

**Hitech Plast Limited  
Annual Report 2012-13**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

**Ashwin S. Dani**  
Chairman

**Rajnikant B. Desai**

**Jalaj A. Dani**

**Harish N. Motiwalla**

**Rameshchandra S. Gandhi**

**Ashwin R. Nagarwadia**

**Ina A. Dani**

**Somasekhar Sundaresan**  
(Upto 10th May, 2013)

**A.V.S. Murthy**  
Additional Director  
(w.e.f. 3rd November, 2012)

**Malav A. Dani**  
Managing Director

**Namita Tiwari**  
Company Secretary

### STATUTORY AUDITORS

**Shah & Co.**  
Chartered Accountants, Mumbai

### REGISTRAR & TRANSFER AGENT :

**Link Intime India Pvt. Ltd.**  
C-13 Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (West),  
Mumbai – 400 078.

### BANKERS

State Bank Of India  
Kotak Mahindra Bank Limited  
Standard Chartered Bank

### REGISTERED & CORPORATE OFFICE

C-130, Solaris-1, Opp. L&T Gate No. 6,  
Powai, Mumbai - 400 072.

## NOTICE

NOTICE is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING of HITECH PLAST LIMITED will be held at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai - 400 020, on Saturday, the 14th day of September 2013, at 11.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Accounts for the year ended 31st March 2013, together with the Reports of the Board of Directors and Auditors' thereon.
2. To consider and declare payment of dividend on Equity Shares for the Financial Year ended 31st March, 2013.
3. To appoint a Director in place of Mr. Ashwin R. Nagarwadia, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mrs. Ina A. Dani, who retires by rotation and being eligible, offers herself for reappointment.
5. To appoint a Director in place of Mr. Harish N. Motiwalla, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint M/s. Shah & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Shah & Co., Chartered Accountants, (Registration No. 109430W) be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such terms and conditions as to the remuneration, as shall be fixed by the Board of Directors."

### SPECIAL BUSINESS:

7. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. A.V.S. Murthy, who was appointed by the Board of Directors as an Additional Director with effect from 3rd November 2012, pursuant to the provisions of Section 260 of the Companies Act, 1956 (the Act) and Article 107 of the Articles of Association of the Company and who holds the office upto the date of the ensuing Annual General Meeting and in respect of whom the Company has received notice in writing under Section 257 of the Act from a member proposing his candidature for the office of Director and who is eligible for appointment as a Director of the Company, be and is hereby, appointed as a Director of the Company, liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 310 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendment or any substitution or any re-enactment thereof for the time being in force, read with Rule 10(b) of the Companies (Central Government's) General Rules and Forms, 1956, as amended from time to time and subject to the provisions of Articles of Association of the Company and approval of such other authorities, as the case may be, the approval of the Members be and is hereby accorded for the payment of sum of ₹ 10,000/- (Rupees Ten Thousand only) as sitting fees for each Board

meeting, attended by a Director; the payment of sum of ₹ 10,000/- (Rupees Ten Thousand only) as sitting fees for each meeting of the Audit Committee; and, the payment of sum of ₹ 5,000/- (Rupees Five Thousand only) as sitting fees for each meeting of the Remuneration Committee of the Company, attended by the Members of the respective Committee(s) with effect from 9th February, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this Resolution.”

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses as set out in the Notice is annexed hereto.
3. All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturday and Public Holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 3rd September, 2013 to 14th September, 2013 (both days inclusive).
5. The dividend on Equity Shares, if declared at the Meeting, will be credited/ dispatched between 16th September, 2013 and 23rd September, 2013 to those members whose names shall appear on the Company's Register of Members on 2nd September, 2013. In respect of dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners as on that date.
6. Members holding shares in physical form are requested to lodge Share Transfer documents and all other correspondences and queries relating to Share Transfer, Share Certificates, Change of Address etc., to the Company's Registrar and Transfer Agent i.e. Link Intime India Private Limited having their office at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai - 400 078. Members are also requested to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request to the Company. The Securities and Exchange Board of India (SEBI), vide its Circular No.MRD/DoP/Cir-05/2009 dated 20th May, 2009 and SEBI/MRD/DoP/SE/RTA/Cir-08/2010 dated 7th January, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN card to the Company for registration of physical transfer of shares and for transmission, deletion and transposition of shares in physical form.
7. Members, who still continue to hold shares in physical form, are requested to dematerialise their shares at the earliest and avail of the various benefits of dealing in securities in electronic / dematerialized form. The shareholders have the option to hold Company's shares in demat form through National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).
8. Members holding shares in the electronic form are advised to inform changes in address / bank mandate / Email ID directly to their respective Depository Participants. The address / bank mandate / Email ID as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.

9. The Company is presently using National Electronic Clearing Scheme (NECS) as an option to receive dividend through bank accounts rather than receiving the same in the form of dividend warrants. Under this option, an investor's bank account is directly credited and intimation thereof is sent by the Company to the shareholder.

This service not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate warrants.

10. Investors who would like to avail this facility and are holding shares in physical form may send in their NECS Mandate Form, duly filled in to the Company's Registrar and Transfer Agent, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai – 400 078. The NECS Mandate Form with instructions will be available at the Registered Office of the Company.
11. Investors holding shares in demat or electronic form may send in their NECS mandate to the concerned Depository Participant (DP) directly, in the format prescribed by the DP. Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or Registrar and Transfer Agent cannot make any change in such records received from the Depository.
12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Chief Financial Officer or Company Secretary at least seven days prior to the Meeting so that the required information can be made available at the Meeting.
13. Members attending the Meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
14. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
15. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
16. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
17. Information required under Clause 49 IV G of the Listing Agreement (relating to Corporate Governance) with respect to the Director being appointed and Directors retiring by rotation and being eligible seeking reappointment are as follows:

Name of the Director	: Mr. Ashwin R. Nagarwadia
Date of Birth	: 20th September, 1937
Profile	: Mr. Ashwin R. Nagarwadia is B.Sc. (Eng) and was Ex-Chairman and Managing Director of Ingersoll Rand (India) Ltd.
Date of Joining the Board	: 31st January, 2009
Directorships and Committee	: • Chembond Chemicals Ltd.
Memberships in other Companies	Member – Remuneration Committee • Henkel Chembond Surface Technologies Ltd. • Finor Piplaj Chemicals Ltd. • H2O Innovation India Ltd. • Clear Mipak Packaging Solutions Limited

No. of shares held in the Company : 5,000

Name of the Director	: Mrs. Ina A. Dani
Date of Birth	: 19th March, 1942
Profile	: Mrs. Ina A. Dani is a graduate in Fine Arts from M. S. University, Baroda. She is connected with various social activities.
Date of Joining the Board	: 30th January, 2010
Directorships and Committee Memberships in other Companies	: <ul style="list-style-type: none"> <li>• Asian Paints Ltd.</li> <li>• Coatings Specialities (India) Ltd.</li> <li>• Dani Finlease Ltd.</li> </ul>
No. of shares held in the Company	: 35,200

Name of the Director	: Mr. Harish N. Motiwalla
Date of Birth	: 24th March, 1945
Profile	: Mr. Harish N. Motiwalla is a practising Chartered Accountant and has vast expertise in the field of accounts, finance and corporate governance.
Date of Joining the Board	: 10th December, 2004
Directorships and Committee Memberships in other Companies	: <ul style="list-style-type: none"> <li>• Excel Industries Ltd. Chairman – Audit Committee</li> <li>• Ashapura Minechem Ltd.</li> <li>• LIC Mutual Fund Assets Management Co. Ltd. Chairman – Audit Committee</li> <li>• Gujarat Organics Ltd.</li> <li>• Balkrishna Synthetics Ltd.</li> <li>• Multibase India Ltd. Chairman – Audit Committee</li> <li>• Siyaram Silk Mills Ltd.</li> </ul>
No. of shares held in the Company	: 100

Name of the Director	: Mr. A. V. S. Murthy
Date of Birth	: 28th October, 1937
Profile	: Mr. A.V.S. Murthy is a member of the Institute of Cost and Works Accountant of India (ICWAI) and has worked with Asian Paints Limited for a long period of time and has a rich experience in accounts, finance, taxation, company law and legal matters.
Date of Joining the Board	: 3rd November, 2012
Directorships and Committee Memberships in other Companies	: <ul style="list-style-type: none"> <li>• Rangudyan Insurance Broking Services Ltd.</li> </ul>
No. of shares held in the Company	: NIL

Directorship and Committee membership in Hitech Plast Limited and its Committees is not included in the aforesaid disclosure. Also, Directorships in Private Limited Companies, Foreign Companies and Section 25 Companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Investor Grievance Committees of only Public Companies have been included in the aforesaid table.

The Board of Directors recommends the reappointment of Mr. Ashwin R. Nagarwadia, Mrs. Ina A. Dani and Mr. Harish N. Motiwalla. Except Mr. Ashwin S. Dani, Mrs. Ina A. Dani, Mr. Jalaj A. Dani and Mr. Malav A. Dani, none of the Directors of the Company may be deemed to be concerned or interested in Mrs. Ina Dani's reappointment as a Director of the Company.

Except Mr. Ashwin R. Nagarwadia, no other Director of the Company may be deemed to be concerned or interested in his reappointment as Director of the Company.

Except Mr. Harish N. Motiwalla, no other Director of the Company may be deemed to be concerned or interested in his reappointment as Director of the Company.

The Board of Directors also recommends appointment of Mr. A.V.S. Murthy, as a Director of the Company. Except Mr. A.V.S. Murthy, no other Director of the Company may be deemed to be concerned or interested in his appointment as Director of the Company.

**Registered Office:**

C/130, Solaris, Building No. 1,  
Opp. L & T Gate No. 6,  
Powai, Mumbai – 400 072.

By Order of the Board

18th May, 2013

**Namita Tiwari**  
Company Secretary



## ANNEXURE TO THE NOTICE

**Explanatory Statement**

[Pursuant to Section 173(2) of the Companies Act, 1956]

The following explanatory statement sets out all material facts relating to Special Businesses of the accompanying Notice of the Annual General Meeting to be held on 14th September, 2013.

**Item No. 7:**

Mr. A.V.S. Murthy was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on 3rd November, 2012. According to the provisions of Section 260 of the Companies Act, 1956 and Article 107 of the Articles of Association of the Company, he holds office as a Director only upto the date of the ensuing Annual General Meeting.

Mr. A.V.S. Murthy is a member of the Institute of Cost and Works Accountants of India (ICWAI) and has worked with Asian Paints Limited for a long period of time. He has rich experience in accounts, finance, taxation, company law and legal matters.

A notice has been received from a member along with a deposit of ₹ 500/- as required under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. A.V.S. Murthy as a Director (liable to retire by rotation) at the ensuing Annual General Meeting. A copy of the above notice is available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

The Board is of the opinion that his appointment would be of immense benefit to the Company.

The Board recommends passing of the Ordinary Resolution as set out in Item No. 7 of the accompanied Notice.

Mr. A.V.S. Murthy, being concerned, is interested in the resolution. None of the other Directors is concerned or interested in the resolution.

**Item No. 8:**

The Non-Executive/Independent Directors of the Company play a crucial role in business decisions for operations of the Company. Non-Executive/Independent Directors render valuable, constructive and beneficial services to the Company. The Non-Executive/Independent Directors of the Company are paid sitting fees for attending meetings of the Board and Committees thereof. At present the sitting fees fixed by the Board are not commensurate with the professional services rendered by the Non-Executive/Independent Directors. The Ministry of Corporate Affairs has clarified vide letter no.2/32/63-PR dated 20th September, 1963 that any resolution of the Board in regard to the fixation or increase in the Directors fee should be subject to the approval of the Company in general meeting.

Therefore, the sitting fees were revised in the Board meeting held on 9th February, 2013, subject to the approval of the Members at the General Meeting as all the Directors were concerned and interested in the resolution. As there was no disinterested quorum present, the approval of Members is sought.

The Directors recommend passing of the resolution set out in Item No. 8 of the accompanied Notice as Ordinary Resolution.

All the Directors may be deemed to be considered as interested in passing of this Ordinary Resolution as it concerns them.

**Registered Office:**

C/130, Solaris, Building No. 1,  
Opp. L & T Gate No. 6,  
Powai, Mumbai - 400 072.

By Order of the Board

18th May, 2013

**Namita Tiwari**  
Company Secretary

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Second Annual Report of your Company and the Audited Accounts for the financial year ended 31st March, 2013.

### FINANCIAL RESULTS

The financial performance of your Company, for the year ended 31st March, 2013 is summarised below:

			(₹ in Lacs)	
	HITECH PLAST LIMITED		HITECH PLAST LIMITED CONSOLIDATED	
	2012-13	2011-12	2012-13	2011-12
Gross Sales	28,686	25,536	48,128	41,776
<b>Sales (Net of Excise)</b>	25,422	23,080	43,685	38,455
Other Income	215	169	466	234
Total Income	25,637	23,249	44,151	38,689
Total Expenditure	22,686	19,879	39,328	33,989
<b>Operating Profit</b>	2,951	3,370	4,823	4,700
Interest and Financing Charges	1,291	1,231	1,830	1,751
Depreciation	810	679	1,729	1,538
<b>Profit (Before Tax)</b>	850	1,460	1,264	1,411
Less: Provision for Tax	68	407	176	407
Provision for Deferred Tax	80	(8)	50	(42)
Tax provision for earlier years	-	(37)	-	(17)
<b>Net Profit (After Tax)</b>	702	1,098	1,038	1,063
Exceptional items	-	-	-	(22)
Minority Interest	-	-	134	23
<b>Net Profit after Minority Interest</b>	702	1,098	904	1,064
Previous year balance brought forward	5,061	4,290	5,439	4,702
<b>Disposable Profit</b>	5,763	5,388	6,343	5,766
<b>Appropriations</b>				
Proposed Dividend on Equity shares	211	211	211	211
Tax on Equity Dividend	36	34	36	34
Transfer to General Reserve	53	82	53	82
<b>Balance carried to Balance Sheet</b>	5,463	5,061	6,043	5,439

### STANDALONE FINANCIALS

Net revenue from operations increased to ₹ 254 crores from ₹ 231 crores in the previous year registering a growth of 10%. The operating profit (EBIDTA) however, de-grew to ₹ 29.51 crores from ₹ 33.70 crores in the previous year. The operating margins were under pressure because of volatility in polymer prices and increase in power costs, which could not be passed to the customers, as also change in product mix to bulk packs which had a higher percentage of polymer cost. The finance and depreciation costs were higher with the commissioning of Rohtak plant expansion resulting in decrease in profit before tax from ₹ 14.60 crores to ₹ 8.50 crores

## CONSOLIDATED FINANCIALS

The consolidated revenues increased to ₹ 437 crores from ₹ 385 crores in the previous year. The net profit before minority interest decreased marginally to ₹ 9.04 crores from ₹ 10.64 crores in the previous year.

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8th February, 2011, had granted an exemption to companies from complying with Section 212 of the Companies Act, 1956, provided such companies fulfil conditions mentioned in the said circular. The Consolidated Accounts have been prepared on the basis of Audited Financial Statements received from the Subsidiary Company, as approved by its Board of Directors.

The Consolidated Financial Statements of your Company for the financial year 2012-13, have been prepared in compliance with applicable Accounting Standards and applicable Listing Agreement, as prescribed by the Securities and Exchange Board of India.

The Annual Accounts and Financial Statements of the Subsidiary Company of your Company and related detailed information shall be made available to the members on request and are open for inspection at the Registered Office of your Company.

Your Company has complied with all the conditions as stated in the said circular and accordingly has not attached the Financial Statements of the Subsidiary Company for the financial year 2012-13. A statement of summarized financials of the subsidiary including capital, reserves, total assets, total liabilities, details of investments, turnover, etc., pursuant to the General Circular issued by the Ministry of Corporate Affairs, forms part of this Report.

## DIVIDEND ON EQUITY SHARES

Your Directors are pleased to recommend for approval of the shareholders, dividend of ₹ 1.60 per share (at the rate of 16%), (Previous year ₹ 1.60 per share), on the Equity Shares of the Company for the year ended 31st March, 2013.

The proposed dividend on Equity Share Capital will absorb ₹ 2.47 crores including Dividend Distribution Tax of ₹ 0.36 crores.

## TRANSFER TO RESERVES

Your Company proposes to transfer ₹ 0.53 crores to the General Reserve. An amount of ₹ 54.63 crores is proposed to be retained in the Profit and Loss Account.

## NEW MANUFACTURING UNIT AT KHANDALA (SATARA)

The Company has started its commercial production at its new unit situated at Khandala, District Satara, Maharashtra on 30th March, 2013. The unit plans to cater to the packaging requirements of one of its major customers, namely Asian Paints Limited initially and later on to customers located in Maharashtra and nearby locations.

## MANAGEMENT DISCUSSION AND ANALYSIS

The detailed analysis on the operations and performance of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report.

## CORPORATE GOVERNANCE

Your Company is committed to good corporate governance with an emphasis on transparency, accountability and integrity. It has also complied with various standards set out by SEBI and the Stock Exchanges, where it is listed.

A separate report on Corporate Governance forms part of this Annual Report, pursuant to Clause 49 (VII) of the Listing Agreements. Your Company is compliant with the requirements of the Listing Agreements and required disclosures have been made in this regard in the Corporate Governance Report.

A certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Clause 49 of the Listing Agreements is attached to this Report.

#### **HOLDING COMPANY**

Your Company is a subsidiary of Geetanjali Trading And Investments Private Limited, which holds 60.94% of the Equity Share Capital of the Company.

#### **SUBSIDIARY COMPANY**

Your Company has only one subsidiary namely Clear Mipak Packaging Solutions Limited, which has reported this year a profit (before tax) of ₹ 4.13 crores as against loss of ₹ 0.49 crores for the previous year on account of better sales realization and increase in export sales.

The Statement pursuant to Section 212 (1) (e) and 212 (8) of the Companies Act, 1956, are given at the end of Notes to the Accounts.

#### **LISTING**

The Company's securities continue to be listed on two Stock Exchanges viz. Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). Applicable listing fees have been paid up to date.

#### **FIXED DEPOSITS**

Your Company continued accepting fixed deposits from shareholders, friends, relatives of directors and business associates which stood at an amount of ₹ 8.97 crores (including ₹ 2.26 crores payable within 12 months) against ₹ 9.26 crores at the end of previous financial year. The Company had made timely interest payments on all fixed deposits. There is no unclaimed Fixed Deposit as on 31st March, 2013.

#### **INSURANCE**

All the insurable interests of your Company including inventories, buildings, plant and machinery and other insurable statutory liabilities are adequately insured.

#### **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as prescribed under sub-Section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are provided in the Annexure to the Directors' Report. Details of expenditure and earnings in foreign currencies are given under relevant Notes to the Financial Statements.

#### **STATUTORY DISCLOSURES**

Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 (the Act) and Clause 49 of the Listing Agreements. Particulars of Employees as required under Section 217 (2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975 as amended, are given in Annexure 'A' forming part of this Report. Information under Section 217(1)(e) of the Act, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given in Annexure 'B' forming part of this Report.

## RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

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

- a. In preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. They 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 and of the profit of the Company for that year;
- c. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts for the year ended 31st March, 2013 on a going concern basis.

## BOARD OF DIRECTORS

The Board had appointed Mr. Malav A. Dani as the Joint Managing Director with effect from 5th August, 2011 for a period of five years. After the early retirement of Mr. Ashok Kumar Goyal with effect from 15th August, 2012, Mr. Malav A Dani was re-designated as Managing Director of the Company with effect from 3rd November, 2012.

Mr. A. V. S. Murthy was appointed as an Additional Director with effect from 3rd November, 2012. As per Section 260 of the Companies Act, 1956, as an Additional Director he holds office up to the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director of the Company, liable to retire by rotation.

The Company has received notice under Section 257 of the Companies Act, 1956, proposing his appointment as a Director of the Company. Resolution seeking approval of the Members for appointment of Mr. A. V. S. Murthy as a Director of the Company, liable to retire by rotation, has been incorporated in the Notice of the ensuing Annual General Meeting along with his brief profile about him. Your Directors recommend his appointment as a Director of your Company.

During the year, Mr. Hasit A. Dani resigned as a Director of the Company with effect from 16th April, 2012. Mr. Ranjan M. Kapur resigned as a Director of the Company with effect from 19th June, 2012. Mr. Ashok Kumar Goyal sought early retirement and ceased to be Managing Director with effect from 15th August, 2012. Mr. Somasekhar Sundaresan resigned as the Director of the Company with effect from 10th May, 2013.

The Board had placed on its record gratitude and appreciation for the valuable assistance, advice and support rendered by Mr. Hasit A. Dani, Mr. Ranjan M. Kapur, Mr. Ashok Kumar Goyal and Mr. Somasekhar Sundaresan, throughout their period of association with the Company.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Ashwin R. Nagarwadia, Mrs. Ina A Dani, and Mr. Harish N. Motiwalla, are liable to retire by rotation and being eligible, offer themselves, for reappointment at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice.

The above appointments, reappointments form part of the Notice of the ensuing Annual General Meeting and the relevant Resolutions are recommended for your approval.

**AUDITORS**

M/s. Shah & Co., Chartered Accountants, the present Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letters from the auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and are not disqualified for reappointment within the meaning of Section 226 of the said Act. The Statutory Auditors have also submitted a certificate to your Company that they have subjected themselves for the peer review process of the Institute of Chartered Accountants of India.

The Board of Directors recommends the appointment of M/s. Shah & Co., Chartered Accountants as the Statutory Auditors of the Company.

**COST AUDITOR**

Pursuant to the Companies (Cost Accounting Records) Rules, 2011 issued by the Ministry of Corporate Affairs for the appointment of Cost Auditors, your Company had appointed Mr. Suresh D. Shenoy as the Cost Auditor of your Company for the financial year 2011-12 to issue Compliance Report after verification of cost records of the Company and for financial year 2012-13 to carry out Cost Audit of your Company under the Chapter heading "Organic and Inorganic Chemicals". The Compliance Report for the financial year 2011-12 was filed on 1st January, 2013 well within the prescribed time limit. The due date for submission of Cost Audit Report for the year 2012-13 is within 180 days from 31st March, 2013 and the same will be submitted within the prescribed time limit.

Further, pursuant to the Companies (Cost Audit Report) Rules, 2011, issued by the Ministry of Corporate Affairs for appointment of Cost Auditors, your Company's Audit Committee and Board of Directors have approved the appointment of Mr. Suresh D. Shenoy, Cost Accountant in practice, as the Cost Auditor of your Company for financial year 2013-14 to carry out Cost Audit of Articles of Plastics & Polymer manufactured by the Company subject to the approval of the Central Government.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank and place on record their appreciation to the shareholders, customers, vendors, bankers, business associates, regulatory and government authorities for their continued support throughout the year. We look forward to their continued support in future.

Your Directors also wish to place on record their appreciation and gratitude for the contribution made by the Company's employees at all levels for their hard work and dedication during the year.

FOR AND ON BEHALF OF THE BOARD

Mumbai  
18th May, 2013

**ASHWIN S. DANI**  
CHAIRMAN



## ANNEXURE 'A' TO DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2013. (Pursuant to the Notification No. GSR 289(E) dated 31st March 2011, issued by Ministry of Corporate Affairs)

Name	Age (Yrs.)	Designation of Employee	Gross Remuneration (₹ in Lacs)	Other terms and conditions	Nature of duties of the employee	Qualifications and experience of the employee	Date of commencement of employment	Last employment held by such employee before joining the Company
Mr. Ashok K. Goyal *	62	Managing Director	58.26**	As per Notes	As per Notes	B. Tech (Mech.), PGDM, IIM 39 years of experience	31-05-1997	Muscat Cold Stores LLC
Mr. Bhupendra P. Dusara #	50	Chief Financial Officer & Company Secretary	98.86**	As per Notes	As per Notes	B.Com., A.C.A & A.C.S. 27 years of experience	01-04-2003	Coatings Specialities (India) Ltd.
Mr Atul R. Sethi \$	41	Chief Operating Officer	34.30	As per Notes	As per Notes	B. Tech, MBA, 16 years of experience	17-08-2012	Everstone Capital Advisors

\* Mr. Ashok K. Goyal retired with effect from 15th August, 2012.

# Mr. Bhupendra P. Dusara resigned with effect from 31st August, 2012.

\$ Mr. Atul R. Sethi appointed with effect from 17th August, 2012.

\*\* Inclusive of gratuity in accordance with the Company's Rules.

**Notes:**

- Gross Remuneration shown above is subject to tax and comprises of salary, special allowances, discretionary allowances, leave travel allowance, medical reimbursement, other perquisites and performance linked bonus as decided by the Board of Directors and Company's contribution towards Provident Fund.
- In addition to the above remuneration, they are entitled to Gratuity in accordance with the Company's Rules.
- Neither of the above employees are relatives of any Director of the Company, nor they hold more than 2% of the paid up equity capital of the Company.
- Nature of duties of employment of Mr. Ashok K. Goyal was contractual, governed by the terms and conditions of service agreement. Nature of duties of employment of Mr. Bhupendra P. Dusara and Mr. Atul R. Sethi is as per their letters of employment.

FOR AND ON BEHALF OF THE BOARD

Mumbai  
18th May, 2013

**ASHWIN S. DANI**  
CHAIRMAN

## ANNEXURE 'B' TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

### Conservation of Energy:

Conservation of energy serves two way purpose by not only reducing cost of production but also helping us to contribute for the environment. Your Company as a corporate entity, is always committed in the endeavor of conservation of energy and emphasizes on energy conservation at the early stage of designing manufacturing units, selection of moulding machines, electrical equipment for optimizing energy consumption by installing required equipment to improve power factor. Energy conservation continues to receive top priority in the Company and all units continued their efforts to reduce energy consumption.

