to equity shareholders are general in nature and defined under the Articales of Association

The equity shareholders shall have:

- (i) One vote and poll when present in person (including a body corporate by duly authorised representative) or by an agent duly authorised under a power of attorney or by aproxy his voting right shall be in proportion to his share of the paid equity share capital of the company. However, no member shall exercise any voting rights in respect of any share registered in his name on which any class or other sums presently Payable by him have not been paid or in regard to which the company has exercised any right of lien.
- (ii) Subject to the rights of person if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amount paid or credited as paid to the shares in respect where of the dividend is paid but if and so long as nothing is paid upon any shares in the company, dividends may be declared and paid according to the amounts of the shares.

List of Shareholders Holding More Than 5% Shares

Name of Holders	As At	As At	As At	As At
	31.03.2012	31.03.2012	31.03.2011	31.03.2011
	No. of Shares	%	No. of Shares	%
a.) Shailesh J. Shah	310700	9.92	310700	9.92
b.) Jyotiben J. Shah	275600	8.80	275600	8.80
c.) Subhash J. Shah	267600	8.54	267600	8.54
d.) Rumit B. Shah	260300	8.31	260300	8.31
e) Bhupendra J. Shah	218846	6.99	218846	6.99

HIPOLIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT 31/03/2012 Amt. Rs.	AS AT 31/03/2011 Amt. Rs.
NOTE 02 : RESERVES & SURPLUS		
CAPITAL RESERVE :	85341	85341
SECURITY PREMIUM ACCOUNT :	57428000	57428000
GENERAL RESERVE :	5585669	5585669
Add : Transfer form P & L Appropriation Account	-2680964	-431339
TOTAL	<u>60418046</u>	<u>62667671</u>
SURPLUS		
Opening Balance P/L Account	-431339	4812225
Add : Current Year Profit / Loss	-1899487	-5195360
Add : Deffered Tax Liability	-350138	-48204
TOTAL	<u>-2680964</u>	<u>-431339</u>
GRAND TOTAL	<u><u>60418046</u></u>	<u><u>62667671</u></u>

NOTE 03 : LONG TERM BORROWINGS VEHICLE LOANS FROM BANK

AMCO BANK	213192	376023
HDFC BANK	81701	233857
HDFC BANK	81701	233857
TATA CAPITAL	897367	45431
TOTAL	<u><u>1273962</u></u>	<u><u>889168</u></u>

The Vehicle loans from bank as mentioned above is secured by hypotication of Vehicles and personal guarantee of Directos.

NOTE 04 : CURRENT LIABILITIES

Trade Payables- Sundry Creditors For Goods	36397503	43857794
For Expenses	1242888	1203188

Short Term Borrowings : (Secured)		
Bank of India (C. C. A/c.)	26898159	21744669
Bank of India (O. D. A/c.)	2505256	0
Yes Bank (C. C. A/c.)	18220044	17862339

Shortterm borrowings as mentioned above is secured by hypotication of Book Debts, Stocks & Factory Land and Building, Plant & Machinery and also Office Building.

Other Current Liabilities-Advances From Customers	4622031	4208933
TDS	219097	224803
Other Liabilities	<u>2680086</u>	<u>2243561</u>
Short Term Provisions - Provision For Income Tax	466089	466089
TOTAL	<u><u>93251153</u></u>	<u><u>91811376</u></u>

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NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE : 05 TANGIBLE FIXED ASSETS