#### a. Specific Energy Conservation measures are:

1. Modifications in the moulding machines helped to increase the production with the same input and reduced energy consumption.
2. Replacement of conventional lights with CFL/LED.
3. Conducting Energy Audit by independent auditors.
4. Regular monitoring and benchmarking of Energy Intensive Equipment.
5. Optimum utilisation of energy through process redesigning as well as maximum utilisation of equipment that offers improved energy efficiency.
6. Replacement of old equipment with new energy efficient equipment.

#### b. Additional investments and proposals, if any, being implemented for reduction in consumption of energy:

Nil

#### c. Impact of the measures on the cost of production of goods:

The above mentioned measures have resulted in energy saving and subsequent reduction in energy cost and hence in cost of production.

### FORM A

#### Form for Disclosure of particulars with regard to Consumption of Energy:

##### A. Power and Fuel Consumption:

ELECTRICITY		2012-13	2011-12
a.	Purchased -		
	Units ('000 Kwh)	14,983	13,494
	Total Amount (₹ in Lacs)	871.03	670.96
	Rate/Unit (₹)	5.81	4.97
b.	Own Generation		
	Through Diesel Generator -		
	Units ('000 Kwh)	2,145	2,220
	Units per ltr. of diesel oil	3.42	3.44
	Cost/ Unit (₹)	13.30	12.12
c.	Own Generation		
	Through Wind Farm -		
	Units ('000 Kwh)	1,258	1,049
	Total Amount (₹ in Lacs)	75.35	44.21
	Rate/Unit (₹)	5.99	4.21

##### B. Consumption per unit of Production:

UNIT	2012-13	2011-12
KWH / kg.	1.14	1.10



**FORM B****Disclosure of particulars with respect to technology absorption:****Research and Development (R & D):**

Your Company has made concerted efforts to establish a strong performance in the field of R&D vis-à-vis product and process development. It has a dedicated Technology Centre at Pune which carries out design, product and process innovations and improvements and has got its accreditation from the Department of Science and Technology, Government of India. The Centre in close cooperation with customers has been providing solutions for unique packaging designs which have enhanced the quality of the containers and have also helped in reducing the costs. The initiatives of the Centre include efficient usage of polymers in the product and reduction in production cycle time leading to savings in operating costs. This helped the Company in sustaining and strengthening the competitive position the Company holds in rigid packaging business.

**1. Specific areas in which R & D was carried out by the Company include:**

- a. Technical upgradation in mould design;
- b. Product and Process development.

**2. Benefits derived as a result of the above R & D:**

- a. Reduction in the weight of the containers;
- b. Enhancing life of the mould;
- c. Better utilization of manpower; and,
- d. Lower production cycle time which improved productivity.

**3. Future plan of action:**

The Company is further strengthening its R & D function to cater to the evolving needs of its customers in different segments. The focus will clearly be on providing innovative solutions which add value to our customers' business and also provide us a competitive advantage. To achieve this goal, the Company is bolstering its R&D team and also working towards embracing new technological tools.

**4. Expenditure on R & D during the year is as follows:**

	(₹ in Lacs)	
Particulars	2012-13	2011-12
(a) Capital	6.71	5.26
(b) Recurring	296.11	169.91
Total	302.82	175.17
Total R & D expenditure as a % to turnover	1.19%	0.76%

**5. Technology absorption, adaptation and innovation:**

All developments were done indigenously in last five years.

**Foreign Exchange earnings and outgo:**

Details of earnings and expenditure in foreign currencies have been given separately under Note 31 and 32 to the Financial Statements.

FOR AND ON BEHALF OF THE BOARD

Mumbai  
18th May, 2013

ASHWIN S. DANI  
CHAIRMAN

## MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis for the year ended 31st March, 2013.

In line with the accepted good corporate practices, Hitech Plast has been reporting consolidated results taking into account the results of its subsidiary namely Clear Mipak Packaging Solutions Limited.

### ECONOMY / INDUSTRY SCENARIO

The Indian economy decelerated considerably during the financial year 2012-13, growing at 5% against 7% in 2011-12 and 8.4% in 2010-11. The slow down can be attributed firstly towards slowing down of consumption demand because of strong inflation and a powerful monetary response. Secondly, starting in 2011-12, corporate and infrastructure investment started slowing both as a result of investment bottlenecks as well as the tighter monetary policy. Thirdly, a slow global economy, weighed down by the crisis in the Euro area and lastly a weak monsoon, at least in initial phase.

Only towards the end of 2012, the government announced reforms including opening up of FDI in retail and aviation sectors. Although the reforms brought back some investor confidence, domestic demand has remained sticky. Higher inflation tends to reduce real disposable incomes of households. RBI has been gradually reducing key policy rates since January 2013, but at the same time has been indicating that there is limited scope for further monetary easing. A record high current account deficit has also restrained the Indian central bank from easing policy more aggressively.

RBI has maintained that the monetary policy action by itself cannot revive growth. It needs to be supplemented by efforts towards easing the supply bottlenecks, improving governance and stepping public investment alongside continuing commitment to fiscal consolidation.

The Annual Economic Survey has estimated the GDP growth rate for FY 2013-14 to be between 6.1 to 6.7% whereas RBI has pegged the GDP growth rate to 5.7%. A significant part of our population lives below poverty level. Coupled with very low per capita income India needs to revert back to 8 to 9% GDP growth rate which is feasible considering favourable demographic profile of the population.

Your Company along with its subsidiary cater to the packaging requirements of paint, fast moving consumer goods, and agrochemical industry.

### PAINT INDUSTRY

The Indian paint industry is witnessing a slowdown both in volume and value growth this year. The volume growth has shrunk to around 8% against 12% in 2012-13, while the value growth has moderated to 15% against 22% in 2012-13.

Although the residential, commercial and retail real estate segments have significant growth potential to spur demand in the decorative paint segment, the Indian retail segment outlook during the year continues to be negative buoyed by persistent sluggish demand due to high inflation, higher construction costs and interest costs.

The outlook for the paint market going forward however, is expected to remain bullish both for decorative and industrial segments. Historically, paint industry has grown at 1.5 to 2% of GDP growth. We expect this correlation to be maintained. The paint market is estimated at ₹ 29,000 crores and is expected to reach to ₹ 50,000 crores by 2016, with per capita consumption increasing to over 4 kgs. The Company's products mainly cater to the decorative segment which contributes to 70% of paint industry in India. The prime drivers for growth in this segment will be growth on the housing sector front, rapid urbanisation, easy availability of housing loans, emergence of the middle class in India, increase in the propensity to spend and growing young population's tendency to stay in nuclear families.

## FMCG AND AGRO

The Indian FMCG is estimated at over ₹ 17,000 crores and accounts for 2.2% of the GDP of the country. Driven by robust economic growth, favourable demographic profile, rising income levels and increasing urbanisation the market size is estimated to reach ₹ 40,000 crores by the year 2020 (Source CII). Though the overall consumption spending was subdued, the secular growth trend in FMCG segment remains intact driven by favourable demographics and rising rural wages; thanks to the National Rural Guarantee Scheme and the proposed Direct Transfer Scheme.

The Agrochemical industry is currently valued at ₹ 16,000 crores and is expected to grow at 15% CAGR, to ₹ 25,000 crores by 2015 (Source ASSOCHAM). The demand is expected to be robust considering the increasing awareness about their benefits and the government thrust for increase in farm production to meet the needs of the increasing population.

## CAPITAL EXPENDITURE & EXPANSION PLANS

Your Company has completed the first phase of new manufacturing unit at Khandala, Dist. Satara, Maharashtra and commercial production from this unit started on 30th March, 2013. The overall capital expenditure incurred for this project was ₹ 21.36 crores up to 31st March, 2013.

## BUSINESS RISKS

Slow down in end user industry viz. Paints, FMCG and Agrochemicals can have an impact on Company's sales.

The raw material (polymer) prices fluctuate due to demand and supply and are linked to crude oil prices. Your Company has an arrangement with most of the customers for passing of the price increase of polymer, with a lag. Volatility in polymer prices and the lag in passing the price increases to the customers can have impact on Company's operating margins.

Inflationary pressures and increase in power and fuel prices can lead to overall increase in costs which can have impact on the Company's operating margins.

The Rupee has been volatile. Since your Company imports part of its polymer requirement, currency movement can have financial implications. Your Company has however followed prudent policy of covering exchange rate risks.

## AUDIT AND INTERNAL CONTROL SYSTEMS

Your Company's internal control systems are commensurate with the nature and size of the business. These are regularly audited by Statutory and Internal Auditors. Significant observations and follow up actions thereon are reported to the Audit Committee.

## HEALTH, SAFETY AND ENVIRONMENT

Your Company is committed towards ensuring a safe and healthy workplace for all its employees. Your Company strives to prevent all possible accidents, incidental injuries and occupational illness, through various awareness and training programmes.

Your Company is committed to meet all environmental regulatory requirements and to implement good environmental management practices.

The information required under Section 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, with respect to energy conservation is appended to and forms part of the Directors' Report.

## **RESEARCH AND DEVELOPMENT**

Your Company has a Technology Centre at Pune which carries out design, product and process innovations and improvements. The Centre, in close cooperation with customers, has been providing solutions for unique packaging designs which have enhanced the quality of the containers and have also helped in reducing the costs. The initiatives of the Centre include efficient usage of polymers in the product and reduction in production cycle time leading to savings in operating costs.

Your Company's Technology Centre has got accreditation from Department of Science and Technology, Government of India and is eligible for benefits under Section 35 (2AB) of the Income Tax Act, 1961.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Your Company's Human Resource agenda focuses on building an organisation with right talent, enhancing individual skills and organising capabilities to meet future challenges and driving greater employee engagement. Industrial relations in your Company remained cordial and peaceful during the year. The total number of employees in the Group as at 31st March, 2013 was 933. The Management of your Company deeply appreciates the commitment and contribution of all employees.

## **FINANCIAL PERFORMANCE**

Financial results and Performance for the year are elaborated in the Directors' Report.

## **CAUTIONARY STATEMENT**

The statements made in the report are based on certain projections, estimates, expectations or outlook which may be forward looking. Actual results may differ materially from those stated on account of factors such as change in government regulations, tax regimes, economic developments within India and outside influencing the related policies, exchange rate and interest rate movements, impact of competing products and their pricing, products demand and supply. The Company assumes no responsibility to publicly amend, modify or revise statements, on the basis of any subsequent developments, information or events.

**REPORT ON  
CORPORATE GOVERNANCE  
&  
GENERAL SHAREHOLDER  
INFORMATION**

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with the ultimate objective of realizing and enhancing shareholder value. Accordingly, your Company continuously endeavors to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance.

This improves public understanding of the structure, activities and policies of the organization. Consequently, your Company is striving hard towards excellence through adoption of best governance and disclosure practices so that your Company is able to attract investors and enhance the confidence of the stakeholders.

Your Company is in compliance with all the applicable rules and regulations of Securities Exchange Board of India (SEBI) as stipulated under the Listing Agreement. This chapter, along with chapters on Management Discussion and Analysis and Additional Shareholders' Information, is in compliance with Clause 49 of the Listing Agreement.

### BOARD OF DIRECTORS

#### Composition:

As on 31st March, 2013, the Board comprised of ten (10) members, one (1) of whom is the Managing Director (Promoter), three (3) Promoter Directors (including Non-Executive Chairman) and five (5) Independent Directors, of which two (2) are Non-Resident and One (1) Professional Director. The Chairman of the Company is also Promoter of the Company and hence the Company meets the stipulated requirement of having at least one-half of the Board as Independent Directors. All the Directors, except the Managing Director, are liable to retire by rotation and at least one third of the Directors liable to retire by rotation, are also eligible for re-election. During the year, Mr. Hasit A Dani, one of the Promoter Directors, resigned with effect from 16th April, 2012, Mr. Ranjan M. Kapur, Independent Director resigned with effect from 19th June, 2012 and Mr. Ashok K Goyal ceased to be the Managing Director of the Company with effect from 15th August, 2012. The details of the Directors being appointed and reappointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49(IV)(G) of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Annual Report.

#### Number of Board Meetings:

During the financial year ended 31st March, 2013, five (5) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed four (4) months. The dates on which the Board Meetings were held are as follows:

Date(s) on which the meeting(s) were held:	
14th May, 2012	3rd November, 2012
18th June, 2012	9th February, 2013
11th August, 2012	

The Board meets at least once in every quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues relating to the business of the Company. The tentative schedule of the dates of the Board Meetings proposed to be held in the succeeding year are determined in advance to review and declare the quarterly and the annual results of the Company.

All the Directors have informed your Company periodically about their Directorship and Membership on the Board Committees of other companies. As per disclosures received from Directors, none of the Directors holds Membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

The details of the composition, nature of Directorship, the number of meetings attended and the directorships in other companies of the Directors of the Company are detailed below. This table also signifies the relationship of the Directors with each other as required to be disclosed in terms of Clause 49 of the Listing Agreement:

Name of the Director	Category	Relationship with each other	Date of joining the Board	Attendance		Director ships in other companies^	Membership and Chairmanship of the Committee of the Board of other companies ##	
				At the Board Meetings	At the last AGM		Committee Member	Committee Chairman
Mr. Ashwin Dani	Non-Executive Chairman/ Promoter	Husband of Mrs. Ina Dani and Father of Mr. Jalaj Dani, Mr. Hasit Dani and Mr. Malav Dani	13.01.1992	5	Yes	6	3	1
Mr. R. B. Desai	Non-Executive/ Independent/ Non Resident	***	31.03.1994	2	No	--	--	--
Mr. R S. Gandhi	Non-Executive/ Independent	***	31.01.2005	5	Yes	1	--	--
Mr. Harish Motiwalla	Non-Executive/ Independent	***	10.12.2004	4	No	7	--	3
Mr. Jalaj Dani	Non - Executive/ Promoter	Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Hasit Dani and Mr. Malav Dani	12.09.1994	5	Yes	5	--	--
Mr. Hasit Dani	Non-Executive/ Promoter	Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Jalaj Dani and Mr. Malav Dani	27.05.2000	-	No	--	--	--
Mr. Ashok Kumar Goyal <sup>§</sup>	Managing Director **	***	31.05.1997	3	Yes	--	--	--
Mr. Malav Dani @	Managing Director **/ Promoter	Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Jalaj Dani and Mr. Hasit Dani	01.02.2008	5	Yes	3	--	--
Mr. Ranjan Kapur <sup>#</sup>	Non-Executive/ Independent	***	29.07.2006	1	No	--	--	--
Mrs. Ina Dani	Non-Executive/ Promoter	Wife of Mr. Ashwin Dani and Mother of Mr. Jalaj Dani, Mr. Hasit Dani and Mr. Malav Dani	30.01.2010	5	Yes	3	--	--
Mr. Ashwin Nagarwadia	Non-Executive/ Independent/ Non Resident	***	31.01.2009	3	No	5	--	--
Mr. Somasekhar Sundaresan**	Non-Executive/ Independent	***	28.09.2010	3	Yes	--	--	--
Mr. A.V.S. Murthy <sup>\$\$</sup>	Non-Executive/ Professional	***	03.11.2012	2	N.A.	1	--	--

NOTE: N.A. – Not Applicable

~ Mr. Hasit A. Dani resigned with effect from 16th April, 2012.

# Mr. Ranjan Kapur resigned with effect from 19th June, 2012.

\$ Mr. Ashok Kumar Goyal retired with effect from 15th August, 2012.

\$\$ Mr. A. V. S. Murthy was appointed as Additional Director with effect from 3rd November, 2012.

\* Mr. Somasekhar Sundaresan resigned with effect from 10th May, 2013

@ Mr. Malav A. Dani was appointed as the Joint Managing Director with effect from 5th August, 2011 and re-designated as Managing Director by Board of Directors in its meeting held on 3rd November, 2012.



<sup>^</sup> Excludes directorship and committee membership in Hitech Plast Limited. Also excludes directorship in Private Limited Companies, Foreign Companies, Section 25 Company and Alternate directorship.

<sup>##</sup> For the purpose of considering the limit of the Committee Memberships and Chairmanships of a Director, the Audit Committee and the Shareholders' /Investors Grievance Committee of Public Limited Companies have been considered.

<sup>\*\*</sup> The Managing Director is appointed under a service contract which is renewable after five years of appointment, as governed by the agreement entered into with the Company.

<sup>\*\*\*</sup> There is no relationship between any of the Independent Directors.

## **BOARD PROCEDURES:**

Before each meeting, the Company sends to the Board of Directors, Agenda for the meeting along with comprehensive notes and information which are material for facilitating effective discussion and decision making at the meetings. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Senior Management of the Company, which includes Managing Director, Chief Operating Officer & Chief Financial Officer of the Company, make presentations to the Board of Directors giving details of the business strategy, performance, progress and other important developments within the organization on a periodical basis. The Minutes of the proceedings of the Board of Directors are noted and draft minutes are circulated to the Members of the Board for their perusal. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions promptly.

The Board has complete access to any information within the Company including following information as specified in Annexure IA to the Clause 49 of the Listing Agreement.

- a) Annual operating plans and budgets, capital budgets, any updates;
- b) Quarterly, half yearly and annual results of the Company and its operating divisions or business segments along with consolidated results of the group;
- c) Minutes of meetings of the Audit Committee, Remuneration Committee, Investors' Grievance and Share Transfer Committee, Committee of Directors, as well as abstracts of circular resolutions passed;
- d) General notices of interest;
- e) Information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and Company Secretary;
- f) Materially important litigations, show cause, demand, prosecution, compounding of offences and penalty notices;
- g) Fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems;
- h) Any materially relevant defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- i) Any issue which involves possible public or product liability claims of a substantial nature;
- j) Details of any joint venture or collaboration agreement;
- k) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- l) Significant labour problems and their proposed solutions;
- m) Significant initiatives and developments on the human resource and industrial relations fronts;
- n) Sale of a material nature of investments, subsidiaries and assets, which are not in the normal course of business;
- o) Investment of funds of the Company;
- p) Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement;



- q) Status on legal cases, proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- r) Approval for related party transactions;
- s) Compliance reports of all the laws applicable to the Company;
- t) Minutes of the meetings of the Board of Directors of unlisted subsidiary and statement of all significant transactions and arrangements entered into by the unlisted subsidiary;
- u) Risk management reports and presentation made by Senior Management;
- v) Disclosures made by the Senior Management Personnel as to all material financial and commercial transactions, where they have personal interest;
- w) Details of non-compliance of any regulatory, statutory or listing requirements and shareholder services such as delays in share transfer; non payment of dividend and
- x) All other information which is relevant for decision making by the Board.

### **COMMITTEES OF THE BOARD:**

The Board of Directors of your Company has constituted four (4) Committees namely: Audit Committee, Remuneration Committee, Investors' Grievance and Share Transfer Committee and Committee of Directors. The terms of reference of these Committee(s) detailing their scope of work are determined by the Board from time to time. The minutes of the meetings of Audit Committee, Remuneration Committee, Investors' Grievance and Share Transfer Committee and Committee of Directors are placed before the Board of Directors for their perusal. The details as to the composition, terms of reference, number of meetings and attendance etc., of these Committees are provided hereunder:

#### **1. AUDIT COMMITTEE:**

##### **Composition and terms of reference:**

The Audit Committee comprises of three (3) Independent Directors. As on date, the members of the Audit Committee are Mr. Rameshchandra S. Gandhi (Chairman), Mr. Harish N. Motiwalla and Mr. Ashwin R. Nagarwadia, all of whom are financially literate, and two members, viz; Mr. Rameshchandra S. Gandhi and Mr. Harish N. Motiwalla have accounting and related financial management expertise. As Mr. Ranjan M. Kapur ceased to be a Member of the Committee with effect from 19th June, 2012, the Committee was reconstituted with the appointment of Mr. Ashwin R. Nagarwadia as the Member of the Committee vide Circular Resolution passed by the Board of Directors on 7th August, 2012, which was ratified in the Board of Directors Meeting held on 11th August, 2012.

The Audit Committee invites Managing Director, Chief Financial Officer, Sr. Manager – Accounts & Audit, the Statutory Auditors and the Internal Auditors to attend the Audit Committee Meeting(s). The Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee plays a key role, standing at the intersection of management, independent auditors, internal auditors and the Board of Directors. Audit Committee needs to ensure accountability on the part of management and internal and external auditors; make all groups involved in the financial reporting and internal controls process and understand their roles; gain input from the internal auditors, external auditors and outside experts when needed and safeguard the overall objectivity of the financial reporting and internal control process.

The scope of activities and terms of reference of the Audit Committee is as set out in Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.

The details as to the date(s) on which the meetings were held and the attendance details of the members of the Audit Committee during the financial year ended 31st March, 2013 are as follows:

Date (s) on which the meeting(s) were held.		
14th May, 2012	2nd November, 2012	
18th June, 2012	8th February, 2013	
10th August, 2012		
Attendance details of the members during the financial year 2012-2013		
Name	Meeting Details	
	Held during the year	Attended
Mr. Rameshchandra S. Gandhi	5	5
Mr. Harish N. Motiwalla	5	5
Mr. Ranjan M. Kapur*	5	1
Mr. Ashwin R. Nagarwadia@	5	2

\* Mr. Ranjan M. Kapur resigned as a Director with effect from 19th June, 2012.

@ Mr. Ashwin R. Nagarwadia was appointed as a Member with effect from 7th August, 2012.

The role of the Audit Committee, *inter-alia* includes the following:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and if required, the replacement or removal of the Statutory Auditors including Cost Auditor, fixing of audit fees and approving payments for any other services rendered by them.
3. Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report as per Section 217(2AA) of the Companies Act, 1956;
  - b) Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings;
  - c) Compliance with listing and other legal requirements relating to financial statements.
  - d) Disclosure of any related party transactions; and
  - e) Qualifications in the draft audit report, if any.
4. Reviewing with the management the quarterly financial statements, standalone as well as consolidated before submission to the Board for approval.
5. Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems.
6. Reviewing with the management the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing adequacy of internal audit systems and the internal audit department including the structure, staffing, reporting structure and frequency of internal audit.
8. Discussion with the internal auditors on any significant findings and follow up thereon.
9. Reviewing the Company's financial and risk management policies.
10. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. Reviewing reports furnished by the internal auditors and statutory auditors and ensuring suitable follow up thereon.
13. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
15. Reviewing with the Management and the Statutory Auditors, anticipated changes in the Accounting Standards.
16. Reviewing the statements of significant related party transactions, the financial statements and investments made by the unlisted subsidiary companies; and
17. Any other matter referred to by the Board of Directors.

Apart from the above, the Committee also reviews the Management Discussion and Analysis of the financial condition and results of operations and any other matter which may be a part of its terms of reference as specified in the Listing Agreements or referred to by the Board of Directors.

The composition, procedures, role, powers and the terms of reference of the Audit Committee are as stipulated in Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreements.

## **2. REMUNERATION COMMITTEE:**

### **Composition and terms of reference:**

As on date, the Remuneration Committee comprises of three (3) Independent Directors, which is responsible for determining and recommending to the Board, the remuneration payable to the Managing Director and Joint Managing Director of the Company.

The role of the Remuneration Committee, inter-alia includes the following:

1. All elements of remuneration package of Managing Director and Joint Managing Director summarized under major groups, such as salary, perquisites, performance pay etc.
2. Details of fixed component and performance linked incentives, alongwith the performance criteria.
3. Service Contracts, notice period, severance fees, etc.

The Members of the Committee are Mr. Rameshchandra S. Gandhi (Chairman), Mr. Harish N. Motiwalla, and Mr. Ashwin R. Nagarwadia. Mr. Ranjan M. Kapur ceased to be a Member of the Committee with effect from 19th June, 2012.

During the financial year 2012-13, only one meeting of the Committee was held on 18th June, 2012.

Attendance details of the members during the financial year 2012-2013

Name	Meeting Details	
	Held during the year	Attended
Mr. Rameshchandra S. Gandhi	1	1
Mr. Harish N. Motiwalla	1	1
Mr. Ashwin R. Nagarwadia	1	0
Mr. Ranjan M. Kapur*	1	0

\* Mr. Ranjan M. Kapur resigned as a Director w.e.f. 19th June, 2012.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### **REMUNERATION POLICY:**

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industry practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance earmarked objectives.

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance pay. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and the individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The remuneration of Directors is based on the Company's size, performance and market trends.

**Details of the remuneration paid/payable to the Directors of the Company are as follows:**

#### **MANAGING DIRECTOR:**

The remuneration payable to the Managing Director of the Company is recommended by the Remuneration Committee to the Board. The criteria adopted by the Committee to determine the remuneration of the Managing Director is the performance of the Company and the industry benchmarks. The Company enters into agreements with the Managing Directors of the Company, detailing their terms of employment and remuneration, which are placed before the Board of Directors as well as the Shareholders of the Company for approval. The agreement with the Managing Director is for a period of five years and renewed thereafter on mutually accepted terms and conditions. At the Board Meeting held on 4th August, 2011, the contract of Mr. Ashok K. Goyal, Managing Director was extended from 2nd April, 2012 till 23rd February, 2016, till he reaches the age of 65 years and at the Board Meeting held on 4th February, 2012, the Company re-appointed Mr. Ashok K. Goyal as the Managing Director of the Company for the period 2nd April, 2012 to 23rd February, 2016, on remuneration recommended by the Remuneration Committee subject to Shareholders approval which was obtained in the 21st Annual General Meeting of the Company held on 11th August, 2012. The Company had executed a contract with Mr. Ashok K. Goyal as the Managing Director regarding his terms and conditions of appointment on 2nd April, 2012. In accordance with the terms of the agreement, his appointment can be terminated by giving three months notice in writing. No severance fees is payable to him on termination of employment. No sitting fees for attending the meetings of the Board or Committee(s) thereof shall be paid to the Managing Director.

However, Mr. Ashok K. Goyal had sought early retirement and ceased to be the Managing Director with effect from 15th August, 2012. Accordingly, the agreement dated 2nd April, 2012, regarding his terms of employment stand terminated automatically.

**JOINT MANAGING DIRECTOR:**

At the Board Meeting held on 4th August, 2011, Mr. Malav A. Dani, Director was appointed as the Joint Managing Director of the Company with effect from 5th August, 2011, for a period of 5 years and at the Board Meeting held on 5th November, 2011, the remuneration payable to Mr. Malav A Dani was finalized subject to the approval of the Shareholders. Accordingly, in the 21st Annual General Meeting, Shareholders approval was taken for appointment of Mr. Malav A. Dani as the Joint Managing Director and for payment of remuneration. The Company had executed the contract with Mr. Malav A Dani as the Joint Managing Director regarding his terms and conditions of appointment on 31st August, 2012.

Primary responsibility of Mr. Malav A. Dani is to oversee, monitor and review the operations of the Company along with the subsidiary company, Clear Mipak Packaging Solutions Limited and later on get involved in all aspects of the Company's operations to improve the performance of the Company. At the Board Meeting held on 3rd November, 2012, Mr. Malav A. Dani was re-designated as the Managing Director of the Company as Mr. Ashok K Goyal had sought early retirement and ceased to be the Managing Director of the Company.

In accordance with the terms of the agreement, Mr. Malav A. Dani's appointment can be terminated by giving three months notice in writing by either side. No severance fees is payable to him on termination of employment. No sitting fees for attending the meetings of the Board or Committee(s) thereof shall be paid to him.

**ADVISOR:**

Mr. Ashwin S. Dani, the Chairman was appointed as an Advisor on 30th May, 2009, subject to the shareholders approval in the 18th Annual General Meeting held on 26th September, 2009 and the Central Government opinion, with effect from 1st October, 2009. Post shareholders approval in the general meeting, necessary application was filed with the Central Government. The opinion was obtained on 16th March, 2010, from the Central Government.

Accordingly, the Chairman is entitled to the following:

- (i) A chauffeur driven car for office as well as for personal purposes;
- (ii) Telephone facilities at home and office;
- (iii) Reimbursement of travelling expenses on Company's work in India and foreign countries;
- (iv) Reimbursement of such other expenses incurred on behalf of the Company.

The amount of expenses reimbursed and value of perquisites for the year was ₹ 4.97 lakhs.

**NON-EXECUTIVE DIRECTORS:**

The Non-Executive/Independent Directors of the Company play a crucial role for ensuring the quality of corporate governance in a Company. They constitute a necessary component of a balanced Board structure where the in-depth knowledge of the executive directors is blended with the wider experience, unbiased opinions and knowledge of the Independent Directors. The contribution of the Non-Executive Directors is rewarded by paying commission on the basis of their performances and their commitment towards attending the meetings of the Board.

The commission paid to the Non-Executive Directors of the Company is within the limits set under Section 309 of the Companies Act, 1956 and the limits approved by the shareholders at their meeting held on 26th September, 2009. The commission payable is determined as a percentage to the net profits of the Company (as determined under Section 349 and 350 of the Companies Act, 1956).

Apart from commission, the Non-Executive Directors are also paid sitting fees of ₹ 5,000/- (Rupees five thousand only) for attending the meeting(s) of the Board of Directors and Audit Committees and ₹ 2,000/- (Rupees two thousand only) per meeting of the Remuneration Committee and the Committee of Directors. At the Board Meeting held on 9th February, 2013, the sitting fees was revised to ₹ 10,000/- (Rupees Ten Thousand only) per meeting, for attending the meeting(s) of the Board of Directors and Audit Committee and ₹ 5,000/- (Rupees Five Thousand only) per meeting for attending the meeting(s) of Remuneration Committee subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company has not granted any Stock Options to any of its Directors.

Details of Remuneration paid to the Directors in the Financial year 2012-13 are as follows :

(Figures in ₹)

Name of the Director	Salary	Perquisites @	Sitting Fees	Performance Linked Bonus	Commission	Total
Ashok K. Goyal*	22,50,000	35,76,356	--	--	--	58,26,356
Ashwin Dani	--	4,97,467	42,000	--	54,000	5,93,467
Ina Dani	--	--	30,000	--	54,000	84,000
R. B. Desai	--	--	15,000	--	--	15,000
Rameshchandra Gandhi	--	--	57,000	--	1,60,000	2,17,000
Ranjan Kapur#	--	--	10,000	--	22,000	32,000
Harish Motiwalla	--	--	52,000	--	1,00,000	1,52,000
Jalaj Dani	--	--	38,000	--	54,000	92,000
Hasit Dani\$	--	--	2,000	--	--	2,000
Malav Dani	27,00,000	8,10,651	--	2,00,000	--	37,10,651
Ashwin Nagarwadia	--	--	30,000	--	90,000	1,20,000
Somasekhar Sundaresan**	--	--	15,000	--	30,000	45,000
A.V.S. Murthy^	--	--	15,000	--	25,000	40,000

@ Perquisites include Company's contribution to provident fund, medical and leave travel allowance etc., as well as monetary value of perquisites as per Income Tax Rules.

\$ Resigned with effect from 16th April, 2012.

# Resigned with effect from 19th June, 2012.

\* Resigned with effect from 15th August, 2012.

^ Appointed with effect from 3rd November, 2012.

₹15,00,000/- was paid as professional fees to Mr. A.V.S. Murthy during the year 2012-13.

\*\* Resigned with effect from 10th May, 2013.

#### Directors with materially significant, pecuniary or business relationship with the Company:

Notes to the Financial Statements furnish the transactions with related parties, as stipulated under Accounting Standard 18 (AS-18). Apart from the aforesaid related party transactions, there are no transactions of material nature with the Directors or their relatives etc., which may have a potential conflict with the interest of the Company. Disclosures to this effect have also been received from the Directors and the Senior Managerial Personnel of the Company.

There is no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the commission payable to them annually. Mr. Harish N. Motiwalla, an Independent Director of the Company is a Partner of M/s H. N. Motiwalla & Co., Chartered Accountants, which has been paid fees for some professional services provided by them to the Company during the year. The quantum of fees paid to M/s H. N. Motiwalla & Co. is an insignificant portion of their total revenue; thus M/s. H. N. Motiwalla & Co. is not to be construed to have any material pecuniary or business association with the Company. Mr. A.V.S. Murthy was paid professional fees for the services rendered by him.



**Shareholding of the Executive and Non-Executive/Independent Directors of the Company as on 31st March, 2013:**

<b>Name of the Director</b>	<b>Nature of Directorship</b>	<b>Number of Shares held *</b>	<b>Percentage to the paid-up capital *</b>
Ashwin Dani	Non-Executive Chairman – Promoter Director	1,50,095	1.14
R. B. Desai	Non-Executive/ Independent/ Non-Resident	--	--
Rameshchandra Gandhi	Non-Executive/ Independent	3,880	0.03
Harish Motiwalla	Non-Executive/ Independent	100	0.0008
Jalaj Dani	Non-Executive/ Promoter Director	25,100	0.19
Malav Dani @	Managing Director/ Promoter Director	30,000	0.22
Ashwin Nagarwadia	Non-Executive/ Independent/ Non-Resident	5,000	0.04
Ina Dani	Non-Executive/ Promoter Director	35,200	0.27
Somasekhar Sundaresan#	Non-Executive/Independent	--	--
A.V.S. Murthy~	Non-Executive/Professional	--	--
<b>TOTAL</b>		<b>2,49,375</b>	<b>1.89</b>

@ Re-designated as Managing Director from Joint Managing Director with effect from 3rd November, 2012.

~ Appointed with effect from 3rd November, 2012.

# Resigned with effect from 10th May, 2013.

\* As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

**3. INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE:**

The Investors' Grievance and Share Transfer Committee consisted of Mr. Ashwin S. Dani as the Chairman, Mr. Ashok K. Goyal, Mr. Jalaj A. Dani, Mr. Hasit A. Dani and Mr. Malav A. Dani as the members. Mr. Hasit A. Dani and Mr. Ashok K Goyal ceased to be the Members of the Committee with effect from 16th April, 2012 and 15th August, 2012 respectively. The Committee monitors redressal of investors' grievances on regular basis.

The terms of reference of the Committee include the following:

1. power to redress the shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
2. power to delegate share transfer to an officer or a committee or to the registrar and share transfer agents to expedite the process of share transfers;
3. power to affix the Common Seal of the Company on Share Certificates;
4. power to approve share transfer, transmission, transposition, sub-division, split-up, consolidation, issue of duplicate share certificates and to do all such related matters as may be necessary in accordance with the Company's Articles of Association;
5. to approve the register of members as on the record date(s) and/or book closure dates for receiving dividends and other corporate benefits;

6. to review correspondence with the shareholders and take appropriate decisions in that regard;
7. to recommend measures for overall improvement in the quality of services to investors;
8. any other matter as may be delegated by the Board from time to time.

During the financial year ended 31st March, 2013, the Investors' Grievance and Share Transfer Committee met 15 times.

Due to the resignation of Mr. Bhupendra P. Dusara as the Compliance Officer, Mr. Mahavir S. Jain was appointed as the Compliance Officer of the Company with effect from 1st September, 2012, to fill the immediate vacancy. In compliance with the Listing Agreements, Ms. Namita Tiwari, Company Secretary of the Company, was appointed as the Compliance Officer with effect from 21st May, 2013.

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31st March, 2013 are given as follows:

Nature of Complaints	Received	Replied
Non receipt of dividend warrants	37	37
Total	37	37

All the complaints as at the end of the financial year 31st March, 2013, stood resolved and no complaints were pending for redressal.

#### 4. COMMITTEE OF DIRECTORS:

The Board of Directors of the Company has constituted Committee of Directors consisting of Mr. Ashwin S. Dani as the Chairman, Mr. Ashok K. Goyal, Mr. Jalaj A. Dani, Mr. Hasit A. Dani and Mr. Malav A. Dani as the members. Mr. Hasit A. Dani and Mr. Ashok K Goyal ceased to be the members with effect from 16th April, 2012 and 15th August, 2012, respectively. The Committee meets for deciding the matters relating to various operations of the Company, when the need arises.

During the financial year ended 31st March, 2013, the Committee met 6 times.

The terms of reference of the Committee include the following:

1. power to open and/or close cash credit accounts, current accounts and collection accounts with scheduled banks and authorising officials of the Company for operating the various bank accounts from time to time. Power also to make addition and/or deletion of names of authorised signatories for operating the various bank accounts, from time to time;
2. power to appoint staff, technical or professional, at a salary exceeding ₹ 25,00,000/- (Rupees Twenty Five Lacs only) but not exceeding ₹ 50,00,000/- (Rupees Fifty Lacs only) per annum per employee;
3. Power to appoint advisors, retainers, consultants exceeding ₹ 3,00,000/- (Rupees Three Lacs only) but not exceeding ₹ 6,00,000/- (Rupees Six Lacs only) per month;
4. power to approve capital expenditure proposals exceeding ₹ 50,00,000/- (Rupees Fifty Lacs only) but not exceeding ₹ 1,00,00,000/- (Rupees One Crore only);
5. power to approve disposal of assets exceeding value of ₹ 5,00,000/- (Rupees Five Lacs only) but not exceeding ₹ 10,00,000/- (Rupees Ten Lacs only);
6. power to borrow moneys otherwise than on debentures, pursuant to Section 292(1)(c) of the Companies Act, 1956, to the extent of ₹ 10,00,00,00,000/- (Rupees One Thousand Crores only) and to create the security for any such amount;
7. power to make loans to subsidiary company namely Clear Mipak Packaging Solutions Limited with an overall limit of ₹ 25,00,00,000/- (Rupees Twenty Five Crores Only);



8. power to make loans, pursuant to Section 292(1)(e) of the Companies Act, 1956, to any employee of the Company utilising the funds of the Company, within an overall limit of ₹ 30,00,000/- (Rupees Thirty Lacs only) outstanding at any one time and that the loan given to any employee shall in no case exceed ₹ 5,00,000/- (Rupees Five Lacs only).
9. power to enter into derivative transactions with Bank/financial institutions to hedge the funding of External Commercial Borrowings (ECB) by Principal only swap (POS) and Coupon only swap (COS);
10. any other matters as may be delegated by the Board from time to time.

#### SUBSIDIARY COMPANY:

Your Company in terms of Clause 49 (III) of the Listing Agreements requires at least One Independent Director on the Board of Directors of the holding Company to be a Director on Board of Directors of a material non-listed Indian subsidiary company whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiary in the immediately preceding accounting year. Accordingly, Mr. Rameshchandra Gandhi, an Independent Director of the Company is on the Board of Clear Mipak Packaging Solutions Limited.

The Audit Committee reviews the financial statements including investments and the list of significant transactions and arrangements by the unlisted subsidiary of the Company from time to time. Also, copies of the minutes of the meetings of the unlisted subsidiary of the Company are placed before the Board of the Company on a periodical basis.

#### CEO/CFO CERTIFICATION:

As required by Clause 49 (V) of the Listing Agreements, the CEO/CFO Certificate signed by Mr. Malav Dani, Managing Director and Mr. Satish Samant, Chief Financial Officer, was placed before the Board of Directors at their meeting held on 18th May, 2013.

#### GENERAL BODY MEETINGS :

The venue and time of the last three Annual General Meetings of the Company are as follows :

Year	Location	Meeting Date	Time	No. of Special Resolutions set out at the AGM
2011-12	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020	11th August, 2012	11.30 a.m.	2
2010-11	Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai - 400 020	30th July, 2011	11.30 a.m.	Nil
2009-10	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020	4th September, 2010	11.30 a.m.	Nil

All Special Resolutions set out in the respective notices for the last three AGMs were passed by the shareholders at their respective meetings unanimously. No Postal Ballot was conducted during the year. None of the Resolutions was proposed to be passed by postal ballot.

#### DISCLOSURES:

##### 1. Disclosures on materially significant related party transactions:

The Company has not entered into any transaction of a material nature except transactions with related parties which are furnished under Notes to the Financial Statements as stipulated under Accounting Standard 18 (AS-18) with the Promoters, Directors or the Management, their subsidiaries or relatives etc. All transactions were carried out on an arms length basis and were not prejudicial to the interest of the Company.

**2. Details of non-compliance(s) by the Company:**

The Company has complied with all the requirements of the Stock Exchange(s) or Securities Exchange Board of India (SEBI) on matters related to Capital Markets or any other matter, as applicable from time to time. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

**3. Disclosure of Accounting Treatment:**

The Company follows Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act, 1956. In preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standard(s).

**4. Details of compliance with mandatory and non-mandatory requirements of Clause 49 of the Listing Agreements:**

Your Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreements. Following is the status of the compliance with the non-mandatory requirements:

**a. Non-Executive Chairman's Office :**

The Non-Executive Chairman of your Company has separate office in his capacity as the Vice-Chairman at Asian Paints Ltd., 6A, Shantinagar, Santacruz (East), Mumbai - 400 055 and hence a separate office is not maintained.

**b. Remuneration Committee :**

The Company has constituted a Remuneration Committee comprising of Independent Directors. The Remuneration Committee determines the remuneration payable to the Managing Director / Joint Managing Director of the Company.

**c. Shareholder's Rights :**

Quarterly Results of the Company are available on the Company's website.

**d. Audit Qualifications :**

During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

**e. Training of Board Members :**

The Managing Director/Joint Managing Director and other Senior Management Personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives etc. and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time.

Any new Director who joins the Board is presented with a brief background of the Company and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for prevention of Insider Trading.

**f. Mechanism for evaluating Non-Executive Board Members :**

The Company does not have a formal mechanism for evaluation of the performance of the Non-Executive Members of the Board. However, the commission paid to them is based on their overall performance and their commitment towards attending the meetings of the Board and devoting time and attention to the affairs of the Company.

**g. Whistle Blower Policy :**

The Company does not have a formal Whistle Blower Policy; however, the Company has its intranet portal, wherein all the employees are free to express their feedback/suggestions/complaints, if any at suggestions@hitechplast.in and feedback@hitechplast.in. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company.

**5. Risk Management :**

In connection with the External Commercial Borrowing (ECB) the Company has framed a Risk Management Policy as per the details below:

- a. To ensure that all derivative transactions entered into are consistent with the commercial objectives and risk appetite of the organisation.

- b. To ensure it understands the inherent risks associated with derivative products.
- c. To review outstanding positions and their mark to market periodically.
- d. To ensure periodic audit is done to review the effectiveness of internal control measures and policy guidelines.

#### 6. Code of Conduct for the Board of Directors and Senior Management Personnel:

The Board of Directors at their meeting held on 31st January, 2005, had adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company in consonance with the requirement under Clause 49(I) (D) of the Listing Agreements. The Code of Conduct has been posted on the website of the Company. All the Board members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2013. The declaration to this effect signed by Mr. Malav A Dani, Managing Director of the Company forms part of this report.

#### 7. Code of Conduct for Prevention of Insider Trading:

The Board of Directors at their meeting held on 5th November, 2011, adopted a New Code of Conduct for Prevention of Insider Trading in accordance with the Securities Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2011. All the Directors, Senior Management Personnel and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company, are covered under the said code. The Directors, their relatives, Senior Management Personnel, designated employees etc. are restricted in dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during certain periods known as "Quiet Period". All the Directors, Senior Management Personnel and other designated employees of the Company are restricted from entering into opposite transaction, i.e. buy or sell any number of shares during the next six months following the prior transaction and they also are restricted from taking any position in derivative transactions in the shares of the Company at any time, as per the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2011. Ms. Namita Tiwari, Company Secretary of the Company is the Compliance Officer.

#### 8. Management Discussion and Analysis:

This annual report has a detailed section on Management Discussion and Analysis.

#### MEANS OF COMMUNICATION:

- (a) Quarterly/Half-Yearly/Nine-months and Annual Financial Results of the Company are published in the Mumbai editions of Free Press Journal, Navshakti and all India editions of Business Standard. The Financial results for the last two quarters and Annual financial results for the year 2012-13 were published in all India editions of Business Standard and Mumbai edition of Mumbai Lakshadeep.
- (b) The results of the Company are also posted on the Company's corporate website: [www.hitechplast.in](http://www.hitechplast.in).
- (c) All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto for each financial year.
- (d) Your Company provides necessary information to the Stock Exchanges in terms of the Listing Agreements and other rules and regulations issued by Securities Exchange Board of India.

#### GREEN INITIATIVE IN CORPORATE GOVERNANCE:

Pursuant to Circular No. 17/2011 dated 21st April, 2011, Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving notices, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company.

Your Company encourages the shareholders to register their e-mail addresses with the Company or its Registrar and Transfer Agent, Link Intime India Private Limited by sending a letter signed by the shareholder on addresses given below and intimate changes in the e-mail address from time to time.

#### HITECH PLAST LIMITED

C/130, Solaris, Building No. 1,  
Opp. L&T Gate No. 6,  
Powai, Mumbai 400 072  
Tel.: 022-4001 6500, Fax : 022-2857 4665  
E-mail : [investor.help@hitechplast.in](mailto:investor.help@hitechplast.in)

#### LINK INTIME INDIA PRIVATE LIMITED

Unit: Hitech Plast Limited  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (West), Mumbai - 400 078  
Tel.: 022-2596 3838, Fax: 022-2596 2691  
E-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

**GENERAL SHAREHOLDER INFORMATION****22nd Annual General Meeting of the Company:**

Date	Saturday, 14th September, 2013
Venue	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai – 400 020
Time	11.30 a.m.

**Financial Calendar:**

Financial year : 1st April to 31st March

For the year ended 31st March 2013 financial results were announced on:

11th August, 2012	First Quarter
3rd November, 2012	Second Quarter and Half Yearly
8th February, 2013	Third Quarter and Nine Months
18th May, 2013	Fourth Quarter and Annual

For the financial year ending on 31st March, 2014, financial results will be announced as per the tentative schedule mentioned below:

On or before 15th August, 2013	First Quarter
On or before 15th November, 2013	Second Quarter and Half Yearly
On or before 15th February, 2014	Third Quarter and Nine Months
On or before 30th May, 2014	Fourth Quarter and Annual

**Book Closure Date:**

The dates of book closure are from 3rd September, 2013 to 14th September, 2013, inclusive of both days.

**Dividend Payment Date:**

A final dividend of ₹ 1.60 (16 per cent) per equity share has been recommended in the Board of Directors meeting held on 18th May, 2013 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be credited/ dispatched between 16th September, 2013 and 23rd September, 2013:

- to those members whose names appear on the Company's Register of Members, after giving effect to all valid share transfers in physical form lodged on or before 2nd September, 2013.
- in respect of shares held in electronic form, to those members whose names appear in the statement of beneficial ownership furnished by NSDL and CDSL as at the closing hours of 2nd September, 2013.

The details of dividend declared and paid by the Company for the last five years are as below:

Year	Percentage (%)	In ₹ per share	Dividend Amount (₹ in Lacs)
2007-2008	10%	1.00	131.76
2008-2009	11%	1.10	144.93
2009-2010	15%	1.50	197.64
2010-2011	16%	1.60	210.81
2011-2012	16%	1.60	210.81

**Listing:**

The Company's shares are listed on:

- BSE Limited (BSE)  
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai 400 001.
- National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

The Stock Exchange codes assigned to your Company's shares are as follows:

Stock Exchange	Codes
BSE	526217
NSE	HITECHPLAS

**Listing and Custodial fees:**

The Company has paid the Listing Fees for the financial year 2013-2014 to the Stock Exchange(s) on which Company's shares are listed. The Company has also paid custodial fees for the year 2013-2014 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is INE120D01012.

**Stock Price Data:**

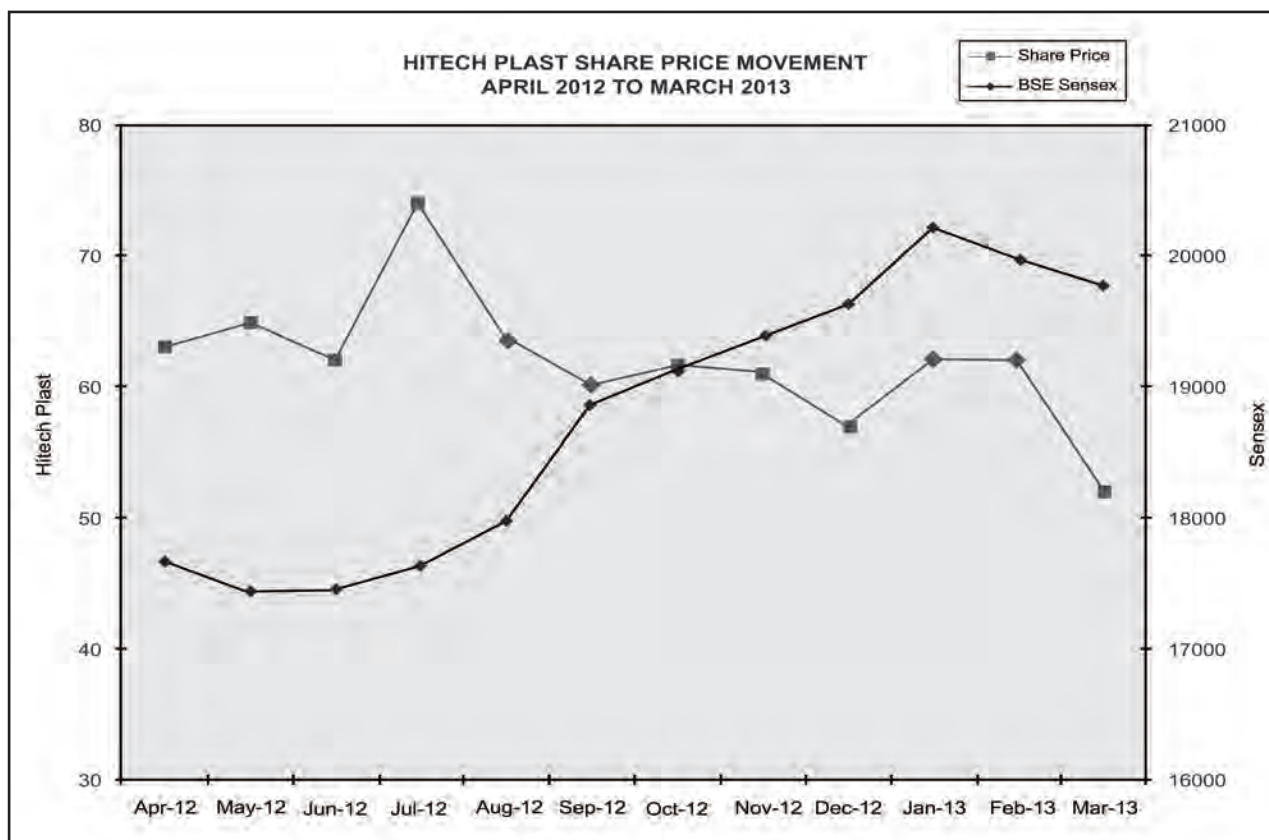
The monthly high and low prices and volumes of your Company's shares at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2013 are given as follows:

Month	High (₹)		Low (₹)		Volume (No. of Shares)		Date on which it touched the high		Date on which it touched the low	
2012-13	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
April	63.00	63.00	52.50	52.85	1,91,382	1,36,633	11.04.2012	28.04.2012 30.04.2012	26.04.2012	09.04.2012
May	64.80	61.60	46.00	48.25	67,543	24,013	03.05.2012	10.05.2012	15.05.2012	15.05.2012
June	62.00	62.90	51.00	48.20	81,670	33,765	26.06.2012	26.06.2012	06.06.2012	15.06.2012
July	74.00	73.90	57.00	57.00	1,74,827	1,70,662	05.07.2012	04.07.2012	12.07.2012	02.07.2012
August	63.50	64.05	55.05	55.50	34,762	32,615	01.08.2012	01.08.2012	29.08.2012	29.08.2012
September	60.00	60.90	54.05	53.00	29,843	33,609	21.09.2012	24.09.2012	03.09.2012	07.09.2012
October	61.55	60.00	52.55	53.25	49,837	56,566	08.10.2012	08.10.2012	30.10.2012	30.10.2012
November	61.00	60.00	52.00	51.80	78,539	39,327	22.11.2012	13.11.2012	06.11.2012	06.11.2012
December	56.90	59.10	52.00	53.00	41,289	34,659	04.12.2012	07.12.2012	26.12.2012	04.12.2012
January	62.00	62.80	54.30	54.80	83,151	43,502	07.01.2013	07.01.2013	02.01.2013	02.01.2013
February	61.90	62.80	49.20	49.75	35,929	15,507	04.02.2013	05.02.2013	28.02.2013	27.02.2013
March	52.00	54.70	39.00	37.30	45,379	33,954	18.03.2013	12.03.2013	25.03.2013	21.03.2013

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade in Hitech Plast's Shares on BSE & NSE.