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As At 1/4/2011	Additions Rs.	Deduction Rs.	As At 31/3/2012	As At 1/4/2011	For The Year	Adjustment Rs.	As At 31/3/2012	As At 31/3/2012	As At 31/3/2011
	Rs.			Rs.	Rs.			Rs.	Rs.	Rs.
Free Hold Land	6910295	0	1054435	5855860	0	0	0	0	5855860	6910295
Factory Building	14651381	0	0	14651381	9548141	489356	0	10037497	4613884	5103240
Office Building	2902889	0	0	2902889	584812	47317	0	632139	2270750	2318077
Plant & Machinery	48214028	516563	32779362	15951229	40316657	1127198	30955416	10488439	5462790	7897371
Furniture & Fixture	2136916	6999	0	2143915	790356	126163	0	916518	1227396	1346560
Vehicles	12973163	1586335	1057898	13486500	3966313	1214170	591108	4589375	8897125	9006850
Total	87788672	2109897	34891695	54991774	55206279	3004204	31546524	26663959	28327815	32582393
Previous Year	87441252	527143	179723	87788672	52319928	3021340	751891	55206279	32582393	-----

NOTE 06 : NON CURRENT INVESTMENTS

INVESTMENTS : (AT COST)
 TRADE INVESTMENTS : (QUOTED)
 Long Term Investments :
 Investments in Shares:

Particulars	Nos.	As At 31/03/12	Market Value on	Nos.	As At 31/03/2011
		Rs.	31/03/2012		Rs.
Adani Enterprise Ltd.	---	---	---	50	32644
Adani Power Ltd.	2400	330752	164400	2400	330752
Digjam Ltd.	2500	41000	17750	2500	41000
F C S Software Ltd.	---	---	---	1000	2450
Four Soft Ltd.	---	---	---	200	4620
Global Trust Ltd.	200	4850	---	200	4850
G.M.R Infrastructure Ltd.	3000	260732	93000	3000	260732
Gujarat Gss Company	80	33470	31404	--	--
I F C I	---	--	---	---	32086
L & T Ltd.	---	---	---	150	248569
Mafatlal Ind.	104	30057	11898	104	30057
Microsec Finance	500	55391	11925	500	55391
Adani Port Economics Zone Ltd.	1625	248056	210438	3560	628474
Power Grid Corporation Ltd.	5000	771930	540750	5000	771930
Reliance Communication Ltd.	1100	443908	92400	1100	443908
Reliance Ind. Infra Ltd.	50	67630	21650	50	67630
Reliance Industries Ltd.	2752	3605580	2065651	2712	3569742
Reliance Power Ltd.	1312	458363	153701	1312	458363
Tele Data Infometric	1000	69133	1000	1000	69133
Teledata Marine Solutions	500	--	175	--	--
Teledata Technology Solutions	500	--	150	--	--
Torrent Power	750	249543	151313	750	249543
Unitech Ltd.	1300	93326	37375	1300	93326
TOTAL		6763720	3604979		7395200

HIPOLIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Investments in mutual Funds :

Particulars	Nos.	As At 31/03/12	Market Value on	Nos.	As At 31/03/2011
		Rs.	31/03/2012		Rs.
Reliance Infrastructure Fund -Divi. Plan Retail	-----	-----	-----	48900	500000
Total		0	0		500000

PARTICULARS	AS AT	AS AT
	31/03/2012	31/03/2011
	Amt. Rs.	Amt. Rs.
QUOTED SHARES	6763720	7395200
(Market value of all shares in aggregation is (Rs. 36,04,979)		
Mutual funds (write of current year account) (NAV of Mutual funds as on 31.03.2012 is 0)	0	500000
UNQUOTED A.M.C.O BANK LTD . -SHARE	21750	78000
K.C.C BANK SHARE A/C	435050	435050
TOTAL INVESTMENT	<u>7220520</u>	<u>8408250</u>