Below mentioned Chart shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of BSE Sensex for the year 2012-2013:



The performance of the Company's share price as at the beginning and end of the financial year 2012-13 is given as follows:

Share Price	Name of The Stock Exchange	
	BSE	NSE
Price as on 1st April, 2012 (₹)	57.95	55.30
Price as on 31st March, 2013 (₹)	44.05	44.10
Change in Value (₹)	(13.90)	(11.20)
% Change	(23.99%)	(20.25%)

#### Share Transfer System:

The share transfer activities in respect of the shares in physical mode are carried out by the Company's Registrar and Share Transfer Agent (RTA). The Shares lodged for transfer are processed and returned within the stipulated time. The applications and requests received by your Company for transfer of shares held in physical form are processed and the share certificates for the same are sent to the transferees within the stipulated period under the Companies Act, 1956 and the Listing Agreement.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholders etc., as mentioned in Clause 49(IV)(G)(iv) of the Listing Agreement, to the Registrar and Share Transfer Agent of the Company. The transactions in respect of issue of duplicate share certificates, re-materialisation and issue of new share certificates are approved by the Investor Grievance and Share Transfer Committee of the Company. A summary of all the transfers, transmissions, deletion requests, etc., approved by the Investors' Grievance and Share Transfer Committee is placed before the Board of Directors from time to time for their review. The Committee ordinarily meets as and when required.

**Distribution of Shareholdings:**

The distribution of shareholding of the Company as on 31st March, 2013, was as follows:

Category of Shareholder		Total No. of Shares	Percentage of total No. of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
(a)	Individuals/Hindu Undivided Family	3,17,185	2.41
(b)	Bodies Corporate	84,67,295	64.26
	<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>87,84,480</b>	<b>66.67</b>
<b>(B)</b>	<b>Public Shareholding</b>		
<b>1)</b>	<b>Institutions</b>		
(a)	Mutual Funds/UTI	4,94,100	3.75
	Sub-Total (B) (1)	4,94,100	3.75
<b>2)</b>	<b>Non-Institutions</b>		
(a)	Bodies Corporate	4,56,800	3.47
(b)	Individuals		
(i)	Individual shareholders holding nominal share capital up to Rs 1 Lac	16,20,163	12.30
(ii)	Individual shareholders holding nominal share capital in excess of Rs 1 Lac	12,98,207	9.85
(c)	Individual (Non-Resident Individuals)	5,21,950	3.96
	Sub-Total (B) (2)	38,97,120	29.58
	<b>Total Public shareholding (B)=(B)(1) +(B)(2)</b>	<b>43,91,220</b>	<b>33.33</b>
	<b>Total (A) + (B)</b>	<b>1,31,75,700</b>	<b>100.00</b>

**Distribution of shareholding of the Company by number of shares held as on 31st March, 2013:**

			Shareholders		Shareholding	
			Number	% to Total	Number	% to Total
Upto	-	500	5,609	90.12	7,00,869	5.32
501	-	1000	222	3.57	1,82,156	1.38
1001	-	2000	159	2.55	2,35,721	1.79
2001	-	3000	55	0.88	1,42,712	1.08
3001	-	4000	24	0.38	86,744	0.66
4001	-	5000	39	0.63	1,91,502	1.45
5001	-	10000	52	0.84	3,68,450	2.80
10001	-	AND ABOVE	64	1.03	1,12,67,546	85.52
Total			6,224	100.00	1,31,75,700	100.00

**Details about Company's dematerialised shares as on 31st March, 2013:**

Number of shares	% to total shares	Number of shareholders	% to total shareholders
1,25,05,674	94.91	3,315	53.26



As per the directions of SEBI, Equity Shares of the Company can be traded by all the investors only in dematerialised form. The Company's Shares are actively traded on BSE and NSE. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Your Company has entered into agreement with both these depositories.

Shareholders who still continue to hold shares in physical form, are requested to dematerialise their shares at the earliest and avail of the various benefits of dealing in securities in electronic/ dematerialised form. For any clarification, assistance or information, please contact the Company's Registrar and Transfer Agent, M/s Link Intime India Private Limited. The shareholders have the option to hold Company's shares in demat form through the (NSDL) or (CDSL).

**Break up of shares in physical and demat form as on 31st March, 2013 is as follows:**

	No. of Shares	% of Shares
Physical Segment	6,70,026	5.09
Demat Segment		
NSDL	1,19,73,474	90.88
CDSL	5,32,200	4.03
TOTAL	1,31,75,700	100.00

**Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity:**

The Company does not have any outstanding GDRs/ ADRs/warrants/convertible instruments as on 31st March, 2013.

**Details of public funding obtained in the last three years:**

Your Company has not obtained any Public funding in the last three years.

**External Commercial Borrowing:**

In the month of September, 2012, the Company had availed External Commercial Borrowing of USD 3.14 million for the purpose of purchase of capital goods for setting up of new project at Khandala ( Dist. Satara ). The period of borrowing was for 5 years, with repayments in 16 quarterly installments after a 15 month moratorium. The loan was at floating interest rate of 3-month LIBOR + 350 basis points. The overall cost was 10.52 % per annum for a period of 5 years. On account of hedge, the Company has no further financial risk and would be protected from both exchange rate and interest rate volatility. The Company has also taken separate POS (Principal Only Swap) to cover the exchange rate risk on the principal amount and COS (Coupon Only Swap) to cover the interest rate risk as well as the Exchange rate risk on the interest payments.

Your Company had borrowed ₹11.96 crores through External Commercial Borrowing of 2.3 million USD at all-in-cost (both principal and coupon rate swapped) at 10.65% per annum in the month of November 2011, to finance the expansion of manufacturing activities at Rohtak.

**Other Information:**

**Corporate Identification Number (CIN No.):**

Our Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs, Government of India, is L28992MH1991PLC168235.

**Reconciliation of Share Capital Audit Certificate:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form.

**National Electronic Clearing System (NECS) for dividend:**

The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1st October, 2009. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print details available in its records on the dividend warrants to be issued to the shareholders.

This service not only provides instantaneous credit to the shareholders account and protects against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondences relating to revalidation/issue of duplicate warrants.

**Shareholders holding shares in physical form:**

Investors who would like to avail NECS facility and are holding shares in physical form may send in their NECS Mandate Form duly filled in to the Company's Registrar and Transfer Agent, M/s Link Intime India Private Limited. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature records lodged with the Company.

Members holding shares in physical form are requested to dematerialise their shares i.e. hold shares in electronic form. This will enable the members to avoid the risks associated with physical certificates, such as forged transfers, fake certificate and loss of certificates.

**Shareholders holding shares in electronic / demat form:**

Investors holding shares in demat or electronic form may check the details on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar and Transfer Agent cannot make any change in such records received from the Depository.

**Nomination facility:**

Pursuant to the provision of Section 109A of the Companies Act, 1956, members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and desirous of changing a nomination are requested to send their requests in Form 2B to the Registrar and Transfer Agent of the Company. Members holding shares in electronic form are requested to give the nomination request to their respective Depository Participant directly. Form No. 2B can be obtain from the Registrar and Transfer Agent or download from the Company's website under the section 'Corporate'.

**Consolidation of Folios:**

Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates alongwith a request letter to consolidate their shareholding into a single folio, to the Registrar & Transfer Agent of the Company.

**Unpaid/Unclaimed dividend:**

In terms of Sections 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer to the IEPF.

Financial Year	Type	Unclaimed dividend amount as on 31.03.2013 (in ₹)	Due Date for transfer to IEPF
2005-2006	Final	1,27,748.00	22.10.2013
2006-2007	Final	1,22,654.00	21.10.2014
2007-2008	Final	1,50,919.00	19.10.2015
2008-2009	Final	1,68,290.10	25.10.2016
2009-2010	Final	2,29,641.00	03.10.2017
2010-2011	Final	2,52,659.20	05.09.2018
2011-2012	Final	2,80,787.20	09.09.2019

The Company had sent reminder letters to the shareholders whose dividends were outstanding in the month of August 2011 with a request to claim the dividend before it is transferred to the IEPF.

#### **Equity Shares in the Suspense Account:**

In accordance with Clause 5A II of the Listing Agreement, the Company has sent reminders to the shareholders whose share certificate are lying unclaimed with the Company and is in the process of opening a "Unclaimed Suspense Account". After opening the said account, shares unclaimed will be transferred to one folio in the name of "Unclaimed Suspense Account" as per Clause 5A I and Clause 5A II of the Listing Agreement. Shareholders whose shares are lying unclaimed with the Company are requested to claim the same.

#### **History of IPO/Allotment of shares of the Company:**

##### **Build up of the Company's share capital:**

Type of Issue	Year of Issue	No. of Shares	Total Cumulative Shares (No.)
Initial Public Offer (IPO)	1993	49,00,000	49,00,000
Preferential Allotment to Promoters	1994	5,00,000	54,00,000
Preferential Allotment to Promoters for Redemption of Preference Capital	2000	36,00,000	90,00,000
Issue of Shares pursuant to merger with Plastic Precision & Machinefabrik Limited	2004	28,96,995	1,18,96,995
Private allotment of Equity issue	2006	12,78,705	1,31,75,700
Total paid-up capital as on 31st March, 2013			<u>1,31,75,700</u>

#### **General Do's and Don'ts:**

- Shareholders/Beneficial holders should quote their Folio No./DP Id, as the case may be, in all the correspondence with the Company.
- Shareholders/Beneficial holders should mention their contact nos. fax nos. and email Id. Such e-mail ID shall be registered in the records of the Company.
- The Securities and Exchange Board of India (SEBI), vide its Circular No.MRD/DoP/Cir-05/2009 dated 20th May 2009 and SEBI/MRD/DoP/SE/RTA/Cir-08/2010 dated January 07, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN card to the Company for registration of physical transfer of shares and for transmission, deletion and transposition of shares in physical form.  
Shareholders are required to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request, to the Registrar and Transfer Agent.
- Shareholders are requested to maintain a record of their specimen signature before lodgment of shares with the Company to obviate possibility of difference in signature at a later date.
- In case of loss/misplacement of share certificates, shareholders should immediately lodge an FIR/Complaint with the Police and inform the Company or its Registrar and Transfer Agent along with the original / certified copy of the FIR / Acknowledgement copy of the complaint.
- Investors holding shares in dematerialized form should send all communications related to the change in address or change in the bank details to their Depository Participant.

#### **Registrar and Transfer Agent:**

Link Intime India Private Limited is the Registrar & Transfer Agent of the Company.

Shareholders, beneficial owners and depository participants (DPs) are requested to send/deliver the documents/ correspondences relating to the Company's share transfer activity etc. to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the following address:

**Link Intime India Private Limited**

**Unit: Hitech Plast Limited**

C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (West), Mumbai - 400 078  
Tel. 2596 3838 Fax: 2596 2691  
E-mail: mumbai@linkintime.co.in

Members are requested to quote their e-mail address, contact number and full address for prompt reply to their communication.

Members are further informed that a separate cell called Client Co-ordination Department has been set up to serve as single point contact for the shareholders. The email address is [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) and telephone number is 022-25946970

**Company's Website:** [www.hitechplast.in](http://www.hitechplast.in)

The Company's website provides relevant information for the benefit of shareholders.

**E-mail ID for Investors' Grievances:**

The e-mail address for investors' grievances is [investor.help@hitechplast.in](mailto:investor.help@hitechplast.in)

The above exclusive e-mail id is displayed by the Company on its websites and various materials, correspondences, publications and communication to the shareholders at large.

**Plant locations:**

Company Plants located at:

**SANASWADI :** Gut Nos. 939 & 940, Village : Sanaswadi, Tal. Shirur, Dist. Pune, Maharashtra - 412 208.

**MASAT :** Silvassa Technopark Bldg, Behind Santogen Mills, Masat, Silvassa - 396 230.

**PUDUCHERRY:** RS No. 146/3/4/5 Ariyur Viillage, Villianur Commune, Puducherry - 605 102.

**SRI PERUMBUDUR:** F-16/ SIPCOT Industrial Park, Kancheepuram, Sri Perumbudur, Tamil Nadu - 602 106.

**GALONDA:** Survey No. 374/1, Village Galonda, Silvassa Kelvani Road, Silvassa - 396 230.

**ROHTAK:** Plot No.2, Sector 30B, Industrial Model Township(IMT), Rohtak, Haryana - 124 001.

**KHANDALA:** Gat No.272/7, Village : Dhawadwadi, Taluka:Khandala, Dist. Satara, Maharashtra - 412 802.

**TECHNOLOGY CENTRE:** 28/9, D-2 Block, MIDC, Chinchwad, Pune - 411 019

Subsidiary Company and its plants : **CLEAR MIPAK PACKAGING SOLUTIONS LIMITED**

**UNIT I & II NAROLI:** 709/3/1/1, Vadfalia, Bhilad Naroli Road, Naroli, Silvassa - 396 235.

**UNIT SARIGAM:** 4923 Plastic Zone, Road No. 46A, Manda Village, GIDC Sarigam, Gujarat - 396 155.

**UNIT PPMF :** 4615/16 Plastic Zone Road, Manda Village, GIDC Sarigam, Gujarat - 396 155.

**UNIT I & II BADDI:** Khasra No. 544/151, Village Dhana, Tehsil Nalagrah, Dist Solan, HP - 174101.

**UNIT MP:** A-1/912-913, G.I.D.C., Umbergaon, Dist. Valsad, Gujarat - 396 171.

**UNIT PK:** Plot No.G-10, O.I.D.C., Udyog Nagar Indl. Estate, Village Ringanwada, Daman - 396 210.

**UNIT DADRA :** Survey No. 259/21/1, Demini Road, Arihant Indl. Estate, Dadra - 396 230 (U.T. of D&N.H)

**UNIT SITARGANJ:** Plot No. D-63, Phase -2 Eldeco Sidcul Industrial Park, Sitarganj, Uttarakhand - 262 405.

**UNIT AURANGABAD :** Plot No.-FP2, Shendra, M.I.D.C., Five Star Industrial Area, Aurangabad - 431 202.

**Address for correspondence:**

**Registered Office:**

HITECH PLAST LIMITED

C/130, Solaris, Building No. 1,

Opp. L&T Gate No. 6,

Powai, Mumbai - 400 072

Tel. +91 22-4001 6500

E-mail : investor.help@hitechplast.co.in

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**Annexure to Report on Corporate Governance for the year ended 31st March 2013**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that the Company has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company, in consonance with the requirement under Clause 49(I)(D) of the Listing Agreements. The Code of Conduct has been posted on the website of the Company.

I further hereby confirm that the Company has obtained from all the Board Members and the Senior Management Personnel, an affirmation of compliance with the Code of Conduct, for the financial year ended 31st March, 2013.

Mumbai  
18th May, 2013

**Malav Dani**  
Managing Director

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF HITECH PLAST LIMITED**

We have examined the compliance of conditions of Corporate Governance by HITECH PLAST LIMITED ('the Company') for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company entered into with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 the Company.

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

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

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

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

Mumbai  
18th May, 2013

**Ashish Shah**  
Partner  
M. No. 103750

**STANDALONE  
FINANCIAL STATEMENTS**



**FINANCIAL HIGHLIGHTS FOR THE LAST FIVE YEARS - STANDALONE**

(₹ in lacs except for per share data and ratio)

PARTICULARS	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
<b>REVENUE ACCOUNT</b>					
Gross Revenue	28,685.56	25,536.10	22,645.85	17,349.52	15,441.99
Net Revenue from Operations	25,421.89	23,079.68	20,444.72	15,879.59	13,437.87
Cost of Materials	16,899.84	14,668.74	12,755.74	9,460.18	8,366.67
Operating and other expenses	5,785.69	5,210.64	4,649.60	3,698.80	3,025.29
Operating Profit (EBITDA)	2,951.42	3,370.02	3,099.99	2,856.22	2,220.42
Finance Cost	1,291.11	1,231.09	909.90	504.12	658.95
Depreciation	809.91	678.83	573.02	345.94	317.93
Profit Before Tax	850.40	1,460.10	1,617.07	2,006.16	1,243.54
Provision for Tax	148.23	361.71	431.75	631.35	317.75
Profit After Tax	702.17	1,098.39	1,185.32	1,374.81	925.79
<b>CAPITAL ACCOUNT</b>					
Share Capital	1,317.57	1,317.57	1,317.57	1,317.57	1,317.57
Reserves and Surplus	6,885.19	6,429.66	5,576.27	4,635.96	3,491.60
Deferred Tax Liability/ Asset (Net)	328.58	247.97	256.15	203.40	172.06
Borrowings	6,813.22	6,961.11	6,218.38	4,046.71	1,859.25
Fixed Assets	8,272.17	6,152.46	5,732.77	4,643.74	2,334.22
Investments	3,408.89	3,408.89	3,408.89	2,805.54	1,911.70
Debt - Equity Ratio	0.83	0.90	0.90	0.89	0.59
<b>PER SHARE DATA</b>					
Earning Per Share (₹)	5.33	8.34	9.00	10.43	7.03
Dividend	1.60 (#)	1.60	1.60	1.50	1.10
Book Value (₹)	62.26	58.80	52.32	45.19	36.50

(# ) Recommended by the Board, subject to approval of the Shareholders.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HITECH PLAST LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Hitech Plast Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") as amended, issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-Section (3C) of Section 211 of the Act.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2013 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of clause (g) of sub-Section (1) of Section 274 of the Act.

**For Shah & Co.**

Chartered Accountants

FRN: 109430W

**Ashish Shah**

Partner

Membership No. 103750

Mumbai  
18th May, 2013

**Annexure to the Independent Auditors' Report to the Members of Hitech Plast Limited for the year ended 31st March, 2013  
(Referred to in Para 1 under Report on other Legal and Regulatory requirements Section of our Report of even date)**

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and location of the fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) Fixed assets disposed off during the year were not substantial and, therefore, do not affect the going concern assumption.
- 2 (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained.  
(b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- 3 The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register required to be maintained under Section 301 of the Act.
- 4 In our opinion and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of audit.
- 5 (a) According to the information and explanations given to us, the particulars of all contracts and arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ₹ 5 lacs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- 9 (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted /accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following dues have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of dues	Financial Year	Amount (₹ in Lacs)	Forum where dispute is pending
Income Tax	IT matters under dispute	A.Y.2008-09	66.02	CIT (A)
		A.Y.2010-11	292.89	CIT (A)
Total			358.92	

- 10 The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 11 The Company has not defaulted during the year in repayment of dues to its bankers or to any financial institutions. The Company did not have any outstanding debentures.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 As the Company is not a chit fund, nidhi, mutual benefit fund or society the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 14 As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 15 The Company has given certain guarantees on behalf of its subsidiary as mentioned in note 25 (a) of Notes to accounts. In our opinion, based on the information and explanations received, the terms and conditions of these guarantees are not prejudicial to the interest of the company.
- 16 The term loans obtained during the year are applied for the purpose for which it was obtained.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that funds raised on short term basis have not been used for long term investment.
- 18 During the year, the Company has not made any preferential allotment of shares to company, firms or parties covered in the register maintained under Section 301 of the Act.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money by way of public issue during the year.
21. As per the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

**Ashish Shah**  
Partner  
Membership No. 103750

Mumbai  
18th May, 2013

# Balance Sheet as at 31st March, 2013

(₹ in Lacs)

	Notes	As at 31.03.2013	As at 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	1,317.57	1,317.57
Reserves and Surplus	4	6,885.19	6,429.66
		8,202.76	7,747.23
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	5	3,452.34	2,425.41
Deferred Tax Liabilities (Net)	6	328.58	247.97
Long Term Provisions	7	48.64	52.99
		3,829.56	2,726.37
<b>CURRENT LIABILITIES</b>			
Short-Term Borrowings	8	2,244.05	3,650.65
Trade Payables	9	817.06	715.04
Other Current Liabilities	10	1,618.03	1,267.22
Short-Term Provisions	7	267.81	271.17
		4,946.95	5,904.08
<b>TOTAL</b>		<b>16,979.27</b>	<b>16,377.68</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	11A	8,238.61	5,645.20
Intangible Assets	11B	26.84	26.01
Capital work-in-progress		6.72	481.25
		8,272.17	6,152.46
Non-current Investments	12	3,408.89	3,408.89
Long term Loans and Advances	13	373.25	787.30
<b>CURRENT ASSETS</b>			
Inventories	14	1,328.50	1,895.94
Trade Receivables	15	2,502.31	2,907.57
Cash and Bank Balances	16	223.55	678.17
Short-Term Loans and Advances	13	759.19	457.42
Other Current Assets	17	111.41	89.93
		4,924.96	6,029.03
<b>TOTAL</b>		<b>16,979.27</b>	<b>16,377.68</b>
<b>Significant Accounting Policies</b>			
<b>Notes are an integral part of the financial statements.</b>			

As per our report of even date

For and on behalf of the Board of Directors

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

**Ashwin S. Dani**  
Chairman

**Malav A. Dani**  
Managing Director

**Ramesh S. Gandhi**  
Director &  
Chairman of Audit Committee

**Ashish Shah**  
Partner  
M.No.103750  
Mumbai  
18th May, 2013

**Satish B. Samant**  
Chief Financial officer

**Namita R. Tiwari**  
Company Secretary

**Statement of Profit and Loss for the year ended 31st March, 2013**

(₹ in Lacs)

	Notes	Year 2012-13	Year 2011-12
<b>(I) INCOME</b>			
Revenue from sales of goods and services	18A	28,685.56	25,536.10
Less: Excise Duty		3,263.67	2,456.42
Revenue from sales of goods and services (Net)		25,421.89	23,079.68
Other Operating Revenue	18B	171.69	66.35
Other Income	19	43.37	103.37
<b>Total Revenue (I)</b>		<b>25,636.95</b>	<b>23,249.40</b>
<b>(II) EXPENSES</b>			
Cost of Materials Consumed	20A	16,602.91	14,649.20
Changes in inventories of finished goods and work-in-progress	20B	296.93	19.54
Employee Benefits Expense	21	1,421.77	1,363.98
Other Expenses	22	4,363.92	3,846.66
<b>Total Expenses (II)</b>		<b>22,685.53</b>	<b>19,879.38</b>
<b>EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I-II)</b>		<b>2,951.42</b>	<b>3,370.02</b>
Depreciation and Amortisation Expense	23	809.91	678.83
Finance Costs	24	1,291.11	1,231.09
<b>PROFIT BEFORE TAX</b>		<b>850.40</b>	<b>1,460.10</b>
<b>Tax Expenses:</b>			
Current Tax		67.62	407.00
Deferred Tax	6	80.61	(8.18)
(Excess) Tax Provision for earlier years		-	(37.11)
<b>PROFIT AFTER TAX</b>		<b>702.17</b>	<b>1,098.39</b>
Earnings per equity share(₹): Basic and Diluted (Face value of ₹ 10 each)	39	5.33	8.34
<b>Significant Accounting Policies</b>	2		
<b>Notes are an integral part of the financial statements.</b>			

As per our report of even date

For and on behalf of the Board of Directors

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

**Ashwin S. Dani**  
Chairman

**Malav A. Dani**  
Managing Director

**Ramesh S. Gandhi**  
Director &  
Chairman of Audit Committee

**Ashish Shah**  
Partner  
M.No.103750

**Satish B. Samant**  
Chief Financial officer

**Namita R. Tiwari**  
Company Secretary

Mumbai  
18th May, 2013



# Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lacs)

	2012-13	2011-12
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	850.40	1,460.10
<b>Adjustments for :</b>		
Depreciation and amortization expense	809.91	678.83
Finance costs	1,291.11	1,231.09
Interest Income	(25.55)	(76.90)
<b>Operating Profit before working capital changes</b>	<b>2,925.87</b>	<b>3,293.12</b>
<b>Adjustments for :</b>		
Trade Receivables	405.26	(210.71)
Other Receivables	(190.50)	31.69
Inventories	567.44	191.31
Trade and other Payables	188.91	(172.57)
<b>Cash Generated from Operations</b>	<b>3,896.98</b>	<b>3,132.84</b>
Income Tax paid (Net of Refund)	(242.59)	(465.56)
<b>Net Cash Flow from Operations</b>	<b>3,654.39</b>	<b>2,667.28</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,494.58)	(1,588.84)
Sale of Fixed Assets	15.23	-
Interest Received	31.55	70.74
<b>Net Cash used in Investing Activities</b>	<b>(2,447.80)</b>	<b>(1,518.10)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	1,678.93	1,391.84
Repayment of Long Term Borrowings	(420.22)	(618.66)
Proceeds from/ (Repayment of) Cash Credit	(1,756.17)	1,179.03
Proceeds from Short Term Borrowings	349.57	-
Repayment of Short Term Borrowings	-	(1,209.48)
Dividend and Dividend tax paid	(242.26)	(242.60)
Finance costs paid	(1,271.06)	(1,205.82)
<b>Net Cash used in Financing Activities</b>	<b>(1,661.21)</b>	<b>(705.69)</b>
<b>(D) Net (Decrease)/ Increase in Cash and Cash Equivalents</b>	<b>(454.62)</b>	<b>443.49</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>678.17</b>	<b>234.68</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>223.55</b>	<b>678.17</b>

Notes :

- (a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.

	(₹ in Lacs)	
	As At 31.03.2013	As At 31.03.2012
(b) Cash and Cash Equivalents comprises of :		
Cash on hand	2.47	5.60
Balances with bank		
- Current Accounts	106.02	88.13
- Deposits with Bank	93.79	573.86
- Margin Money Deposit	7.94	-
- Unpaid Dividend Account *	13.33	10.58
<b>TOTAL</b>	<b>223.55</b>	<b>678.17</b>

\* The Company can utilise these balances only towards settlement of unclaimed dividend.

As per our report of even date	For and on behalf of the Board of Directors		
<b>For Shah &amp; Co.</b> Chartered Accountants FRN: 109430W	<b>Ashwin S. Dani</b> Chairman	<b>Malav A. Dani</b> Managing Director	<b>Ramesh S. Gandhi</b> Director & Chairman of Audit Committee
<b>Ashish Shah</b> Partner M.No.103750 Mumbai 18th May, 2013	<b>Satish B. Samant</b> Chief Financial officer		<b>Namita R. Tiwari</b> Company Secretary

## Notes to Financial Statements for the year ended 31st March 2013

### 1. Company Information:

Hitech Plast Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, namely the Bombay Stock Exchange Limited, and the NSE Limited. The Company is engaged in the manufacturing of rigid plastic containers specially catering to customers relating to paints, lube and other industrial chemicals. The Company caters to only local domestic market.

### 2. Significant Accounting Policies:

#### 2.1 Basis of preparation of Financial Statements

##### (a) Basis of Accounting

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 (as amended) and with the relevant provisions of the Companies Act, 1956.

##### (b) Use of Estimates

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

##### (c) Current/Non Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset,
  - it is held primarily for the purpose of being traded; or
  - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

## 2.2 Tangible and Intangible Assets

### (a) Tangible Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

### (b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is reflected at their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

### (c) Depreciation and Amortisation

Depreciation on all fixed assets is provided under Straight Line Method. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Pursuant to this policy, depreciation on following assets has been provided at rates which are higher than the corresponding rates prescribed in Schedule XIV:-

Moulds	:	4 years
Furniture & Fixture	:	10 years
Computer	:	5 years
Office Equipment	:	10 years
Vehicle	:	5 years

Depreciation on Plant and Machinery is provided under Straight Line Method on triple shift basis; and on Building is provided under the Written Down Value Method, at the rates laid down in the Schedule XIV to the Companies Act, 1956.

Assets costing less than ₹ 5,000 are fully charged to the Statement of Profit and Loss in the year of acquisition. Leasehold land and leasehold improvements are amortised over the primary period of lease.

Goodwill on amalgamation is amortised over a period of five years. Purchase cost, user licence fees and consultancy fees for major software are amortised over a period of three years.

### (d) Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If

any such indication exist the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the statement of profit and loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount less its residual value (if any), on straight line basis over its remaining useful life.

### **2.3 Revenue Recognition**

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognised separately as part of changes in inventories of finished goods and work in progress.

Revenue from service is recognised on rendering of services to customers.

Processing income is recognised on accrual basis as per contractual arrangements.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on time proportion basis.

### **2.4 Lease Accounting**

Assets taken on operating lease:

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

### **2.5 Inventory**

Raw materials, work in progress, finished goods, packing materials, stores, spares and consumables are carried at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are suitably written down/provided for.

In determining cost of raw material, packing material, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

### **2.6 Investments**

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Non-Current investments are stated at cost. A provision for diminution in the value of non-current investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

## **2.7 Transaction in Foreign Currency**

### **(a) Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

### **(b) Measurement of foreign currency items at the Balance Sheet date:**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

### **(c) Forward exchange contracts:**

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.

## **2.8 Trade Receivables**

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered doubtful.

## **2.9 Employee Benefits**

### **A. Short Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### **B. Post-employment benefits :**

#### **(a) Defined contribution plans**

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

The Company contributes to the Government administered providend funds on behalf of its employee.

#### **(b) Defined benefit plans**

Defined benefit gratuity plan.

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund), towards meeting the gratuity obligation.

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortised on a straight-line basis over the average period until the amended benefits become vested.

The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as adjusted for unrecognized actuarial gains and losses and unrecognized past service costs and as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the unrecognized past service cost plus the present value of available refunds and reductions in future contributions to the plan.

The Company presents the above liabilities as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next 12 months.

**C. Other long term employee benefits:**

Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leave using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

The Company presents this liability as current and non-current in the balance sheet as per actuarial valuation by the independent actuary.

**2.10 Research and Development**

Research and development expense is recognized as an expense as and when it is incurred.

Expenditure incurred on fixed assets used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company and is disclosed separately.

**2.11 Provision for Taxation**

Tax expenses comprise of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred Tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

**2.12 Provisions and Contingencies**

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

**2.13 Earnings Per Share**

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.



**2.14 Proposed Dividend**

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

**2.15 Borrowing Cost**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are expensed in the period they occur.

**2.16 Cash and Cash Equivalents**

Cash and cash equivalents include cash & cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

**2.17 Measurement of EBITDA**

The Company has elected to present earnings before interest (finance costs), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit/(loss) from continuing operations.

(₹ in Lacs)

<b>3. SHARE CAPITAL</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
<b>Authorised</b>		
2,00,00,000 (31st March 2012: 2,00,00,000) equity shares of ₹ 10/- each	<b>2,000.00</b>	2,000.00
<b>TOTAL</b>	<b>2,000.00</b>	2,000.00
<b>Issued, Subscribed and Paid-Up Capital</b>		
1,31,75,700 (31st March 2012: 1,31,75,700) equity shares of ₹ 10/- each fully paid.	<b>1,317.57</b>	1,317.57
<b>TOTAL</b>	<b>1,317.57</b>	1,317.57

**a. Reconciliation of the shares outstanding at the beginning and at the end of the year**

	<b>31.03.2013</b>		<b>31.03.2012</b>	
<b>Equity Shares</b>	<b>No. of Shares</b>	<b>(₹ in Lacs)</b>	<b>No. of Shares</b>	<b>(₹ in Lacs)</b>
At the beginning of the year	<b>1,31,75,700</b>	<b>1,317.57</b>	1,31,75,700	1,317.57
Add : Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,31,75,700</b>	<b>1,317.57</b>	1,31,75,700	1,317.57

**b. Shares held by holding company and/or its subsidiary**

Out of equity shares issued by the Company, shares held by its holding Company is as below:

(₹ in Lacs)

	<b>31.03.2012</b>	<b>31.03.2011</b>
Geetanjali Trading & Investments Pvt. Ltd. – the Holding company		
80,29,295 (31st March, 2012 : 80,29,295 ) equity Shares	<b>802.93</b>	802.93
of ₹ 10/- each fully paid		
<b>TOTAL</b>	<b>802.93</b>	802.93

**c. Details of shareholders holding more than 5% equity shares in the Company #**

Name of Shareholders	31.03.2013		31.03.2012	
	No of Equity Shares	% holding in the Class	No of Equity Shares	% holding in the Class
Equity Shares of ₹ 10/- each fully paid Geetanjali Trading & Investments Pvt. Ltd.	80,29,295	60.94%	80,29,295	60.94%

# As per the records of the Company, including its Register of Members.

**d. Terms/rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

A dividend of ₹ 1.60 (Rupees one and paise sixty only) per share has been recommended by the Board of Directors at its meeting held on 18th May, 2013, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2012-13 will be ₹ 1.60 per equity share; ₹ 1.60 per equity share was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2013 amounted to ₹ 246.64 lacs including corporate dividend tax of ₹ 35.83 lacs. (Previous year ₹ 245.01 lacs including corporate dividend tax of ₹ 34.20 lacs).

As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in Lacs)

4 RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
<b>Capital Subsidy</b>		
Balance as per the last Balance Sheet	-	25.00
Less: amount transferred to General Reserve	-	25.00
Closing Balance	-	-
<b>Capital Redemption Reserve</b>	251.00	251.00
<b>Securities Premium Account</b>	737.21	737.21
<b>General Reserve</b>		
Balance as per the last Balance Sheet	380.75	273.35
Add: amount transferred from the Statement of Profit and Loss	52.66	82.40
Add : amount transferred from Capital Subsidy		25.00
Closing Balance	433.41	380.75
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	5,060.70	4,289.72
Add: Net Profit after tax transferred from Statement of Profit and Loss for the year	702.17	1,098.39
Less: Appropriations-		
- Proposed Final Equity Dividend (amount per share ₹ 1.60 (31st March 2012 : ₹ 1.60))	210.81	210.81
- Tax on Proposed Equity Dividend	35.83	34.20
- Transfer to General reserve	52.66	82.40
- Total appropriations	299.30	327.41
Net Surplus in the Statement of Profit and Loss	5,463.57	5,060.70
<b>TOTAL RESERVES AND SURPLUS</b>	<b>6,885.19</b>	<b>6,429.66</b>

(₹ in Lacs)

5 LONG TERM BORROWINGS	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
<b>Term Loans @</b>				
<b>I) Secured</b>				
Indian rupee loan from banks	437.50	812.50	375.00	376.12
Foreign currency loan from bank	2,343.54	1,121.25	516.33	74.75
	2,781.04	1,933.75	891.33	450.87
<b>II) Unsecured</b>				
Deposits				
- Deposits from shareholders	153.05	76.47	52.92	114.44
- Deposits from others	518.25	415.19	172.58	319.74
	671.30	491.66	225.50	434.18
<b>TOTAL</b>	3,452.34	2,425.41	1,116.83	885.05
Amount included under the head "other current liabilities" (Refer Note 10)	-	-	(1,116.83)	(885.05)
<b>NET AMOUNT</b>	3,452.34	2,425.41	-	-

@ Default in terms of repayment of principal and interest – NIL.

(₹ in Lacs)

	Non-Current	Current
<b>A) Standard Chartered Bank Term Loan of ₹ 625 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 39.06 lacs each along with interest. The loan is secured by :		
a) First and Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 625 lacs, the Company has already repaid ₹ 312.50 lacs till 31st March, 2013 and the balance amount of ₹ 312.50 lacs is repayable in 8 quarterly installments upto February, 2015.	156.25	156.25
<b>B) Standard Chartered Bank Term Loan of ₹ 375 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 23.44 lacs each along with interest. The loan is secured by :		
a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 375 lacs, the Company has already repaid ₹ 187.50 lacs till 31st March, 2013 and the balance amount of ₹ 187.50 lacs is repayable in 8 quarterly installments upto February, 2015.	93.75	93.75
<b>C) Standard Chartered Bank Term Loan of ₹ 250 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 15.63 lacs each along with interest. The loan is secured by :		

	Non-Current	Current
<p>a) First &amp; Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.</p> <p>b) First and Exclusive charge on Factory Land &amp; Building located at Rohtak, Haryana.</p> <p>Out of the total loan of ₹ 250 lacs, the Company has already repaid ₹ 125.00 lacs till 31st March, 2013 and the balance amount of ₹ 125.00 lacs is repayable in 8 quarterly installments upto February, 2015.</p>	62.50	62.50
<b>D) Standard Chartered Bank Term Loan of ₹ 250 Lacs</b>		
<p>Indian Rupee loan from bank carries interest @ 12.75% p.a. The loan is repayable in 16 quarterly installments of ₹ 15.63 lacs each along with interest. The loan is secured by:</p> <p>a) First &amp; Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.</p> <p>b) First and Exclusive charge on Factory Land &amp; Building located at Rohtak, Haryana.</p> <p>Out of the total loan of ₹ 250 lacs, the Company has already repaid ₹ 62.50 lacs till 31st March, 2013 and the balance amount of ₹ 187.50 lacs is repayable in 12 quarterly installments upto February, 2016.</p>		
	125.00	62.50
<b>E) Standard Chartered Bank (ECB) of ₹ 11.96 Crores (USD 2.30 Million)</b>		
<p>Foreign currency loan carries interest @ LIBOR plus 300 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly installment of USD 143750 @ 52 i.e. ₹ 74,75,000/- each. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present &amp; future (Land, Building, Plant &amp; Machinery) located at the Rohtak Plant. The principal repayment and coupon are both hedged for the entire period of loan.</p> <p>Out of the loan of ₹ 1,196.00 lacs, the Company has already repaid ₹ 74.75 lacs till 31st March, 2013 and the balance amount of ₹ 1,121.25 lacs is repayable in 15 quarterly installments upto November, 2016.</p>		
	822.25	299.00
<b>F) Standard Chartered Bank (ECB) of ₹ 17.39 Crores (USD 3.14 Million)</b>		
<p>Foreign currency loan carries interest @ LIBOR plus 350 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly installments of USD 1,96,250 @ 55.37 i.e. ₹ 1,08,66,363/- each. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present &amp; future (Land, Building, Plant &amp; Machinery) located at the Khandala Plant. The principal repayment and coupon are both hedged for the entire period of loan.</p> <p>The above loan amount of ₹ 1,738.62 lacs is repayable in 16 quarterly installments upto September, 2017.</p>		
	1,521.29	217.33
<b>G) Deposits from Shareholders, Directors, relatives and associates carry interest @ 10.50% to 11% p.a. and are repayable after 1-3 years from the date of deposit.</b>		
	671.30	225.50

## 6 Deferred Tax Liabilities ( Net)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2013 are as follows:

	(₹ in Lacs)	
	As at 31.03.2013	As at 31.03.2012
<b>Deferred tax liabilities</b>		
Difference between Written Down Value/Capital work in progress of fixed assets as per the books of accounts and Income Tax Act,1961	(365.64)	(303.12)
<b>Total deferred tax liabilities</b>	(365.64)	(303.12)
<b>Deferred tax asset</b>		
Provision for expense allowed for tax purpose on payment basis	22.66	35.85
Provision for doubtful debts	14.40	19.30
<b>Total deferred tax assets</b>	37.06	55.15
<b>Net Deferred tax asset/(liability)</b>	(328.58)	(247.97)
<b>Net Deferred Tax Benefit/(Expense) for the year</b>	(80.61)	8.18

	(₹ in Lacs)			
7. PROVISIONS	Long Term		Short Term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Provision for Employee Benefits ( Refer note No. 38)				
- Provision for gratuity	-	-	-	(0.03)
- Provision for leave benefits	48.64	52.99	21.17	26.19
Other Provisions				
- Proposed Dividend	-	-	210.81	210.81
- Provision for Income tax on Proposed Dividend	-	-	35.83	34.20
<b>TOTAL</b>	<b>48.64</b>	<b>52.99</b>	<b>267.81</b>	<b>271.17</b>

	(₹ in Lacs)	
8. SHORT-TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012
<b>Loan repayable on demand from banks ^</b>		
<b>Secured</b>		
Cash credits from Banks	1,011.48	2,767.65
Working Capital demand Loan	1,000.00	883.00
Buyers' Credit *	232.57	-
<b>TOTAL</b>	<b>2,244.05</b>	<b>3,650.65</b>

^ Default in terms of repayment of principal and interest - NIL

Cash Credit Accounts are secured by hypothecation of inventories, book debts and other current assets. Cash credit and Working Capital Demand Loan is repayable on demand and carries interest @ 10.20% to 13.50% p.a.

\* Buyers' Credit loan carries interest @ LIBOR plus 2% to 3% p.a.

(₹ in Lacs)

9. TRADE PAYABLES	As at 31.03.2013	As at 31.03.2012
Trade Payables (including Acceptances) (Refer Note 34 for details of dues to Micro, Small and Medium Enterprises)	817.06	715.04
<b>TOTAL</b>	<b>817.06</b>	<b>715.04</b>

(₹ in Lacs)

10. OTHER CURRENT LIABILITIES	As at 31.03.2013	As at 31.03.2012
<b>Other liabilities</b>		
Current maturities of Long Term Borrowings (Refer note 5)	1,116.83	885.05
Interest accrued but not due on borrowings	75.11	55.06
Advance from Customers	6.19	5.76
Investor Education and Protection Fund #		
- Unpaid Dividend	13.33	10.58
<b>Others Payables</b>		
Statutory Payables -		
- Payable towards CST & VAT	47.57	22.83
- Payable towards Excise & Service Tax	14.31	22.87
- Payable towards TDS under Income Tax	34.12	21.61
- Payable towards Provident Fund Payable, Professional Tax & ESIC	10.01	1.39
Payable to Employees	92.52	50.19
Provision for Other Expenses	173.69	179.08
Others	34.35	12.80
<b>TOTAL</b>	<b>1,618.03</b>	<b>1,267.22</b>

# There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2013. These amounts shall be paid to the Fund as and when they become due.

## 11. FIXED ASSETS

(₹ In Lacs)										
	Gross Block				Depreciation /Amortization				Net Block	
	As at 01.04.12	Additions during the Year	Deductions /adjustments	As at 31.03.13	As at 01.04.12	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.13	As at 31.03.13	
(A) Tangible Assets :										
Freehold Land	1,150.96	368.51	-	1,519.47	-	-	-	-	1,519.47	
Leasehold Land	14.50	-	-	14.50	1.04	0.15	-	1.19	13.31	
Buildings	1,752.66	1,558.18	-	3,310.84	555.16	177.04	-	732.20	2,578.63	
Moulds	768.17	40.18	3.48	804.87	579.49	73.54	2.25	650.78	154.09	
Plant & Machinery	5,301.64	1,411.53	21.82	6,691.35	2,457.97	470.14	7.82	2,920.29	3,771.06	
Furniture	144.05	4.95	-	149.00	73.32	9.98	-	83.30	65.70	
Leasehold Improvements	68.05	8.80	-	76.85	24.55	24.14	-	48.69	28.16	
Computers	118.36	2.41	-	120.77	75.65	13.50	-	89.15	31.62	
Office Equipment	116.38	3.91	-	120.29	57.54	7.90	-	65.44	54.85	
Vehicles	135.90	-	-	135.90	100.75	13.44	-	114.19	21.72	
Total Tangible Assets	9,570.67	3,398.47	25.30	12,943.84	3,925.47	789.83	10.07	4,705.23	8,238.61	
(B)Intangible Assets :										
Software	117.93	20.91	-	138.84	91.92	20.08	-	112.00	26.84	
Total Intangible Assets	117.93	20.91	-	138.84	91.92	20.08	-	112.00	26.84	
Total (A+B)	9,688.60	3,419.38	25.30	13,082.68	4,017.39	809.91	10.07	4,817.23	8,265.45	



# 11. FIXED ASSETS (Contd..)

(₹ In Lacs)

	Gross Block			Depreciation / Amortization			Net Block	
	As at 01.04.11	Additions during the Year	Deductions / adjustments	As at 31.03.12	As at 01.04.11	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.12
<b>(A) Tangible Assets :</b>								
Freehold Land	1,150.96	-	-	1,150.96	-	-	-	1,150.96
Leasehold Land	14.50	-	-	14.50	0.89	0.15	-	13.46
Buildings	1,528.88	223.78	-	1,752.66	430.16	125.00	-	1,197.50
Moulds	646.41	121.76	-	768.17	517.32	62.17	-	188.68
Plant & Machinery	4,911.76	389.88	-	5,301.64	2,050.56	407.41	-	2,843.67
Furniture	141.07	2.98	-	144.05	63.24	10.08	-	70.73
Leasehold Improvements	64.90	3.15	-	68.05	9.74	14.81	-	43.50
Computers	109.26	9.10	-	118.36	62.34	13.31	-	42.71
Office Equipment	110.71	5.67	-	116.38	49.42	8.12	-	58.84
Vehicles	135.29	0.61	-	135.90	86.03	14.72	-	35.16
<b>Total Tangible Assets</b>	<b>8,813.74</b>	<b>756.93</b>	<b>-</b>	<b>9,570.67</b>	<b>3,269.70</b>	<b>655.77</b>	<b>-</b>	<b>5,645.20</b>
<b>(B) Intangible Assets :</b>								
Software	104.35	13.58	-	117.93	68.86	23.06	-	26.01
<b>Total Intangible Assets</b>	<b>104.35</b>	<b>13.58</b>	<b>-</b>	<b>117.93</b>	<b>68.86</b>	<b>23.06</b>	<b>-</b>	<b>26.01</b>
<b>Total (A+B)</b>	<b>8,918.09</b>	<b>770.51</b>	<b>-</b>	<b>9,688.60</b>	<b>3,338.56</b>	<b>678.83</b>	<b>-</b>	<b>5,671.21</b>

**Capitalized borrowing costs :-**

The borrowing cost capitalized during the year ended 31st March, 2013 was ₹ 66.03 lacs (31st March, 2012 : ₹ 18.22 lacs).

**Land includes land held on leasehold basis:**

Gross block ₹ 14.50 lacs (31st March, 2012: ₹ 14.50 lacs) Depreciation charge for the year ₹ 0.15 lacs (31st March, 2012: ₹ 0.15 lacs) Accumulated depreciation ₹ 1.19 lacs (31st March, 2012: ₹ 1.04 lacs) Net book value ₹ 13.31 lacs (31st March, 2012: ₹ 13.47 lacs).

(₹ in Lacs)

12. NON-CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
Trade Investments (At Cost)		
Unquoted equity investments		
Investment in subsidiary		
26,83,020 (31st March, 2012 : 26,83,020) Equity Shares of ₹ 10/- each fully paid in Clear Mipak Packaging Solutions Limited	3,408.89	3,408.89

(₹ in Lacs)

13. LOANS AND ADVANCES	Long Term		Short Term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
<b>Unsecured, considered good:</b>				
Capital advances	152.59	602.86	-	-
Security Deposits	218.94	182.72	-	-
<b>Other loans and advances:</b>				
Advance income-tax (net of provision for taxation)	-	-	387.06	212.09
Advances recoverable in cash or kind	-	-	18.43	49.68
Prepaid Expenses	-	-	24.61	18.40
Loans to employees	-	-	2.28	3.89
Balances with Government authorities	-	-		
- Cenvat Credit receivable	-	-	167.17	113.65
- Service tax credit receivable	-	-	17.45	10.51
- Vat credit receivable	-	-	142.19	49.20
- Other	1.72	1.72		
<b>TOTAL</b>	<b>373.25</b>	<b>787.30</b>	<b>759.19</b>	<b>457.42</b>

(₹ in Lacs)

14. INVENTORIES (Valued at Lower of Cost and Net Realizable Value)	As at 31.03.2013	As at 31.03.2012
Raw materials	562.40	828.06
Packing Materials	32.34	31.82
Finished Goods	126.40	207.65
Work-in-progress	589.36	813.99
Stores, spares and consumables	18.00	14.42
<b>TOTAL</b>	<b>1,328.50</b>	<b>1,895.94</b>

(₹ in Lacs)		
15. TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
<b>Unsecured</b>		
(a) Overdue for more than six months		
considered good	29.83	41.24
considered doubtful	63.07	59.47
	92.90	100.71
(b) Others		
considered good	2,472.48	2,866.33
considered doubtful	-	-
	2,472.48	2,866.33
	2,565.38	2,967.04
Less : Provision for doubtful trade receivables	63.07	59.47
<b>TOTAL</b>	<b>2,502.31</b>	<b>2,907.57</b>

(₹ in Lacs)		
16. CASH AND BANK BALANCES	As at 31.03.2013	As at 31.03.2012
<b>(A) Cash and Cash Equivalents</b>		
a. Balances with banks		
- On current accounts #	106.02	88.13
b. Cash on hand	2.47	5.60
<b>(B) Other Bank balances:</b>		
- Margin Money Deposit	7.94	-
- Bank Deposits (with original maturity for < 12 months but > 3 months)	75.04	544.00
- Bank Deposits for Guarantees ©	18.75	22.36
- Bank Deposits (with original maturity for >12 months) ©	-	7.50
- Unpaid Dividend accounts *	13.33	10.58
<b>TOTAL</b>	<b>223.55</b>	<b>678.17</b>

© Bank Term Deposits given as security.

Bank Term deposits, with a carrying amount of ₹ 18.75 lacs (31st March, 2012: ₹ 29.86 lacs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

# Overdraft in current account carries interest rate @ 10.20% to 13.50% p.a.

\* The Company can utilise these balances only towards settlement of unclaimed dividend.