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NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT 31/03/2012 Amt. Rs.	AS AT 31/03/2011 Amt. Rs.
NOTE 07 : CURRENT ASSETS		
TRADE RECEIVABLES		
Sundry Debtors - Outstanding For Period Exceeding 6 Months	5461232	6740349
Others	89434372	79066653
	94895604	85807002
The amount dues by :		
Directors	Nil	Nil
Firm or private companies in which any director is partner or director or a member	Nil	Nil
INVENTORIES		
(As taken, valued and certified by the Management)		
Finished Goods	7171904	5027651
Packing Material	1941888	1117890
Raw Material	7139418	14553372
	16253210	20698913
CASH AND CASH EQUIVALENTS		
Cash Book	275270	256159
Bank Balances with Schd. in Current Account	3885349	2982335
	4160619	3238494
SHORT TERM LOANS AND ADVANCES		
(Loans And Advances Given To Related Party (NIL) (Secured On Unsecured)		
Advance Recoverable	16874335	17275604
Loans To Staff	1675488	1411668
Deposits	372537	269958
The amount dues by :		
Directors	Nil	Nil
Firm or private companies in which any director is partner or director or a member	Nil	Nil
FIXED DEPOSITS		
AMCO BANK LTD	1500000	1500000
BANK OF INDIA	12852650	13352240
K.C.C.B Bank LTD.	500000	500000
K.C.C.B Bank LTD.	1000	1000
YES Bank LTD.	1100000	0
OTHER CURRENT ASSETS		
	5257640	6020813
	40133650	40331283

HIPOLIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT	AS AT
	31/03/2012	31/03/2011
	Amt. Rs.	Amt. Rs.
NOTE 08 : REVENUE FROM OPERATIONS		
Sale of Product		
Manufactrued Goods - Domestic	91701039	83790692
- Exports	569625	5936500
Sales / Resales Trading	258633416	225755935
Income From Services	0	0
Windfarm Electrical Energy Income	761398	940036
less: excise duty /service tax recovered	0	0
Total	<u>351665478</u>	<u>316423163</u>
NOTE 09 : OTHER INCOME		
Profit on Sale of Van No. GJ/8475	39646	0
Profit on Sales of Land Kalyanpur/Patlka	1945565	0
Profit on Sales of Silver Mcx	109155	0
Profit on Sales of Windfarm	211919	0
Shares Sales Profit	0	276974
Refunds : Central Excise Refund	357106	0
Refunds : Income Tax	0	1219366
Dividend income: Share / Mutual Fund Dividend income	106939	135255
Cash Discount Income	113066	218847
Rate Difference A/c.	286614	1367096
Round Off	250	183
Trade Discount Income	666069	312515
Hisab Kasar	33260	0
F. D. Interest	0	1359910
I. T. Refund Interest	0	18872
Total Other Income	<u>3869589</u>	<u>4909018</u>
NOTE 10 : COST OF MATERIAL CONSUMED		
RAW MATERIAL		
Opening	14553372	9962381
Add : Purchase	67713817	95118504
Less : Closing Stock	-7139418	-14553372
PACKING MATERIAL		
Opening	1117890	1922177
Add : Purchase	12224188	8397851
Less : Closing Stock	-1941888	-1117890
TOTAL	<u>86527961</u>	<u>99729651</u>

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NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT	AS AT
	31/03/2012	31/03/2011
	Amt. Rs.	Amt. Rs.

NOTE 11 : FINISHED GOODS PURCHASE

FINISHED GOODS PURCHASE	171101903	134982719
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NOTE 12 : CHANGES IN INVENTORIES

FINISHED GOODS	Closing Stock	7171904	5027651
	Less - Opening Stock	<u>-5027651</u>	<u>-11678338</u>
TOTAL		<u>2144253</u>	<u>-6650687</u>

NOTE 13 : EMPLOYEE BENEFIT EXPENSES

Boni exp.	9340	9313
Bonus exp.	1865557	1885736
Conveyance Allowances	1497467	1203034
Labour Contract Expenses	2761544	1866103
Leave Encashment Exp.	19803	110452
Salary	4702664	4009959
Special Allowances	1626919	1212394

WELFARE EXPENSES:

Group Gratuity Insurance Sch.	700680	0
Staff House Rent	2554978	2298601
Staff Welfare Exp.	194027	188316
Provident Fund	763036	792173
Gratuity Expense	70380	230113
Managerial Remuneration	<u>2262635</u>	<u>2318241</u>
TOTAL	<u>19029030</u>	<u>16124435</u>

NOTE 14 : FINANCE COST

Interest Expenses	5057074	4036971
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NOTE 15 : DEPRECIATION AND AMORTISATION EXPENSES

Depreciation	3004204	3021339
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HIPOLIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT 31/03/2012 Amt. Rs.	AS AT 31/03/2011 Amt. Rs.
NOTE 16 : OTHER EXPENSES		
ADMINISTRATIVE AND OPERATIONAL EXPENSES :		
Legal And Consultancy Fees	961987	484761
Repairing And Maintenance	907564	863355
Travelling And Conveyance Expenses	1919454	1957227
Office And Other Miscellaneous Expenses	3497110	4159123
Loss On Investments : Share	127033	0
: Mutual Funds	114123	0
Donation	11000	163500
Advertisement And Sales Expenses	51163286	44256713
Commission And Brokerage	471349	234282
Central And Sales Taxes	1137589	611658
Pump Repairing Exp.	23655	13828
MANUFACTURING EXPENSE:		
Central Excise	8731298	4264864
Part II Excise	444722	446390
Electricity Expenses And Light Expenses	1812819	1331416
Rent Rates And Taxes:		
Cylinder Engraving Charges	84011	48429
Godown Rent	4600	12150
Municipal Taxes	65677	55176
Office Rent	180000	15000
RTO/Vehicle expense	34580	42809
INSURANCE PREMIUM:	285920	277474
For Windfarm	138554	82193
Machinery Repairing Exp.	297534	303219
CARRIAGE INWARD AND PACKING EXPENSES:		
Octroi Exp.	1212734	739479
Packing Exp.	141849	28539
STORE USE EXPENSES:	306395	214934
LABORATORIES AND LABOUR EXP.		
Laboratories Exp.	11209	15239
Labour Charges	772583	1360017
TOTAL	74858635	61981775

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NOTE 17 : NOTES FORMING PART OF THE ACCOUNTS :

(A) SIGNIFICANT ACCOUNTING POLICIES :

(a) GENERAL :

- (i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis. The accounts are prepared on historical cost basis, as a going concern and adjusted by revaluation of assets.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles and practices. The financial statements have been prepared in compliance with all material aspects of the mandatory Accounting Standard issued by the ICAI and the relevant provisions of the Companies Act, 1956.

(b) USE OF ESTIMATES:

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

(c) FIXED ASSETS & DEPRICIATION

Fixed Assets are stated at cost and adjusted by revaluation of assets.

- (i) Depreciation on Fixed Assets (including revalued assets) is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of Companies Act, 1956, read with the relevant circulars issued by the Department of Company Affairs from time to time.
- (ii) Depreciation on the assets added/disposed off during the year has been provided on pro - rata basis with reference to the date of addition / disposal.

(d) CURRENT ASSETS : Inventories are valued at lower of cost or net realizable value. Cost is arrived at as under :

RAW MATERIALS	:	FIFO
PACKING MATERIALS	:	FIFO
STOCK IN PROGRESS	:	Absorption Cost Basis
STOCK IN GOODS	:	Absorption Cost Basis

(e) INVESTMENT : All the Investments are the Company are long tem investments and the same are stated at cost.

(f) EMPLOYEE BENEFIT : Retirement benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the profit and loss account of the period in which the contributions to the respective funds accrue.

HIPOLIN LIMITED

The Company has created Employees Group gratuity fund which has taken a Group Gratuity insurance Policy fro Life Insurance Corporation of India (LIC). Premium on the above policy as intimated by LIC is charged to the profit and loss account. The adequacy of balances available is compared with actuarial valuation obtained at the period end and shortfall, if any, is provided for the profit and loss account.

Actuarial gains and losses are immediately recognized in the profit and loss account and are not deferred.

(g) TAX ON INCOME :

Current Tax is determined on the basis of the amount of tax payable in respect of taxable income for the year.

Deferred tax is calculated at current statutory income tax rate and is recognized on timing differences; being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence, are recognized and carried forward only to extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax liability can be realized.