(₹ in Lacs)

<b>17. OTHER CURRENT ASSETS</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
Interest accrued on Deposit but not due	7.70	13.70
Quantity discount receivable	101.58	76.23
Others	2.13	-
<b>TOTAL</b>	<b>111.41</b>	<b>89.93</b>

(₹ in Lacs)

<b>18. REVENUE FROM OPERATIONS</b>	<b>Year 2012-13</b>	<b>Year 2011-12</b>
<b>(A) Revenue from sale of goods and services:</b>		
Sales of goods	28,685.56	25,535.47
Sale of Services	-	0.63
<b>TOTAL</b>	<b>28,685.56</b>	<b>25,536.10</b>
<b>(B) Other Operating Revenues :</b>		
- Scrap Sales	96.34	22.14
- Wind Mill Income	75.35	44.21
<b>TOTAL</b>	<b>171.69</b>	<b>66.35</b>

(₹ in Lacs)

<b>19. OTHER INCOME</b>	<b>Year 2012-13</b>	<b>Year 2011-12</b>
Interest Income on		
- Bank Deposits	24.31	0.76
- Income Tax Refund	-	0.14
- Others	1.24	76.00
	<b>25.55</b>	<b>76.90</b>
Exchange difference (Net)	-	2.41
Other non-operating income	17.82	24.06
<b>TOTAL</b>	<b>43.37</b>	<b>103.37</b>

(₹ in Lacs)

20.	Year 2012-13	Year 2011-12
<b>A. COST OF MATERIALS CONSUMED</b>		
<b>Raw Materials Consumed</b>		
Opening Stock	828.06	981.12
Add: Purchases	15,760.36	13,940.21
	16,588.42	14,921.33
Less: Closing Stock	562.40	828.06
	16,026.02	14,093.27
<b>Packing Materials Consumed</b>		
Opening Stock	31.82	40.64
Add: Purchases	577.41	547.11
	609.23	587.75
Less: Closing Stock	32.34	31.82
	576.89	555.93
Total Cost of Materials Consumed	16,602.91	14,649.20
<b>B. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	207.65	445.29
Work-in-Progress	813.99	614.63
<b>TOTAL</b>	1,021.64	1,059.92
<b>Inventories at the end of the year</b>		
Finished Goods	126.40	207.65
Work-in-Progress	589.37	813.99
<b>TOTAL</b>	715.77	1,021.64
Changes in inventories	305.87	38.28
Increase/(decrease) in excise duty on Finished Goods	(8.94)	(18.74)
<b>Changes in Inventories of Finished Goods and Work-in-Progress</b>	296.93	19.54

(₹ in Lacs)

21. EMPLOYEE BENEFITS EXPENSES	Year 2012-13	Year 2011-12
Salaries and wages	1,211.38	1,091.65
Contribution to Provident Fund	67.62	68.41
Defined Benefit Plan – Gratuity (Note No.38)	0.04	59.53
Staff welfare expenses	142.73	144.39
<b>TOTAL</b>	1,421.77	1,363.98

(₹ in Lacs)

<b>22. OTHER EXPENSES</b>	<b>Year 2012-13</b>	<b>Year 2011-12</b>
Consumption of Stores, Spares and Consumables	83.54	77.68
Water, Power and Fuel	1,178.17	950.63
Processing Charges	670.22	663.10
Materials Handling Charges	750.98	658.15
Repairs and Maintenance		
Building	21.04	27.85
Plant and Machinery	173.49	152.38
Other Assets	41.62	38.43
	<b>236.15</b>	<b>218.66</b>
Freight and Handling Charges	594.83	517.39
Rent	216.50	207.17
Rates and Taxes	8.59	7.29
Insurance	10.78	7.26
Security Charges	78.80	58.59
House-Keeping Expenses	12.27	24.66
Printing and Stationery	22.29	22.19
Travelling and Conveyance	119.49	108.83
Postage and Telephone	44.53	43.50
Directors' sitting fees	3.06	3.62
Payment to Auditors (Refer details below)	29.27	21.63
Commission to non-executive directors	7.10	7.10
Provision for doubtful debts	18.67	23.75
Bad debts written off	0.23	1.53
Management Fees	93.00	82.50
Legal and Professional Fees	97.43	68.01
Foreign Exchange Difference(Net)	6.44	3.86
Advertising and Sales Promotion	11.07	25.90
Miscellaneous expenses	70.51	43.66
<b>TOTAL</b>	<b>4,363.92</b>	<b>3,846.66</b>

**Payment to Auditors**

(₹ in Lacs)

	Year 2012-13	Year 2011-12
As Auditor:		
- Audit Fees	22.00	13.00
- Tax Audit Fees	3.00	2.00
- Corporate Governance	1.00	1.00
- Other services	1.07	5.63
Reimbursement of Expenses	2.20	-
<b>TOTAL</b>	<b>29.27</b>	<b>21.63</b>

(₹ in Lacs)

<b>23. DEPRECIATION AND AMORTIZATION EXPENSE</b>	Year 2012-13	Year 2011-12
Depreciation on tangible assets	789.44	655.62
Amortization of leasehold land	0.15	0.15
Amortization of intangible assets	20.32	23.06
<b>TOTAL</b>	<b>809.91</b>	<b>678.83</b>

(₹ in Lacs)

<b>24. FINANCE COSTS</b>	Year 2012-13	Year 2011-12
Interests		
- on term loans	270.80	203.03
- on Cash credit and short term borrowings	362.21	460.21
- on Fixed Deposits	105.45	93.59
Bill Discounting Charges	532.72	430.13
Bank Charges	19.93	44.13
<b>TOTAL</b>	<b>1,291.11</b>	<b>1,231.09</b>

(₹ in Lacs)

<b>25. CONTINGENT LIABILITIES AND COMMITMENTS</b>	As at 31.03.2013	As at 31.03.2012
<b>a) Contingent Liabilities:</b>		
1) Claims against the Company not acknowledged as debts		
- Tax matters in dispute under appeal	358.92	183.82
2) Corporate guarantee issued by the Company to certain bank on behalf of its subsidiary	4,803.00	4,803.00
3) Bills of exchange discounted with banks (since realized ₹ 2,743.43 lacs, (31st March, 2012: ₹ 3,138.31 lacs))	5,382.68	3,514.86

The claims against the Company comprise:

The tax demands are mainly on account of disallowance of a portion of the tax holiday claimed by the Company under the Income tax Act. The matters are pending before the Commissioner of Income tax (Appeals).



The Company is contesting the demands and the management, including its tax advisors, believe that its position would likely be upheld in the appellate process. No tax expense has been accrued in the Financial Statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

(₹ in Lacs)

		As at 31.03.2013	As at 31.03.2012
<b>b) Commitments:</b>			
1) Estimated amount of contracts remaining to be executed on capital account and not provided for		<b>377.02</b>	318.35
2) The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.			

The forward exchange contract outstanding as at 31st March, 2013 are as under :

FY 2012-13				FY 2011 -12			
Currency	Number of Contract	Amount	INR (₹ In Lacs)	Currency	Number of Contract	Amount	INR (₹ In Lacs)
USD	5	4,17,688	235.03	USD	1	79,695	40.45

(₹ in Lacs)

26. RAW MATERIALS CONSUMED:	Year 2012-13	Year 2011-12
PPCP, LLDP and Master Batch	<b>14,392.98</b>	12,634.32
Printing ink and Materials	<b>867.54</b>	772.41
Boughtout Components	<b>724.20</b>	673.56
Others	<b>41.31</b>	12.98
<b>TOTAL</b>	<b>16,026.02</b>	14,093.27

## 27. STOCK AND TURNOVER (₹ in Lacs)

Products	Unit	Opening Stock	Closing Stock	Turnover
		Value	Value	Value
Containers	MT	<b>207.65</b> (445.29)	<b>126.40</b> (207.65)	<b>25,420.37</b> (23,073.41)

- i) Figures in brackets are for the previous year.  
 ii) Pursuant to Notification No S.O 301 (E) dated 8th February 2011 issued by the Ministry of Company Affairs, disclosure of stock and turnover is provided for item which are greater than 10% of the total value of turnover.

## 28. VALUE OF IMPORTS CALCULATED ON CIF BASIS (₹ in Lacs)

	2012-13	2011-12
Raw Materials	<b>2,547.66</b>	2,543.93
Stores, Spares and Consumables	-	20.74
Capital goods	-	-
<b>TOTAL</b>	<b>2,547.66</b>	2,564.67

**29. Value of imported and Indigeneous Raw Materials and Spares Consumed and percentage of each to total consumption**

	2012-13		2011-12	
	(₹ in Lacs)	% to Total	(₹ in Lacs)	% to Total
Raw Materials				
- Imported	2,547.66	15.90	2,543.93	18.05
- Indigenous	13,478.36	84.10	11,549.34	81.95
<b>TOTAL</b>	<b>16,026.02</b>	<b>100.00</b>	<b>14,093.27</b>	<b>100.00</b>
Stores and Spares				
- Imported	-	-	20.74	26.70
- Indigenous	83.54	100.00	56.94	73.30
<b>TOTAL</b>	<b>83.54</b>	<b>100.00</b>	<b>77.68</b>	<b>100.00</b>

**30. NET DIVIDEND REMITTED IN FOREIGN CURRENCY**

	2012-13			2011-12		
	Number of non-resident shareholders	Number of equity shares held	Dividend Remitted (₹ in Lacs)	Number of non-resident shareholders	Number of equity shares held	Dividend Remitted (₹ in Lacs)
Final Dividend 2010-11	-	-	-	14	3,18,500	5.10
Final Dividend 2011-12	11	2,88,400	4.61	-	-	-

**31. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)**

	(₹ in Lacs)	
	2012-13	2011-12
Travelling Expenses	1.80	Nil

**32. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)**

	(₹ in Lacs)	
	2012-13	2011-12
Export at FOB Value	Nil	Nil
Other Receipts	Nil	Nil

**33. RESEARCH AND DEVELOPMENT**

The Company has received recognition for its In-house R & D unit situated at 28/9, D-2 Block, MIDC, Chinchwad, Pune (Unit- Technology Centre) upto 31st March, 2014, vide letter dated 25th October, 2011 issued by Government of India, Ministry of Science and Technology, Department of Scientific and Industrial Research, Technology Bhavan, New Mehrauli Road, New Delhi- 110 016. The Company has incurred following expenditure on Research and Development.

(₹ in Lacs)

<b>a) Revenue Expenditure</b>	<b>2012-13</b>	<b>2011-12</b>
Employee Cost	<b>113.48</b>	103.72
Travelling Expenditure	<b>5.99</b>	6.28
Testing and Laboratory Expenditure	<b>38.93</b>	19.31
Power and fuel	<b>3.74</b>	4.42
Stores and Spares	<b>4.60</b>	5.53
Material Consumed	<b>95.76</b>	2.82
Repairs and Maintenance	<b>2.97</b>	1.97
Depreciation on Equipment	<b>3.36</b>	2.74
Rent	<b>12.00</b>	12.02
Others	<b>15.28</b>	11.10
<b>TOTAL</b>	<b>296.11</b>	169.91
		(₹ in Lacs)
<b>b) Capital Expenditure</b>	<b>2012-13</b>	<b>2011-12</b>
For Mould Research and Development facility	<b>6.71</b>	5.26
<b>TOTAL</b>	<b>6.71</b>	5.26

34. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2012-13, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in Lacs)

	<b>31.03.2013</b>	<b>31.03.2012</b>
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year.	<b>122.10</b>	53.57
(b) Interest due thereon remaining unpaid.	<b>Nil</b>	Nil
(c) The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year.	<b>Nil</b>	Nil
(d) The amount of interest due and payable for the period of delay in making payment which have been paid but, beyond the appointed day during the year.	<b>Nil</b>	Nil
(e) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal amount is paid but interest has remained unpaid.	<b>Nil</b>	Nil
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure.	<b>Nil</b>	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

35. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The foreign currency exposure not hedged as at 31st March, 2013 are as under :

Currency	Payable (in FC)		Payable (₹ In Lacs)	
	FY 2012 -13	FY 2011 -12	FY 2012 -13	FY 2011 -12
GBP	5,328.70	-	4.40	-

**36. Disclosure as per clause 32 of the Listing Agreement entered into with the Stock Exchange:-**

Loans and advances in the nature of loans given to subsidiary - Clear Mipak Packaging Solutions Limited  
Balance as at 31st March, 2013 ₹ Nil (31st March, 2012: ₹ Nil)

Maximum amount outstanding during the year ₹ 19.83 lacs (31st March, 2012: ₹ 1,285.84 lacs)

Repayment Schedule – on call loan

(₹ in Lacs)			
No.	Particulars	31.03.2013	31.03.2012
1	Loans and advances in the nature of loans to subsidiary Company by name and amount :		
	(a) Clear Mipak Packaging Solutions Limited – Loan Account (Interest Rate : 12% per annum)	Nil	Nil
2	Loans & advances in the nature of loans to associates by name and amount :	Nil	Nil

**37. Pursuant to Accounting Standard (AS – 19)- Lease, the following information is given:**

- The Company has taken certain assets such as cars on an operating lease basis. The lease rentals are payable by the Company on a monthly basis.
- Future minimum lease rentals payable as at 31st March, 2013 as per the lease agreements:

(₹ in Lacs)		
	31.03.2013	31.03.2012
Not later than one year	23.60	28.27
Later than one year and not later than five years	18.71	44.28
Later than five years	-	-
Total	42.31	72.55

Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 26.29 lacs (31st March, 2012: ₹ 32.63 lacs).

**38. Employee benefits :-****(1) Short term employee benefits:**

The liability towards short term employee benefits for the year ended 31st March, 2013 has been recognised in the Statement of Profit and Loss.

**(2) Post employment benefits:**

The following disclosures are made in accordance with AS 15 (Revised) pertaining to Defined Benefit Plans :

(₹ in Lacs)

Particulars	Gratuity (Funded Plan) 2012-2013	Gratuity (Funded Plan) 2011-2012
<b>Amount recognised in Balance Sheet</b>		
Present value of funded obligations	98.77	151.08
Fair Value of Plan Assets	107.49	151.11
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Amount not recognised as an asset, because of the limit in Para 50(b) of AS -15	-	-
<b>Net Liability/(Asset)</b>	<b>(8.72)</b>	<b>(0.03)</b>
<b>Amounts in Balance Sheet</b>		
Liability	-	-
(Assets)	(8.72)	(0.03)
<b>Net Liability/(Asset)</b>	<b>(8.72)</b>	<b>(0.03)</b>
<b>Amount recognised in the Statement of Profit &amp; Loss</b>		
Opening defined benefit obligation less benefit paid	-	-
Current service cost	15.45	15.99
Interest on defined benefit obligation	12.84	6.97
Expected return on plan assets	13.00	(6.81)
Net actuarial losses/ (gains) recognized in year	23.35	43.38
Past Service Cost	-	-
Effect of the limit in Para 59(b) of AS 15 (Revised)	-	-
Losses / (gains) on 'Curtailements and Settlements'	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>64.64</b>	<b>59.53</b>
Actual return on plan assets	0.56	0.82
Reconciliation of benefit obligations and plan assets for the period:		
Change in defined benefit obligation :	-	-
Opening defined benefit obligation as at 1st April	151.08	84.54
Current Service Cost	15.45	15.99
Interest Cost	12.84	6.97
Actuarial (Gain)/Loss on obligations	(22.78)	44.21
Liabilities extinguished on curtailment	-	-
Liabilities extinguished on settlement	-	-
Liabilities assumed on acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(57.82)	(0.63)
<b>Closing defined benefit obligation as at 31st March</b>	<b>98.77</b>	<b>151.08</b>

Particulars	Gratuity (Funded Plan) 2012-2013	Gratuity (Funded Plan) 2011-2012
<b>Change in fair value of assets :</b>		
Opening fair value of plan assets as at 1st April	151.11	85.14
Expected return on Plan Assets	13.00	6.81
Actuarial Gain/(Loss)	0.56	0.82
Assets distributed on settlements	-	-
Contributions by employer	0.63	58.97
Assets acquired due to acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(57.81)	(0.63)
<b>Closing Fair Value of Plan Assets as at 31st March</b>	<b>107.49</b>	<b>151.11</b>
<b>Investment Details (Assets information) :</b>		
GOI Securities	Nil	Nil
Public Sector Unit Bonds	Nil	Nil
State/Central Guaranteed Securities	Nil	Nil
Special Deposit Schemes	Nil	Nil
Equity Shares of Listed Companies	Nil	Nil
Property	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
<b>Assumptions :</b>		
Discounted Rate (per annum)	8.00%	8.25%
Estimated Rate of return on Plan Assets (per annum)	8.00%	8.00%
Rate of Escalation in Salary (per annum)	8.00%	8.00%

**Notes:-**

- The gratuity fund assets and liabilities are managed by Hitech Plast Ltd. Employees' Gratuity Fund.
- The Company estimates that the amount to be contributed to the Gratuity fund for the financial year 2012-13 will be ₹ Nil.
- The Company regularly deposits employee and employers contribution of provident funds to Government managed fund i.e (EPFO) and hence the guidance on implementing AS – 15 (Revised) issued by Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India, relating to employer established provident funds, is not applicable.

**(3) Long Term Employee Benefits:**

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2013, based on actuarial valuation carried out by using the Projected Accrued Benefit Method amounting to ₹ 45.59 lacs (31st March, 2012: ₹ 21.85 lacs ) has been recognised in the Statement of Profit and Loss.

**39. EARNINGS PER SHARE (EPS)**

	2012-13	2011-12
a) Basic and diluted earnings per share before exceptional item in rupees (face value – ₹ 10/- per share)	5.33	8.34
b) Basic and diluted earnings per share after exceptional item in rupees (face value – ₹ 10/- per share)	5.33	8.34
c) Profit after tax and prior period items but before exceptional item as per Statement of Profit and Loss (₹ in lacs)	702.17	1,098.39
d) Profit after tax and prior period items and exceptional item as per Statement of Profit and Loss ( ₹ in lacs )	702.17	1,098.39
e) Weighted average number of equity shares outstanding	1,31,75,700	1,31,75,700

**40. Related Party Disclosures**

Information on related party transactions as required by Accounting Standard – 18 on Related Party Disclosures for the year ended 31st March, 2013.

**1. Relationship:**

- |  |  |
|--|--|
| <p>(i) Holding Company<br/>Geetanjali Trading and Investments Private Limited</p> <p>(ii) Fellow Subsidiaries<br/>Coatings Specialities (India) Limited<br/>Rangudyan Insurance Broking Services Ltd</p> <p>(iii) Subsidiary of the Company<br/>Clear Mipak Packaging Solutions Limited</p> <p>(iv) Key Management Person:<br/>Mr. Malav A. Dani (Promoter Director)<br/>(Redesignated as Managing Director from Joint Managing Director w.e.f. 3/11/2012)<br/>Mr. Ashok K. Goyal (Managing Director)<br/>(Up to 15/08/2012)</p> <p>(v) Promoter Directors<br/>Mr. Ashwin S. Dani<br/>Mr. Jalaj A. Dani<br/>Mrs. Ina A. Dani<br/>Mr. Hasit Dani (Upto 16/4/2012)</p> <p>(vi) Employee Benefit fund where control exists :<br/>Hitech Plast Employee's Gratuity Trust</p> | <p>(vii) Companies controlled by Directors/ Relatives of Directors :</p> <p>Dani Finlease Ltd.</p> <p>Gujarat Organics Ltd.</p> <p>Haish Holding and Trading Company Pvt. Ltd.</p> <p>S C Dani Research Foundation P. Ltd.</p> <p>Vijal Holding and Trading Co. Pvt. Ltd.</p> <p>Smiti Holding and Trading Pvt. Ltd</p> <p>Pragati Chemicals Ltd.</p> <p>Resins and Plastics Ltd.</p> <p>Raytirth Holding &amp; Trading Company Pvt. Ltd.</p> <p>Isis Holding &amp; Trading Company Pvt. Ltd</p> <p>Suryakant Paint Accessories Pvt. Ltd</p> <p>Asian Paints Ltd.</p> <p>Isis Skills Development Pvt. Ltd.</p> |
|--|--|



## 2. Details of Related Party Transactions for Year - 2012-13 and 2011-12 :

(₹ in Lacs)

Particulars	Fellow subsidiary		Subsidiary of the Company		Key Management Personnel	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sale of Fixed Assets	-	-	13.97	1.43	-	-
Interest Received	-	-	0.57	63.83	-	-
Purchase of Goods/Services	-	-	10.08	58.23	-	-
Sale of Goods	-	-	-	8.17	-	-
Purchase of Raw Materials	-	-	18.36	-	-	-
Services Received (Coatings Specialities)	93.00	82.50	-	-	-	-
Services Received	-	-	-	0.30	-	-
Interest Paid- ( Rangudyan)	0.03	-	-	-	-	-
Commission Paid	-	-	0.44	2.92	-	-
Rent Paid-(Coating Specilities )	24.00	26.30	-	-	-	-
Managerial Remuneration -(a)	-	-	-	-	58.26	79.44
Managerial Remuneration -(b)	-	-	-	-	37.11	-
Inter Corporate Deposits - Recd.	-	-	155.45	2,806.02	-	-
Inter Corporate Deposits - Paid.	-	-	155.45	2,806.02	-	-
Inter Corporate Deposits-Recd.-(Rangudyan)	1.50	-	-	-	-	-
Inter Corporate Deposits-Paid-(Rangudyan)	1.50	-	-	-	-	-
Balance Payable for Goods and services	-	-	0.51	18.19	-	-

(a) Amount paid to Managing Director, Mr. Ashok K. Goyal (up to 15/8/2012)

(b) Amount paid to Managing Director, Mr. Malav Dani

(₹ in Lacs)

Particulars	Promoter Directors of the Company		Companies over which Directors have controlling interest		Holding Company		Employee Benefit Plans where control Exists	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sales to Asian Paints	-	-	17,243.77	15,616.15	-	-	-	-
Balance Receivable (Asian Paints)	-	-	448.09	659.69	-	-	-	-
Sitting Fees	1.12	1.96	-	-	-	-	-	-
Commission	1.62	2.40	-	-	-	-	-	-
Reimbursement of Expenses to Advisor	4.97	5.00	-	-	-	-	-	-
Managerial Remuneration -(b)	-	20.84	-	-	-	-	-	-
Inter Corporate Deposit Received	-	-	-	-	-	500.00	-	-
Inter Corporate Deposit Paid	-	-	-	-	-	500.00	-	-
Interest Paid	-	-	-	-	-	14.49	-	-
Contribution During the year	-	-	-	-	-	-	0.04	58.97
Amount Payable	-	-	-	-	-	-	-	(0.04)

(b) Amount paid to Managing Director, Mr. Malav A. Dani who is also Promoter Director of the Company.

- 3 Key Management person who is under the employment of the Company is entitled to post employment benefits and other long term employee benefits recognised as per AS - 15 (Revised) employee benefits in the Financial Statements. As employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.
- 4 As at 31st March, 2013, corporate guarantee issued by the Company on behalf of its subsidiary was amounting to ₹ 4,803.00 lacs (31st March, 2012: ₹ 4,803.00 lacs)
- 5 Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

(₹ in Lacs)

	Year 31.03.2013	Year 31.03.2012
Sale of Goods		
Asian Paints Limited	17,243.77	15,616.15
Purchase of Goods	Nil	Nil
Service provided	Nil	Nil
Services received	Nil	Nil

#### 41. Segment information

As the Company's business activity falls within a single primary business segment viz., "Plastic Containers", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", as prescribed in the Companies (Accounting Standards) Rules, 2006, is not applicable. As on 31st March, 2013, the capital employed in the reportable segment was ₹ 15,015.98 lacs (31st March, 2012: ₹ 14,708.34 lacs).

42. The previous year's figures have been re-grouped / re-classified wherever necessary to correspond with the current year's classification/disclosure .