(B) NOTES ON ACCOUNTS :

1. Previous year's figures have been regrouped, reworked, rearranged and reclassified wherever necessary.

	20011-12	2010-11
	Rs.in Lacs	Rs.in Lacs

2. CONTINGENT LIABILITIES NOT PROVIDED FOR IN ACCOUNTS :

Bank Guarantee issued in favour Government of India.	244.00	219.00
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3. Excise duty amounting to Rs.3.82 lacs (Previous year Rs.1.37 LACS) on Finished Goods not cleared is neither provided for nor the same is considered for valuation of closing stock. This has no impact on the profit of the accounting year.
4. (a) In the opinion of the Directors, Current assets, Loans and Advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.
(b) The confirmations of some of the parties for the amounts due to them / amount due from them as per books of accounts are not received. Necessary adjustments, if any, will be made when the accounts are reconciled / settled.

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5. Since it is not possible to ascertain with reasonable certainty the quantum of accruals in respect of certain Insurance and other claims, Excise and custom duty Refund, Interest on overdue bills from customers, etc., the same are to be accounted on cash basis.

6. DIRECTORS REMUNERATION	2011-12	2010-11
	Rs.	Rs.
i. Salaries	20,73,000	21,24,000
ii. Contribution to Provident and other	1,89,635	1,94,241
iii. Sitting Fee	16,500	24,000
	-----	-----
	22,79,135	23,42,241
	=====	=====

Computation of Net Profit in accordance with section 198 & 309 of the Companies Act, 1956.

Profit before Tax as per P & L Account	(1899487)	(5195360)
Add : Managerial Remuneration	2073000	2124000
Less : Profit on Sales of Fixed Assets	2197130	-----
Less : Profit on Sales of investments	109155	299028
	-----	-----
	(2132772)	(3370388)

The Company has not employed any person drawing remuneration of Rs. 5,00,000/- per month or more or Rs. 60,00,000/- per annum.

7. C.I.F Value of Imports Remittances

Expenditure and earning in foreign Currency :

		2011-12	2010-11
		QTY. (M.T) Rs. In Lacs	QTY. (M.T) Rs. In Lacs
(i)	C.I.F Value of Imports		
	Raw Materials		
	Capital Goods		
	Spare Parts		
(ii)	Expenditure in foreign		
	Currency		
	Other Expenses		
(iii)	Remittance		
(iv)	Earning in Foreign		
	Currency		
	Exports of Goods		
	Others	5.69	59.36

HIPOLIN LIMITED

8. Details of Raw Material

Consumption

(a) 1. Chemicals and Perfumes	0	0	0	0
2. Oils and Fats	0	0	0	0
3. Others	0	0	0	0
	0	0	0	0
(b) Imported and Indigeious Materials Consumption	%		%	
(I) Raw Materials				
Imported	0	0	0	0
Indigenous	0	0	0	0
	0	0	0	0
(ii) Spare Parts and Consumption	0	0	0	0
Imported	0	0	0	0
indigenous	0	0	0	0

9. Licensed and Installed

Capacity	Lincensd 2011-12	Capacity Tonnes 2010-11	Installed 2011-12	Capacity Tonnes 2010-11
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(I) Synthetic Detergent the Installed Capacity in case of Detergents Manufacturing is not ascertainable as bulk production of Detergents is by a manual process.	-----	-----	-----	-----
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10. Stock Production, Purchase and Turnovers

(i) Opening and Closing Stock

Class of Goods	2011-12		2010-11	
	Opening Stock QTY	Closing Stock Rs.	Opening Stock QTY	Closing Stock Rs.
Detergents (Kgs)	1136129	206.99	892097	162.53
	699480	91.05	1136129	206.99

(ii) Production , Purchase & Turnover

Class of Goods	Production/Purchase			Turnover		
	2011-12 Qty	2010-11 Qty	2011-12 Qty	2010-11 Lacs	2010-11 Qty	Lacs
Detergents (Kgs)	20753483	18658582	20997516	3509.04	18221933	3154.83
Generation of Electricity	735681	763978	618497	7.61	763978	9.40

NOTE : PRODUCTION INCLUDE PRODUCTION UNDER CONTRACT

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11. Impairment of Assets.

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an assets exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use the estimated future cash flows are discounted to the present value at the weighted average cost of capital. During the year there is no impairment losses on assets of the Company.

12. Employee benefits

The accounting liability on account of gratuity and leave is accounted as per AS 15 dealing with Employee benefits.

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment.

13. Related Parties Transactions :

As per Accounting Standard – 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

- (i) List of related parties where control exists and related parties, with whom transactions have taken place and relationships.

Key Managerial Personnel	Mr. Bhupendra J Shah
	Mr. Jaykumar J Shah
	Mr. Shailesh J. Shah
	Mr. Daxesh B. Shah
	Mr. Rumit B. Shah
	Mr. Vivek S. Shah
Relative of Key Management Personnel	Mr. Subhash J. Shah
	Mr. Bharat J. Shah
	Mr. Apurva S. Shah

- (ii) Transaction during the financial year 2011-12 with the related parties are shown below

Nature of Transactions	Key Managerial Persons	Relative of Key Management Persons
Remuneration and Salary.	Rs. 2262635	Rs. 1050777

HIPOLIN LIMITED

14. Deferred Tax Liability	<u>2011-12</u>	<u>2010-11</u>
	Rs.	Rs.
Difference between book and tax	4385120	4336916
Difference as on 1 st April		
Deferred Tax Liability	350138	48204
Difference between book and tax difference as on 31 st March	4735258	4385120

15. **Earning Per Share (EPS)** The earnings considered in ascertaining the company's Basic EPS in the attributable net profit or loss to the equity shareholder's as per AS -20 "Earnings per Share" issued by ICAI. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period.

Particulats	31.03.2012 Rs.
Profit / (Loss) After Tax	(2249625)
Weighted Average Numbers of shares considered as outstanding in computation of Basic EPS	3131300
Basic EPS of Face Value of Rs. 10 Each (in Rs.)	-0.72
Diluted EPS of Face Value of Rs. 10 Each (in Rs.)	-0.72

16. Based on information available with the Company the balance due to Small Enterprise as under the under MSMED Act, 2006 is 14,45,592/-.
17. Information required in terms of part iv of Schedule (VI) of the Company Act, 1956 is attached.
18. Additional Depreciation on increased amount on revaluation of Fixed Assets amounting to Rs. 263821 (Previous year Rs. 263821) is charged to Profit and loss Account
- | | | |
|-------------------------|----------------|----------------|
| 19. Payment to Auditors | <u>2011-12</u> | <u>2010-11</u> |
| | Rs. | Rs. |
| For Audit Fees (Rs.) | 105000 | 105000 |
20. In accordance with the requirements of the new Accounting Standard (AS 22) dealing with the taxes on income issued by The Institute of Chartered Accounts of India, the net deferred liability relating to previous year amounting to Rs. 161.25 lacs has been adjusted against the general reserve and profit and loss account of Rs. 78.10 lacs and 83.15 lacs respectively. The net Deferred Tax Liability for the current year of Rs. 3.50 lacs (p.y Rs.0.48 lacs) has adjusted for reversing timing difference.

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21. SEGMENTAL REPORTING

Information about Business segments (information provided in respect of revenue items for the 12 months period ended 31.03.2012. (Rs. In Lacs)

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
1) SEGMENT REVENUE		
A) SEGMENT A DETERGENT	3509.04	3154.83
B) SEGMENT B OTHERS	7.61	9.40
TOTAL	3516.65	3164.23
LESS : INTER SEGMENT REVENUE	0	0
NET SALES/INCOME OPERATION	3516.65	3164.23
2) SEGMENT RESULTS		
A) SEGMENT A DETERGENT	(23.31)	(54.71)
B) SEGMENT B OTHER	4.42	2.28
TOTAL	(18.99)	(52.43)
LESS:(i) INTEREST	0.00	0.00
(ii) OTHER UNALLOCABLE EXPENSES	0.00	0.00
NET OFF UNALLOCABLE INCOME	0.00	0.00
TOTAL PROFIT BEFORE TAX	(18.99)	(52.43)
3) CAPITAL EMPLOYED		
A) SEGMENT A DETERGENT	588.28	588.28
B) SEGMENT B OTHERS	168.29	168.29
TOTAL	756.57	756.57