As per our report of even date	For and on behalf of the Board of Directors		
<b>For Shah &amp; Co.</b> Chartered Accountants FRN: 109430W	<b>Ashwin S. Dani</b> Chairman	<b>Malav A. Dani</b> Managing Director	<b>Ramesh S. Gandhi</b> Director & Chairman of Audit Committee
<b>Ashish Shah</b> Partner M.No.103750 Mumbai 18th May, 2013	<b>Satish B. Samant</b> Chief Financial officer		<b>Namita R. Tiwari</b> Company Secretary

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**FINANCIAL HIGHLIGHTS FOR THE LAST FIVE YEARS - CONSOLIDATED**

(₹ in lacs except for per share data and ratio)

PARTICULARS	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
<b>REVENUE ACCOUNT</b>					
Gross Revenue	48,127.59	41,776.37	37,502.83	28,232.88	24,297.61
Net Revenue from Operations	43,685.12	38,454.93	34,488.47	26,192.17	21,575.27
Cost of Materials	29,039.28	24,592.56	21,606.98	15,690.94	12,987.60
Operating and other expenses	10,288.49	9,396.60	8,246.77	6,558.49	5,428.30
Operating Profit (EBITDA)	4,823.12	4,699.38	4,750.78	4,161.56	3,391.93
Finance Cost	1,830.42	1,751.13	1,240.85	855.54	1,030.38
Depreciation	1,728.96	1,537.57	1,262.53	948.74	887.22
Profit Before Tax and Exceptional Item	1,263.74	1,410.68	2,247.40	2,357.28	1,474.33
Exceptional Item	-	21.97	-	-	-
Profit Before Tax and After Exceptional Item	1,263.74	1,388.71	2,247.40	2,357.28	1,474.33
Provision for Tax	225.66	348.00	634.90	784.10	393.24
Profit After Tax	1,038.08	1,040.71	1,612.50	1,573.18	1,081.09
Minority Interest	(134.36)	23.07	(170.87)	(79.35)	(62.12)
Profit After Tax (After Minority Interest)	903.72	1,063.78	1,441.63	1,493.83	1,018.97
<b>CAPITAL ACCOUNT</b>					
Share Capital	1,317.57	1,317.57	1,317.57	1,317.57	1,317.57
Reserves and Surplus	8,143.28	7,486.20	6,649.43	5,440.88	4,100.64
Deferred Tax Liability/ Asset (Net)	568.74	519.30	561.14	492.34	398.63
Borrowings	10,470.93	11,821.19	9,628.58	6,970.35	4,976.58
Minority Interest	2,918.59	2,784.23	2,795.30	2,214.24	1,487.73
Fixed Assets	14,512.56	13,016.21	11,664.77	9,461.62	6,801.31
Investments	-	11.00	11.00	11.00	11.00
Debt - Equity Ratio	1.11	1.34	1.21	1.40	1.23
<b>PER SHARE DATA</b>					
Earning Per Share (₹)	6.86	8.07	10.94	11.34	7.73
Book Value (₹)	71.81	66.82	60.47	51.29	41.12

**INDEPENDENT AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF HITECH PLAST LIMITED**

**Report on the Financial Statements**

We have audited the accompanying Consolidated Financial Statements of Hitech Plast Limited ('the Company') and its subsidiary (collectively referred to as 'the Group'), which comprise of the Consolidated Balance Sheet as at 31 March, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended (refer note 32 to consolidated financial statements), and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS 21) on Consolidated Financial Statements as prescribed by the Companies (Accounting Standard's) Rules, 2006.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2013;
- (ii) in the case of Consolidated Statement of Profit and Loss, of the profit for the Group for the year ended on that date;  
and
- (iii) in the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

**Ashish Shah**  
Partner  
Membership No. 103750

Mumbai  
18th May, 2013

# Consolidated Balance Sheet as at 31st March, 2013

(₹ in Lacs)

	Notes	As at 31.03.2013	As at 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	1,317.57	1,317.57
Reserves and Surplus	4	8,143.28	7,486.20
		9,460.85	8,803.77
<b>Minority Interest</b>		2,918.59	2,784.23
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	5	4,067.25	3,516.53
Deferred Tax Liabilities (Net)	6	568.74	519.30
Long Term Provisions	7	79.73	78.12
		4,715.72	4,113.95
<b>CURRENT LIABILITIES</b>			
Short-Term Borrowings	8	4,789.94	6,835.18
Trade Payables	9	1,653.25	1,430.48
Other Current Liabilities	10	2,485.73	2,192.96
Short-Term Provisions	7	359.44	359.36
		9,288.36	10,817.98
<b>TOTAL</b>		26,383.52	26,519.93
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	11A	14,398.28	12,419.59
Intangible Assets	11B	28.60	29.11
Capital work-in-progress		85.68	567.51
		14,512.56	13,016.21
Goodwill on Consolidation		293.95	293.95
Non-Current Investments	12	-	11.00
Long Term Loans and Advances	13	535.09	1,094.94
<b>CURRENT ASSETS</b>			
Inventories	14	2,703.70	3,819.24
Trade Receivables	15	6,145.34	6,237.07
Cash and Bank Balances	16	637.13	858.84
Short-Term Loans and Advances	13	1,371.50	1,024.74
Other Current Assets	17	184.25	163.94
		11,041.92	12,103.83
<b>TOTAL</b>		26,383.52	26,519.93

**Significant Accounting Policies**

2

Notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For Shah & Co.**

Chartered Accountants

FRN: 109430W

**Ashish Shah**

Partner

M.No.103750

Mumbai

18th May, 2013

**Ashwin S. Dani**

Chairman

**Satish B. Samant**

Chief Financial officer

**Malav A. Dani**

Managing Director

**Ramesh S. Gandhi**

Director &amp;

Chairman of Audit Committee

**Namita R. Tiwari**

Company Secretary



**Consolidated Statement of Profit and Loss for the year ended 31st March, 2013**

(₹ in Lacs)

	Notes	Year 2012-13	Year 2011-12
<b>(I) INCOME</b>			
Revenue from Sales of goods and services	18A	48,127.59	41,776.37
Less: Excise Duty		4,442.47	3,321.44
Revenue from Sales of goods and services (Net)		43,685.12	38,454.93
Other Operating Revenue	18B	262.96	107.07
Other Income	19	202.81	126.54
<b>Total Revenue (I)</b>		<b>44,150.89</b>	<b>38,688.54</b>
<b>(II) EXPENSES</b>			
Cost of Materials Consumed	20A	28,478.72	24,664.62
Changes in inventories of finished goods and work-in-progress	20B	560.56	(72.06)
Employee Benefits Expense	21	2,436.51	2,457.73
Other Expenses	22	7,851.98	6,938.87
<b>Total Expenses (II)</b>		<b>39,327.77</b>	<b>33,989.16</b>
<b>EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I-II)</b>			
		4,823.12	4,699.38
Depreciation and Amortisation Expense	23	1,728.96	1,537.57
Finance Costs	24	1,830.42	1,751.13
Profit before Exceptional and Extraordinary Items and Tax		1,263.74	1,410.68
Exceptional items		-	21.97
<b>PROFIT BEFORE TAX</b>		<b>1,263.74</b>	<b>1,388.71</b>
Tax Expenses:			
Current Tax		176.22	407.00
Deferred Tax	6	49.44	(41.84)
(Excess) Tax Provision for earlier years		-	(17.16)
<b>PROFIT AFTER TAX</b>		<b>1,038.08</b>	<b>1,040.71</b>
Less : Minority Interest		134.36	(23.07)
<b>Net Profit Attributable to Shareholders</b>		<b>903.72</b>	<b>1,063.78</b>
Earnings per equity share (₹): Basic and Diluted (Face value of ₹ 10/- each)	29	6.86	8.07
<b>Significant Accounting Policies</b>	2		
<b>Notes are an integral part of the financial statements.</b>			

As per our report of even date

For and on behalf of the Board of Directors

**For Shah & Co.**  
Chartered Accountants  
FRN: 109430W

**Ashwin S. Dani**  
Chairman

**Malav A. Dani**  
Managing Director

**Ramesh S. Gandhi**  
Director &  
Chairman of Audit Committee

**Ashish Shah**  
Partner  
M.No.103750

**Satish B. Samant**  
Chief Financial officer

**Namita R. Tiwari**  
Company Secretary

Mumbai  
18th May, 2013

## Consolidated Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lacs)

	2012-13	2011-12
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) before Tax	1,263.74	1,388.71
<b>Adjustments for :</b>		
Depreciation and amortization expense	1,728.96	1,537.57
Loss/ (Profit) on Sale of Fixed Assets	(3.29)	(34.04)
Provision for diminution in value of investment	11.00	-
Finance costs	1,830.42	1,751.13
Interest Income	(49.39)	(35.19)
<b>Operating Profit before working capital changes</b>	<b>4,781.44</b>	<b>4,608.18</b>
<b>Adjustments for :</b>		
Trade Receivables	91.73	(457.40)
Other Receivables	(258.14)	(86.95)
Inventories	1,115.54	421.09
Trade and other Payables	351.62	(659.78)
<b>Cash Generated from Operations</b>	<b>6,082.19</b>	<b>3,825.14</b>
Income Tax paid (Net of Refund)	(321.58)	(490.37)
<b>Net Cash Flow from Operations</b>	<b>5,760.61</b>	<b>3,334.77</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,676.34)	(3,421.94)
Sale of Fixed Assets	36.58	92.56
Interest Received	63.41	32.28
<b>Net Cash used in Investing Activities</b>	<b>(2,576.35)</b>	<b>(3,297.10)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Capital Subsidy Received		30.00
Proceeds from Long Term Borrowings	1,678.93	1,380.14
Repayment of Long Term Borrowings	(983.95)	-
Proceeds from/ (Repayment of) Cash Credit	(2,453.32)	830.45
Proceeds from Short Term Borrowings	408.08	1,191.50
Repayment of Short Term Borrowings	-	(1,209.48)
Dividend and Dividend tax paid	(242.26)	(242.60)
Finance costs paid	(1,813.45)	(1,727.92)
<b>Net Cash used in Financing Activities</b>	<b>(3,405.97)</b>	<b>252.09</b>
<b>(D) Net (Decrease)/ Increase in Cash and Cash Equivalents</b>	<b>(221.71)</b>	<b>289.76</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>858.84</b>	<b>569.08</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>637.13</b>	<b>858.84</b>

Notes :

- (a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.

		(₹ in Lacs)	
		As At 31.3.2013	As At 31.3.2012
(b)	Cash and Cash Equivalents comprises of :		
	Cash on hand	6.16	8.72
	Balances with bank		
	- Current Accounts	398.10	135.21
	- Deposits with Bank	176.12	692.06
	- Margin Money Deposit	43.42	12.27
	- Unpaid Dividend Account *	13.33	10.58
	<b>TOTAL</b>	<b>637.13</b>	<b>858.84</b>

\* The Group can utilise these balances only towards settlement of unclaimed dividend.

As per our report of even date	For and on behalf of the Board of Directors		
<b>For Shah &amp; Co.</b>	<b>Ashwin S. Dani</b>	<b>Malav A. Dani</b>	<b>Ramesh S. Gandhi</b>
Chartered Accountants	Chairman	Managing Director	Director &
FRN: 109430W			Chairman of Audit Committee
<b>Ashish Shah</b>	<b>Satish B. Samant</b>		<b>Namita R. Tiwari</b>
Partner	Chief Financial officer		Company Secretary
M.No.103750			
Mumbai			
18th May, 2013			

## Notes to Financial Statements for the year ended 31st March, 2013

### 1. Company Information:

Hitech Plast Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, namely the Bombay Stock Exchange Limited (BSE), and the National Stock Exchange of India Limited (NSE). The Company is engaged in the manufacturing of rigid plastic containers specially catering to customers relating to paints, lube and other industrial chemicals. The Company caters to only local domestic market.

### 2. Significant Accounting Policies:

#### 2.1 Basis of preparation of consolidated financial statements

##### (a) Basis of Accounting :

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 (as amended) and with the relevant provisions of the Companies Act, 1956

##### (b) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

##### (c) Current/Non Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset,
  - it is held primarily for the purpose of being traded; or
  - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

## 2.2. Tangible and Intangible Assets

### (a) Tangible Fixed Assets:

Tangible fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Interest on borrowed funds directly attributable to the qualifying assets up to the period such assets are put to use, is included in the cost. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

### (b) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is reflected at their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

### (c) Depreciation and Amortisation:

Depreciation on all fixed assets is provided under Straight Line Method. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Pursuant to this policy, depreciation on following assets has been provided at rates which are higher than the corresponding rates prescribed in Schedule XIV:-

Moulds	: 4 years
Furniture & Fixture	: 10 years
Computer	: 5 years
Office Equipment	: 10 years
Vehicle	: 5 years

Depreciation on Plant and Machinery is provided under Straight Line Method on triple shift basis; and on Building is provided under the Written Down Value Method, at the rates laid down in the Schedule XIV to the Companies Act, 1956.

Assets costing less than ₹ 5,000 are fully charged to the statement of profit and loss in the year of acquisition. Leasehold land and leasehold improvements are amortised over the primary period of lease.

Purchase cost, user licence fees and consultancy fees for major software are amortised over a period of three years.

### (d) Impairment:

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any such

indication exist the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the statement of profit and loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

### **2.3 Goodwill**

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

### **2.4 Revenue Recognition**

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognised separately as part of changes in inventories of finished goods and work in progress.

Revenue from service is recognised on rendering of services to customers.

Processing income is recognised on accrual basis as per contractual arrangements.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on time proportion basis.

### **2.5 Lease Accounting**

Assets taken on operating lease:

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

### **2.6 Inventory**

Raw materials, work in progress, finished goods, packing materials, stores, spares and consumables are carried at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are suitably depreciated.

In determining cost of raw material, packing material, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

### **2.7 Investments**

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Non-Current investments are stated at cost. A provision for diminution in the value of non-current investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

## **2.8 Transaction in Foreign Currency**

### **(a) Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

### **(b) Measurement of foreign currency items at the Balance Sheet date:**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

### **(c) Forward exchange contracts:**

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.

## **2.9 Trade Receivables**

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered doubtful.

## **2.10 Employee Benefits**

### **A. Short Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### **B. Post-employment benefits :**

#### **(a) Defined contribution plans**

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Group's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

The Group contributes to the Government administered provident funds on behalf of its employee.

#### **(b) Defined benefit plans**

Defined benefit gratuity plan.

The Parent Company and its subsidiary operates a defined benefit gratuity plan for employees. The contribution is paid to a separate entity (a fund), towards meeting the gratuity obligation.



The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date.

The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as adjusted for unrecognized actuarial gains and losses and unrecognized past service costs and as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the unrecognized past service cost plus the present value of available refunds and reductions in future contributions to the plan.

The Company presents the above liabilities as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next 12 months.

### **C. Other long term employee benefits:**

Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The parent company and its subsidiary determines the liability for such accumulated leave using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

The Group presents this liability as current and non-current in the balance sheet as per actuarial valuation by the independent actuary.

## **2.11 Research and Development**

Research and development expense is recognized as an expense as and when it is incurred.

Expenditure incurred on fixed assets used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company and is disclosed separately.

## **2.12 Provision for Taxation**

Tax expenses comprise of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred Tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the parent and subsidiary company, as per their applicable laws and then aggregated.

## **2.13 Provisions and Contingencies**

The Group creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

## 2.14 Earnings Per Share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

## 2.15 Proposed Dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

## 2.16 Borrowing Cost

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are expensed in the period they occur.

## 2.17 Cash and Cash Equivalents

Cash and cash equivalents include cash & cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

## 2.18 Measurement of EBITDA

The Group has elected to present earnings before interest (finance costs), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Group measures EBITDA on the basis of profit/(loss) from continuing operations.

(₹ in Lacs)

3. SHARE CAPITAL	As at 31.03.2013	As at 31.03.2012
<b>Authorised</b>		
2,00,00,000 (31st March, 2012: 2,00,00,000) equity shares of ₹ 10/- each	2,000.00	2,000.00
<b>TOTAL</b>	2,000.00	2,000.00
<b>Issued, Subscribed and Paid-Up Capital</b>		
1,31,75,700 (31st March, 2012: 1,31,75,700) equity shares of ₹ 10/- each fully paid.	1,317.57	1,317.57
<b>TOTAL</b>	1,317.57	1,317.57

### a. Reconciliation of the shares outstanding at the beginning and at the end of the year

	31.03.2013		31.03.2012	
Equity Shares	No. of Shares	(₹ in Lacs)	No. of Shares	(₹ in Lacs)
At the beginning of the year	1,31,75,700	1,317.57	1,31,75,700	1,317.57
Add : Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,31,75,700</b>	<b>1,317.57</b>	<b>1,31,75,700</b>	<b>1,317.57</b>

**b. Shares held by holding company and/or its subsidiary**

Out of equity shares issued by the Company, shares held by its holding Company is as below:

(₹ in Lacs)

	31.03.2013	31.03.2012
Geetanjali Trading & Investments Pvt Ltd – the Holding company 80,29,295 (31st March, 2012 : 80,29,295 ) equity Shares of ₹ 10/- each fully paid	802.93	802.93
<b>TOTAL</b>	<b>802.93</b>	<b>802.93</b>

**c. Details of shareholders holding more than 5% equity shares in the Company**

	31.03.2013		31.03.2012	
Name of Shareholders	No of Equity Shares	% holding in the Class	No of Equity Shares	% holding in the Class
Equity Shares of ₹ 10/- each fully paid Geetanjali Trading & Investments Pvt. Ltd.	80,29,295	60.94%	80,29,295	60.94%

# As per the records of the Company, including its Register of Members.

**d. Terms/rights attached to equity shares**

The Parent Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

A dividend of ₹ 1.60 (Rupees one and paise sixty only) per share has been recommended by the Board of Directors at its meeting held on 18th May, 2013, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2012-13 will be ₹ 1.60 per equity share; ₹ 1.60 per equity share was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2013 amounted to ₹ 246.64 lacs including corporate dividend tax of ₹ 35.83 lacs. (Previous year ₹ 245.01 lacs including corporate dividend tax of ₹ 34.20 lacs).

As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(₹ in Lacs)

4 RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
<b>Capital Subsidy</b>		
Balance as per the last Balance Sheet	-	43.00
Add : Received during the year	-	30.00
Less: amount transferred to General Reserve	-	61.00
Less: Minority Interest	-	12.00
Closing Balance	-	-

(₹ in Lacs)

	As at 31.03.2013	As at 31.03.2012
<b>Capital Reserve</b>	<b>432.57</b>	432.57
<b>Capital Redemption Reserve</b>	<b>461.20</b>	461.20
<b>Securities Premium Account</b>	<b>737.21</b>	737.21
<b>General Reserve</b>		
Balance as per the last Balance Sheet	<b>416.75</b>	273.35
Add: amount transferred from the Statement of Profit and Loss	<b>52.66</b>	82.40
Add : amount transferred from Capital Subsidy	-	61.00
Closing Balance	<b>469.41</b>	416.75
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per the last Balance Sheet	<b>5,438.47</b>	4,702.10
Add: Net Profit after tax transferred from Statement of Profit and Loss for the year	<b>903.72</b>	1,063.78
Less: Appropriations-		
- Proposed final equity dividend (amount per share ₹ 1.60 (31st March 2012 : ₹ 1.60))	<b>210.81</b>	210.81
- Tax on proposed equity dividend	<b>35.83</b>	34.20
- Transfer to General reserve	<b>52.66</b>	82.40
- Total appropriations	<b>299.30</b>	327.41
Net Surplus in the Statement of Profit and Loss	<b>6,042.89</b>	5,438.47
<b>TOTAL RESERVES AND SURPLUS</b>	<b>8,143.28</b>	7,486.20

(₹ in Lacs)

5 LONG TERM BORROWINGS	Non-Current		Current	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
<b>Term Loans @</b>				
<b>I) Secured</b>				
Indian rupee loan from banks	<b>975.96</b>	1,812.50	<b>836.54</b>	791.56
Foreign currency loan from bank	<b>2,343.54</b>	1,121.25	<b>516.33</b>	74.75
	<b>3,319.50</b>	2,933.75	<b>1,352.87</b>	866.31
<b>II) Unsecured</b>				
Deposits				
- Deposits from shareholders	<b>153.05</b>	76.47	<b>52.92</b>	114.44
- Deposits from others	<b>594.70</b>	506.31	<b>207.95</b>	488.73
	<b>747.75</b>	582.78	<b>260.87</b>	603.17
<b>TOTAL</b>	<b>4,067.25</b>	3,516.53	<b>1,613.74</b>	1,469.48
Amount included under the head "other current liabilities" (Refer Note 10)	-	-	<b>(1,613.74)</b>	(1,469.48)
<b>NET AMOUNT</b>	<b>4,067.25</b>	3,516.53	-	-

@ Default in terms of repayment of principal and interest – NIL.

	Non-Current	Current
<b>A Standard Chartered Bank Term Loan of ₹ 625 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 39.06 lacs each along with interest. The loan is secured by :		
a) First and Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 625 lacs, the Company has already repaid ₹ 312.50 lacs till 31st March, 2013 and the balance amount of ₹ 312.50 lacs is repayable in 8 quarterly installments upto February, 2015.	156.25	156.25
<b>B Standard Chartered Bank Term Loan of ₹ 375 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 23.44 lacs each along with interest. The loan is secured by :		
a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 375 lacs, the Company has already repaid ₹ 187.50 lacs till 31st March, 2013, and the balance amount of ₹ 187.50 lacs is repayable in 8 quarterly installments upto February, 2015.	93.75	93.75
<b>C Standard Chartered Bank Term Loan of ₹ 250 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.95% p.a. The loan is repayable in 16 quarterly installments of ₹ 15.63 lacs each along with interest. The loan is secured by :		
a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 250 lacs, the Company has already repaid ₹ 125 lacs till 31st March, 2013, and the balance amount of ₹ 125 lacs is repayable in 8 quarterly installments upto February, 2015.	62.50	62.50
<b>D Standard Chartered Bank Term Loan of ₹ 250 Lacs</b>		
Indian Rupee loan from bank carries interest @ 12.75% p.a. The loan is repayable in 16 quarterly installments of ₹ 15.63 lacs each along with interest. The loan is secured by:		
a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.		
b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.		
Out of the total loan of ₹ 250 lacs, the Company has already repaid ₹ 62.50 lacs till 31st March, 2013, and the balance amount of ₹ 187.50 lacs is repayable in 12 quarterly installments upto February, 2016.	125.00	62.50

(₹ in lakhs)

	Non-Current	Current
<b>E Standard Chartered Bank (ECB) of ₹ 11.96 Crores (USD 2.30 Million)</b>		
Foreign currency loan carries interest @ LIBOR plus 300 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly installments of USD 143750 @ 52 i.e. ₹ 74,75,000/- each. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present & future (Land, Building, Plant & Machinery) located at the Rohtak Plant. The principal repayment and coupon are both hedged for the entire period of loan.		
Out of the total loan of ₹ 1,196 lacs, the Company has already repaid ₹ 74.75 lacs till 31st March, 2013, and the balance amount of ₹ 1,121.25 lacs is repayable in 15 quarterly installments upto November, 2016.	822.25	299.00
<b>F Standard Chartered Bank (ECB) of ₹ 17.39 Crores (USD 3.14 Million)</b>		
Foreign currency loan carries interest @ LIBOR plus 350 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly installments of USD 1,96,250 @ 55.37 i.e. ₹ 1,08,66,363/- each. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present & future (Land, Building, Plant & Machinery) located at the Khandala Plant. The principal repayment and coupon are both hedged for the entire period of loan.		
The above loan amount of ₹ 1,738.62 lacs is repayable in 16 quarterly installments upto September, 2017.	1,521.29	217.33
<b>G Deposits from Shareholders, directors, relatives and associate carry interest @ 10.50% to 11% p.a. and are repayable after 1-3 years from the date of deposit.</b>	747.75	260.87
<b>H Kotak Mahindra Bank Ltd. Loan of ₹ 371 Lacs</b>		
Indian Rupee loan from bank carries interest @ 11.50% p.a. The loan is repayable in monthly installments of ₹ 9.51 lacs along with interest.		
Out of the total loan of ₹ 371 lacs the Company has already repaid ₹ 171.23 lacs till 31st March, 2013 and the balance amount of ₹ 199.77 lacs is repayable in 21 monthly installments upto December, 2014.		
The loan is secured by :		
a) First and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
b) Second hypothecation charge on all existing and future current assets of the borrower.		
c) Mortgage by way of 1st and exclusive charge on the immovable properties being land and building situated at sitarganj and Naroли (new unit) belonging to the borrower.		
d) Corporate Guarantee of Hitech Plast Limited.	85.62	114.15
<b>I Kotak Mahindra Bank Ltd. Loan of ₹ 129 Lacs</b>		
Indian Rupee loan from bank carries interest @ 11.50% p.a. The loan is repayable in monthly installments of ₹ 3.31 lacs along with interest.		
Out of the total loan of ₹ 129 lacs the Company has already repaid ₹ 59.54 lacs till 31st March, 2013 and the balance amount of ₹ 69.46 lacs is repayable in 21 monthly installments upto December, 2014.		

(₹ in lakhs)

	Non-Current	Current
The loan is secured by :		
a) First and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
b) Second hypothecation charge on all existing and future current assets of the borrower.		
c) Mortgage by way of 1st and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the borrower.		
d) Corporate Guarantee of Hitech Plast Limited.	29.77	39.69

#### J Kotak Mahindra Bank Ltd. loan of ₹ 500 Lacs

Indian Rupee loan from bank carries interest @ 12.50% p.a. The loan is repayable in monthly installments of ₹ 12.82 lacs along with interest.

Out of the total loan of ₹ 500 lacs the Company has already repaid ₹ 230.77 lacs till 31st March, 2013 and the balance amount of ₹ 269.23 lacs is repayable in 21 monthly installments upto December, 2014.

The loan is secured by :

a) First and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
b) Second hypothecation charge on all existing and future current assets of the borrower.		
c) Mortgage by way of 1st and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the borrower.		
d) Corporate Guarantee of Hitech Plast Limited.	115.38	153.85

#### K Kotak Mahindra Bank Ltd. loan of ₹ 500 Lacs

Indian Rupee loan from bank carries interest @ 12.50% p.a. The loan is repayable in monthly installments of ₹ 12.82 lacs along with interest.

Out of the total loan of ₹ 500 lacs the Company has already repaid ₹ 38.46 lacs till 31st March, 2013 and the balance amount of ₹ 461.54 lacs is repayable in 36 monthly installments upto March, 2016.

The loan is secured by :

a) First and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
b) Second hypothecation charge on all existing and future current assets of the Borrower.		
c) Mortgage by way of 1st and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower.		
d) Corporate Guarantee of Hitech Plast Limited.	307.69	153.85



**6. DEFERRED TAX LIABILITIES (NET)**

The Group has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2013 are as follows:

(₹ in Lacs)

	As at 31.03.2013	As at 31.03.2012
<b>Deferred tax liabilities</b>		
Difference between Written Down Value/Capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	(722.64)	(711.69)
<b>Total deferred tax liabilities</b>	(722.64)	(711.69)
<b>Deferred tax asset</b>		
Carry forward business losses and unabsorbed depreciation	75.35	83.33
Provision for expense allowed for tax purpose on payment basis	62.16	85.14
Provision for doubtful debts and advances	16.39	23.92
<b>Total deferred tax assets</b>	153.90	192.39
<b>Net Deferred tax asset/(liability)</b>	(568.74)	(519.30)
<b>Net Deferred Tax Benefit/(Expense) for the year</b>	(49.44)	41.84

(₹ in Lacs)

7. PROVISIONS	Long Term		Short Term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Provision for Employee Benefits ( Refer note No. 28)				
- Provision for gratuity	-	-	85.25	79.99
- Provision for leave benefits	79.73	78.12	27.55	34.36
Other Provisions				
- Proposed Dividend	-	-	210.81	210.81
- Provision for Income tax on Proposed Dividend	-	-	35.83	34.20
<b>TOTAL</b>	<b>79.73</b>	<b>78.12</b>	<b>359.44</b>	<b>359.36</b>

(₹ in Lacs)

8. SHORT-TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012
<b>a) Loan repayable on demand from banks ^</b>		
<b>Secured</b>		
Cash credits from Banks	2,307.36	4,760.68
Working Capital Demand loan	1,000.00	883.00
Buyers' Credit *	232.58	191.50
<b>b) Loans and Advances from related parties</b>		
<b>Unsecured</b>		
Advances from related parties	1,250.00	1,000.00
<b>TOTAL</b>	<b>4,789.94</b>	<b>6,835.18</b>

^ Default in terms of repayment of principal and interest – NIL

Cash Credit Accounts are secured by hypothecation of inventories, book debts and other current assets. Cash credit and Working Capital Demand Loan is repayable on demand and carries interest @10.20% to 13.50% p.a.