22. EARNING PER SHARE

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Basic EPS		
Profit after tax as per Accounts A	(2249625)	(5243564)
Weighted Average Number of Shares Subscribed (Nos.) B	3131300	3131300
Basic EPS (Rs.) A/B	-0.72	-1.67

Place : Ahmedabad
Date : 27/08/2012

For, HARISH S. PATEL & CO.
Chartered Accountants.
[HARISH S. PATEL]
PROPRIETOR.
Membership No. 8497

HIPOLIN LIMITED

PART IV OF SCHEDULE VI OF COMPANIES ACT, 1956 (As amended)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

1.	Registration Details :	
	RegistrationNo.	04-21719/93-94
	State Code	04
	Balance Sheet Date	31 st March 2012
	Capital Raised during the year	(Rs.)
	Public Issue	Nil
	Right Issue	Nil
	Bonus Issue	Nil
	Private Placement	Nil
2.	Position of Mobilisation and Development of funds	(Rs.)
	Total Liabilities	190991419
	Total Assets	190991419
	Sources of Funds	
	Paid up capital	31313000
	Reserves & Surplus	60418046
	Long terms Borrowing	1273962
	Unsecured Loans	Nil
	Deferred Tax	-4735258
	Application of Funds	
	Net Fixed Assets	28327815
	Investment	7220520
	Net Current Assets	155443084
	Misc. Expenditure-Deferred Rev. Ex.	Nil
3.	Performance of Company Turnover	355535067
	Total Expenditure	357434554
	Loss Before Tax	1899487
	Loss After Tax	2249625
	Earning Per Share Rs.	(0.72)
	Dividend Rate	-----
	Generic names of Four Principal Products of Company :	
	a) Item code No.	3402.9
	Product Description	Detergents
	b) Item Code No.	Not ascertainable
	Product Description	Generation of Electricity (Wind Farm)

HIPOLIN LIMITED

PROXY FORM

Members Folio No. _____
DP ID _____
Client ID _____

I / We _____ being a Member /
Members of Hipolin Limited., hereby appoint _____ of
_____ or failing him _____ of
_____ as my/our Proxy to attend and vote for me/us and my/our behalf at the annual
general Meeting of the Company to be held on Saturday, 29th September, 2012 or any
adjournment thereof.

Signed this _____ Day of _____ September, 2012.

Signed by the said _____

of _____

Affix Rs. 1/- Requisites Amount
--

Note: if a member is unable to attend the meeting, he may sign this form and send it to the
Company's Registered Office at : Nilkanth Ind. Estate Sanand -Viramgam Highway,
Near. Iyava Bus Stand, Via.Virochannagar -382170, so as to reach them not less than 48
hours before the Meeting.

HIPOLIN LIMITED

Nilkanth Ind. Estate Sanand -Viramgam Highway,
Near. Iyava Bus Stand, Via.Virochannagar -382170.

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting convened at Nilkanth Ind. Estate
Sanand -Viramgam Highway, Near. Iyava Bus Stand, Via.Virochannagar -382170 on
Saturday, 29th September, 2012

Members Folio No. _____
DP ID _____
Client ID _____

Name of the Member attending the Meeting

In case of proxy, Name of Proxy

(Signature of Member/Proxy)
(To be signed at the time of handling over the slip)

Note : Members/Joint members are requested to bring the attendance slip with them.

Book Post

To,

If undelivered, please return to :
HIPOLIN LIMITED
45, Madhuban, 4 th Floor,
Nr. Madalpur Garnala,
Ellisbridge,
Ahmedabad 380 006.