\* Buyers' Credit loan carries interest @ LIBOR plus 2% to 3.5% p.a.

(₹ in Lacs)

9. TRADE PAYABLES	As at 31.03.2013	As at 31.03.2012
Trade Payables (including Acceptances)	1,653.25	1,430.48
<b>TOTAL</b>	<b>1,653.25</b>	<b>1,430.48</b>

(₹ in Lacs)

10. OTHER CURRENT LIABILITIES	As at 31.03.2013	As at 31.03.2012
<b>Other liabilities</b>		
Current maturities of Long Term Borrowings (Refer note 5)	1,613.74	1,469.48
Interest accrued but not due on borrowings	93.63	76.66
Advance from Customers	50.39	56.82
Investor Education and Protection Fund #		
- Unpaid Dividend	13.33	10.58
Others Payables		
Statutory Payable -		
- Payable towards CST & VAT	81.89	44.01
- Payable towards Excise & Service Tax	42.81	70.05
- Payable towards TDS under Income Tax	42.96	35.62
- Payable towards Providend Fund Payable, Professional Tax & ESIC	17.43	2.03
Payable to Employees	177.77	121.77
Provision for Other Expenses	307.43	283.13
Others	44.35	22.81
<b>TOTAL</b>	<b>2,485.73</b>	<b>2,192.96</b>

# There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2013. These amounts shall be paid to the Fund as and when they become due.

## 11. FIXED ASSETS

(₹ In Lacs)									
	Gross Block				Depreciation/Amortization			Net Block	
	As at 01.04.12	Additions during the Year	Deductions/ adjustments	As at 31.03.13	As at 01.04.12	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.13	As at 31.03.13
(A) Tangible Assets :									
Freehold Land	1,722.59	489.80	-	2,212.39	-	-	-	-	2,212.39
Leasehold Land	344.22	-	-	344.22	14.23	4.08	-	18.31	325.91
Buildings	4,746.78	1,563.65	-	6,310.43	1,597.02	372.34	-	1,969.35	4,341.08
Moulds	2,188.72	117.91	10.41	2,296.22	1,656.15	224.91	2.88	1,878.18	418.04
Plant & Machinery	11,322.01	1,519.83	42.05	12,799.79	5,033.93	1,008.01	20.45	6,021.49	6,778.30
Furniture	295.54	8.10	-	303.64	149.75	21.13	-	170.88	132.76
Leasehold Improvements	69.02	8.80	-	77.82	24.78	24.34	-	49.12	28.70
Computers	183.11	5.78	-	188.89	121.39	20.93	-	142.32	46.57
Office Equipment	180.00	4.92	-	184.92	88.20	12.66	-	100.86	84.06
Vehicles	210.71	-	11.15	199.56	157.67	18.41	6.99	169.09	30.47
Total Tangible Assets	21,262.70	3,718.79	63.61	24,917.88	8,843.11	1,706.81	30.32	10,519.60	14,398.28
(B)Intangible Assets :									
Software	137.70	21.64	-	159.34	108.84	21.94	-	130.78	28.56
Patent	3.37	-	-	3.37	3.12	0.21	-	3.33	0.04
Total Intangible Assets	141.07	21.64	-	162.71	111.96	22.15	-	134.11	28.60
Total (A+B)	21,403.77	3,740.43	63.61	25,080.59	8,955.07	1,728.96	30.32	10,653.71	14,426.88

(₹ In Lacs)

# 11. FIXED ASSETS (Contd..)

(₹ In Lacs)

	Gross Block			Depreciation / Amortization			Net Block	
	As at 01.04.11	Additions during the Year	Deductions/ adjustments	As at 31.03.12	As at 01.04.11	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.12
<b>(A) Tangible Assets :</b>								
Freehold Land	1,666.95	55.64	-	1,722.59	-	-	-	1,722.59
Leasehold Land	358.02	4.78	18.58	344.22	10.62	4.02	0.41	329.99
Buildings	3,696.31	1,083.27	32.80	4,746.78	1,314.62	290.85	8.45	3,149.76
Moulds	1,897.00	304.64	12.92	2,188.72	1,479.38	211.60	34.83	532.57
Plant & Machinery	9,772.32	1,567.39	17.70	11,322.01	4,101.95	913.06	(18.92)	6,288.08
Furniture	281.32	14.22	-	295.54	127.12	22.63	-	145.79
Leasehold Improvements	65.87	3.15	-	69.02	9.78	15.00	-	44.24
Computers	170.35	12.76	-	183.11	101.02	20.37	-	61.72
Office Equipment	162.65	17.35	-	180.00	75.45	12.75	-	91.80
Vehicles	211.70	0.61	1.60	210.71	137.14	20.84	0.32	53.05
<b>Total Tangible Assets</b>	<b>18,282.49</b>	<b>3,063.81</b>	<b>83.60</b>	<b>21,262.70</b>	<b>7,357.08</b>	<b>1,511.12</b>	<b>25.09</b>	<b>12,419.59</b>
<b>(B) Intangible Assets :</b>								
Software	121.83	15.87	-	137.70	83.13	25.71	-	28.86
Patent	3.37	-	-	3.37	2.38	0.74	-	0.25
<b>Total Intangible Assets</b>	<b>125.20</b>	<b>15.87</b>	<b>-</b>	<b>141.07</b>	<b>85.51</b>	<b>26.45</b>	<b>-</b>	<b>29.11</b>
<b>Total (A+B)</b>	<b>18,407.69</b>	<b>3,079.68</b>	<b>83.60</b>	<b>21,403.77</b>	<b>7,442.59</b>	<b>1,537.57</b>	<b>25.09</b>	<b>12,448.70</b>

**Capitalized borrowing costs**

The borrowing cost capitalized during the year ended 31st March, 2013 was ₹ 66.03 lacs (31st March, 2012 : ₹ 18.83 lacs).

**Land includes land held on leasehold basis:**

Gross block ₹ 344.22 lacs (31st March, 2012: ₹ 344.22 lacs) Depreciation charge for the year ₹ 4.08 lacs (31st March, 2012: ₹ 4.03 lacs) Accumulated depreciation ₹ 18.31 lacs (31st March, 2012: ₹ 14.23 lacs) Net book value ₹ 325.91 lacs (31st March, 2012: ₹ 329.99 lacs).

(₹ in Lacs)		
	As at 31.03.2013	As at 31.03.2012
<b>12. NON-CURRENT INVESTMENTS</b>		
Trade Investments (At Cost)		
Unquoted equity investments 11,000 (31st March, 2012 : 11,000) Equity Shares of ₹ 100/- each fully paid in HO Plast Pvt. Ltd.	11.00	11.00
Less : Provision for diminution in the value of Investments	(11.00)	-
<b>TOTAL</b>	<b>-</b>	<b>11.00</b>

(₹ in Lacs)				
13. LOANS AND ADVANCES	Long Term		Short Term	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
<b>Unsecured, considered good :</b>				
Capital advances	184.86	767.12	-	-
Security Deposits	347.76	326.10	-	-
<b>Other loans and advances :</b>				
Advance income-tax (net of provision for taxation)	-	-	545.01	399.65
Advances recoverable in cash or kind	-	-	114.99	104.55
Prepaid Expenses	-	-	46.03	36.19
Loans to employees	0.75	-	5.66	8.09
Balances with Government authorities				
- Cenvat Credit receivable	-	-	213.54	171.28
- Service tax credit receivable	-	-	48.76	60.29
- Vat credit receivable	-	-	397.31	244.69
- Other	1.72	1.72	0.20	0.00
<b>TOTAL</b>	<b>535.09</b>	<b>1,094.94</b>	<b>1,371.50</b>	<b>1,024.74</b>

(₹ in Lacs)

14. INVENTORIES (Valued at Lower of Cost and Net Realizable Value)	As at 31.03.2013	As at 31.03.2012
Raw materials	1,336.84	1,845.44
Packing Materials	79.34	101.56
Finished Goods	509.56	794.76
Work-in-progress	757.86	1,061.37
Consumables, Stores and spares	20.10	16.11
<b>TOTAL</b>	<b>2,703.70</b>	<b>3,819.24</b>

(₹ in Lacs)

15. TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
<b>Unsecured</b>		
(a) Overdue for more than six months		
considered good	144.98	284.37
considered doubtful	230.88	73.72
	375.86	358.09
(b) Others		
considered good	6,000.37	5,952.70
considered doubtful	2.44	-
	6,002.81	5,952.70
Less : Provision for doubtful trade receivables(*)	233.33	73.72
<b>TOTAL</b>	<b>6,145.34</b>	<b>6,237.07</b>

(\*) A provision of ₹ 145.26 lacs, being the amount not recoverable from HO Plast Pvt. Ltd., consisting of ₹ 134.26 lacs of Debt & ₹ 11 lacs for diminution in value of investment in equity shares, has been made in the books in the year ended 31st March, 2013. Efforts have been made for the recovery of dues and legal action has been initiated.

(₹ in Lacs)

16. CASH AND BANK BALANCES	As at 31.03.2013	As at 31.03.2012
<b>(A) Cash and Cash Equivalents</b>		
a. Balances with banks		
- On current accounts #	398.10	135.21
b. Cash on hand	6.16	8.72
<b>(B) Other Bank balances</b>		
- Margin Money Deposit	43.42	12.27
- Bank Deposits (with original maturity for < 12 months but > 3 months)	118.42	544.00
- Bank Deposits for Guarantees ©	18.75	22.36
- Bank Deposits (with original maturity for >12 months) ©	38.95	125.7
- Unpaid Dividend accounts *	13.33	10.58
<b>TOTAL</b>	<b>637.13</b>	<b>858.84</b>

© Bank Term Deposits given as security

Bank Term deposits, with a carrying amount of ₹ 98.70 lacs (31st March, 2012: ₹ 93.80 lacs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

# Overdraft in current account carries interest rate @ 10.20% to 13.50% p.a.

\* The Group can utilise these balances only towards settlement of unclaimed dividend.

(₹ in Lacs)

<b>17. OTHER CURRENT ASSETS</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
Interest accrued on Deposits but not due	11.40	25.42
Quantity discount receivable	142.30	110.15
Insurance receivable	28.42	28.37
Others	2.13	-
<b>TOTAL</b>	<b>184.25</b>	<b>163.94</b>

(₹ in Lacs)

<b>18. REVENUE FROM OPERATIONS</b>	<b>As at 31.03.2013</b>	<b>Year 31.03.2012</b>
<b>(A) Revenue from sale of goods and services:</b>		
Sales of goods		
Home Market	46,918.76	41,090.94
Export	981.71	490.50
	47,900.47	41,581.44
<b>Sale of Services</b>	<b>227.12</b>	<b>194.93</b>
<b>TOTAL</b>	<b>48,127.59</b>	<b>41,776.37</b>
<b>(B) Other Operating Revenues :</b>		
- Scrap Sales	160.30	41.29
- Wind Mill Income	102.66	65.78
<b>TOTAL</b>	<b>262.96</b>	<b>107.07</b>

(₹ in Lacs)

<b>19. OTHER INCOME</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
Interest Income on		
- Bank Deposits	43.04	22.87
- Income Tax Refund	-	0.14
- Others	6.92	12.18
	49.39	35.19
Insurance Claim Received	3.39	21.70
Exchange difference (Net)	54.20	-
Profit on sales of Tangible/Intangible assets	3.29	34.04
Other non-operating income	92.54	35.61
<b>TOTAL</b>	<b>202.81</b>	<b>126.54</b>



(₹ in Lacs)

20.	As at 31.03.2013	As at 31.03.2012
<b>A. COST OF MATERIALS CONSUMED</b>		
<b>Raw Materials Consumed</b>		
Opening Stock	1,845.44	2,304.13
Add: Purchases	26,020.61	22,459.20
	27,866.05	24,763.33
Less: Closing Stock	1,336.84	1,845.44
	26,529.21	22,917.89
<b>Packing Materials Consumed</b>		
Opening Stock	101.56	125.15
Add: Purchases	1,927.29	1,723.14
	2,028.85	1,848.29
Less: Closing Stock	79.34	101.56
	1,949.51	1,746.73
<b>Total Cost of Materials Consumed</b>	28,478.72	24,664.62
<b>B. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	794.76	992.94
Work-in-Progress	1,061.37	811.25
<b>TOTAL</b>	1,856.13	1,804.18
<b>Inventories at the end of the year</b>		
Finished Goods	509.56	794.76
Work-in-Progress	757.86	1061.37
<b>TOTAL</b>	1,267.42	1,856.13
Changes in inventories	588.71	(51.95)
Increase/(decrease) in excise duty on Finished Goods	(28.15)	(20.11)
<b>Changes In Inventories of Finished Goods and Work-in-Progress</b>	560.56	(72.06)

(₹ in Lacs)

21. EMPLOYEE BENEFITS EXPENSES	As at 31.03.2013	As at 31.03.2012
Salaries and wages	2,112.57	1,990.11
Contribution to Provident Fund	123.15	125.17
Defined Benefit Plan – Gratuity (Note No.28)	10.08	150.51
Staff welfare expenses	190.71	191.94
<b>TOTAL</b>	2,436.51	2,457.73

(₹ in Lacs)

<b>22. OTHER EXPENSES</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
Consumption of Stores, Spares and consumables	160.52	159.47
Water, Power and Fuel	2,212.80	1,917.41
Processing Charges	850.68	864.53
Materials Handling Charges	1,624.52	1,434.98
Repairs and Maintenance		
- to Building	37.32	42.62
- to Plant and Machinery	308.75	278.33
- Other Assets	73.12	69.62
	<b>419.19</b>	390.57
Freight and Handling Charges	1,017.46	854.57
Rent	263.06	277.97
Rates and Taxes	11.43	15.54
Insurance	34.18	24.28
Security Charges	153.58	125.98
House-Keeping Expenses	47.52	24.65
Printing and Stationery	37.22	39.51
Postage and Telephone	65.39	65.96
Travelling and Conveyance	187.19	179.14
Directors' sitting fees	5.25	5.11
Payment to Auditors (Refer details below)	44.11	35.40
Commission to non-executive directors	8.10	7.10
Provision for doubtful debts	188.75	24.00
Bad debts written off	11.17	1.53
Rebate & Discount	-	4.80
Management Fees	201.00	169.50
Legal and Professional Fees	155.50	111.75
Foreign Exchange Difference(Net)	-	41.58
Advertising and Sales Promotion	28.52	41.48
Miscellaneous expenses	124.84	122.06
<b>TOTAL</b>	<b>7,851.98</b>	<b>6,938.87</b>

**Payment to Auditors**

(₹ in Lacs)

	As at 31.03.2013	As at 31.03.2012
As Auditor:		
- Audit Fees	34.00	21.00
- Tax Audit Fees	5.00	3.00
- Corporate Governance	1.00	1.00
- Other services	1.90	10.15
Reimbursement of Expenses	2.21	0.25
<b>TOTAL</b>	<b>44.11</b>	<b>35.40</b>

(₹ in Lacs)

23. DEPRECIATION AND AMORTIZATION EXPENSE	As at 31.03.2013	As at 31.03.2012
Depreciation on tangible assets	1,702.73	1,507.09
Amortization of leasehold land	4.08	4.03
Amortization of intangible assets	22.15	26.45
<b>TOTAL</b>	<b>1,728.96</b>	<b>1,537.57</b>

(₹ in Lacs)

24. FINANCE COSTS	As at 31.03.2013	As at 31.03.2012
Interests		
- on term loans	421.52	323.50
- on Cash credit and short term borrowings	696.86	786.74
- on Fixed Deposits	122.06	121.95
Bill Discounting Charges	545.84	439.30
Bank Charges	44.14	75.72
Net loss on Foreign Currency Transactions (Buyers' credit)	-	3.92
<b>TOTAL</b>	<b>1,830.42</b>	<b>1,751.13</b>

(₹ in Lacs)

25. CONTINGENT LIABILITIES AND COMMITMENTS	As at 31.03.2013	As at 31.03.2012
a) Contingent Liabilities:		
1) Claims against the Company not acknowledged as debts		
- Tax matters in dispute under appeal	523.56	386.59
2) Corporate guarantee issued by the Company to certain bank on behalf of its subsidiary	4,803.00	4,803.00
3) Bills of exchange discounted with banks (since realized ₹ 2,874.83 lacs, (31st March, 2012: ₹ 3,244.92 lacs))	5,514.08	3,621.47

The claims against the Company comprise:

Income tax demand comprises of demand from the tax authorities for completion of their tax review for the financial years 2002-03 to 2003-04, 2007-08 to 2010-11. The tax demands are mainly on account of disallowance of a portion of the tax holiday claimed by the Company under the Income tax Act. The matters are pending before the Commissioner of Income tax (Appeals) / ITAT and High Court.

The Company is contesting the demands and the management, including its tax advisors, believe that its position would likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

(₹ in Lacs)

		As at 31.03.2013	As at 31.03.2012
<b>b) Commitments:</b>			
1)	Estimated amount of contracts remaining to be executed on capital account and not provided for	402.23	1,429.31
2)	Letters of Credit and Bank guarantees issued by bankers and outstanding as on 31st March, 2013.	-	372.60
3)	The Group uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.		

The forward exchange contract outstanding as at 31st March, 2013 is as under :

FY 2012-13				FY 2011 -12			
Currency	Number of Contract	Amount	INR (₹ In Lacs)	Currency	Number of Contract	Amount	INR (₹ In Lacs)
USD	5	4,17,688	235.03	USD	3	4,37,545	231.95

## 26. The foreign currency exposure not hedged as at 31st March, 2013 are as under :

Currency	Payable (in FC)		Receivable (in FC)		Payable (₹ In Lacs)		Receivable(₹ In Lacs)	
	FY 2012 -13	FY 2011 -12	FY 2012 -13	FY 2011 -12	FY 2012 -13	FY 2011 -12	FY 2012-13	FY 2011-12
GBP	5,328.70				4.40	-		
USD	1,64,960		1,67,156	3,78,407	90.58	-	90.86	196.20

## 27. Pursuant to Accounting Standard (AS - 19)- Lease, the following information is given

- The Group Company has taken certain assets such as cars on an operating lease basis, the lease rentals are payable by the Company on a monthly basis.
- Future minimum lease rentals payable as at 31st March, 2013 as per the lease agreements:

(₹ in Lacs)

	As at 31.03.2013	As at 31.03.2012
Not later than one year	31.91	36.14
Later than one year but not more than five years	30.65	63.38
Later than five years	-	-
<b>TOTAL</b>	<b>62.56</b>	<b>99.52</b>

Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 35.90 lacs (31st March, 2012: ₹ 37.16 lacs).

## 28. Employee benefits

### (1) Short term employee benefits:

The liability towards short term employee benefits for the year ended 31st March, 2013 has been recognised in the Statement of Profit and Loss.

### (2) Post employee benefits:

The following disclosures are made in accordance with AS 15 (Revised) pertaining to Defined Benefit Plans :

Particulars	Gratuity (Funded Plan) 2012-2013	Gratuity (Funded Plan) 2011-2012
<b>Amount recognised in Balance Sheet</b>		
Present value of funded obligations	283.87	334.25
Fair Value of Plan Assets	198.62	254.26
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Amount not recognised as an asset because of the limit in Para 50(b) of AS -15	-	-
<b>Net Liability/(Asset)</b>	<b>85.25</b>	<b>79.99</b>
<b>Amounts in Balance Sheet</b>		
Liability	85.25	79.99
Assets	-	-
<b>Net Liability/(Asset)</b>	<b>85.25</b>	<b>79.99</b>
<b>Amount recognised in the statement of Profit &amp; Loss</b>		
Opening defined benefit obligation less benefit paid	-	-
Current service cost	-	-
Interest on defined benefit obligation	31.35	28.67
Expected return on plan assets	28.41	16.30
Net actuarial losses/(gains) recognized in year	(4.59)	(16.07)
Past Service Cost	10.80	121.71
Effect of the limit in Para 59(b) of AS 15 (Revised)	-	-
Losses / (gains) on 'Curtailements and Settlements'	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>65.96</b>	<b>150.61</b>
Actual return on plan assets	1.48	3.65
Reconciliation of benefit obligations and plan assets for the period:		
Change in defined benefit obligation :		
Opening defined benefit obligation as at 1st April	334.25	197.60
Current Service Cost	31.35	28.67
Interest Cost	28.41	16.30
Actuarial (Gain)/Loss on obligations	(34.41)	125.27
Past Service Cost	-	-
Liabilities extinguished on curtailment	-	-
Liabilities extinguished on settlement	-	-
Liabilities assumed on acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(75.73)	(33.59)
<b>Closing defined benefit obligation as at 31st March</b>	<b>283.87</b>	<b>334.25</b>

Particulars	Gratuity (Funded Plan) 2012-2013	Gratuity (Funded Plan) 2011-2012
<b>Change in fair value of assets :</b>		
Opening fair value of plan assets as at 1st April	254.27	197.39
Expected return on Plan Assets	13.15	16.07
Actuarial Gain/(Loss)	1.48	3.65
Assets distributed on settlements	-	-
Contributions by employer	5.44	70.75
Assets acquired due to acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(75.72)	(33.59)
<b>Closing Fair Value of Plan Assets as at 31st March</b>	<b>198.62</b>	<b>254.27</b>
<b>Investment Details (Assets information) :</b>		
GOI Securities	Nil	Nil
Public Sector Unit Bonds	Nil	Nil
State/Central Guaranteed Securities	Nil	Nil
Special Deposit Schemes	Nil	Nil
Equity Shares of Listed Companies	Nil	Nil
Property	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
<b>Assumptions :</b>		
Discounted Rate (per annum)	8.00%	8.38%
Estimated Rate of return on Plan Assets (per annum)	8.00%	8.30%
Rate of Escalation in Salary (per annum)	8.00%	8.00%

Notes:-

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The Group estimates that the amount to be contributed to the Gratuity Fund for the financial year 2012-13 will be ₹ 85.25 lacs ( 31st March, 2012: ₹ 79.99 lacs)
- The Group regularly deposits employee and employers contribution of provident funds to Government managed fund i.e (EPFO) and hence the guidance on implementing AS - 15 (Revised) issued by Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India, relating to employer established provident funds, is not applicable.

**(3) Long Term Employee Benefits:**

The liability towards compensated absences (annual leave and sick leave) as at 31st March, 2013, based on actuarial valuation carried out by using the Projected Accrued Benefit Method amounting to ₹ 63.33 lacs (31st March, 2012: ₹ 44.02 lacs ) has been recognised in the Statement of Profit and Loss.

**29. EARNINGS PER SHARE (EPS)**

	2012-13	2011-12
a) Basic and diluted earnings per share before exceptional item in rupees (face value - ₹ 10/- per share)	6.86	8.24
b) Basic and diluted earnings per share after exceptional item in rupees (face value - ₹ 10/- per share)	6.86	8.07
c) Profit after tax and prior period items but before exceptional item as per Statement of Profit and Loss (₹ in Lacs)	903.72	1,085.75
d) Profit after tax and prior period items and exceptional item as per Statement of Profit and Loss ( ₹in Lacs )	903.72	1,063.78
e) Weighted average number of equity shares outstanding	1,31,75,700	1,31,75,700

**30. Related Party Disclosures**

Information on related party transactions as required by Accounting Standard (AS) – 18 on Related Party Disclosures for the year ended 31st March, 2013.

**1. Relationship:**

- |   |   |
|---|---|
| <p>(i) Holding Company<br/>Geetanjali Trading and Investments Private Limited</p> <p>(ii) Fellow Subsidiaries<br/>Coatings Specialities (India) Limited<br/>Rangudyan Insurance Broking Services Ltd</p> <p>(iii) Key Management Person:<br/>Mr. Ashok K. Goyal (Managing Director-<br/>Up to 15.08.12 )<br/>Mr. Malav A. Dani (Joint Managing Director -<br/>Up to 02.11.12 ) (Managing Director- From 03.11.12)<br/>Mr.Rajiv Gandhe</p> | <p>(iv) Promoter Directors<br/>Mr. Ashwin S. Dani<br/>Mr. Jalaj A. Dani<br/>Mr. Hasit A. Dani (Up to 16.04.12 )<br/>Mrs. Ina A. Dani</p> <p>(v) Employee Benefit fund where control exists:<br/>Hitech Plast Employee's Gratuity Trust<br/>Clear Plastics Employee's Gratuity Trust<br/>Mipak Polymers Ltd Employee's Group<br/>Gratuity Assurance Scheme<br/>Mipak Industries Employee's Group Gratuity<br/>Assurance Scheme<br/>Plast-Kul Industries Employee's Group<br/>Gratuity Assurance Scheme</p> |
|---|---|
- (vi) Companies controlled by Directors/Relatives of Directors :
- Dani Finlease Ltd.  
Gujarat Organics Ltd.  
Haish Holding and Trading Company Pvt. Ltd.  
S C Dani Research Foundation P. Ltd.  
Vijal Holding and Trading Co. Pvt. Ltd.  
Smiti Holding and Trading Pvt. Ltd.  
Pragati Chemicals Ltd.  
Resins and Plastics Ltd.  
Raytirth Holding & Trading Company Pvt. Ltd.  
Isis Holding & Trading Company Pvt. Ltd  
Suryakant Paint Accessories Pvt. Ltd.  
Asian Paints Ltd.  
Isis Skills Development Pvt. Ltd.



**2. Related Party Transactions for Year – 2012-13 and 2011-12 :**

(₹ in Lacs)

Particulars	Fellow subsidiary		Key Management Personnel		Holding Company	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Services Received- (Coatings Specialities (India) Ltd.)	201.00	169.50	-	-	-	-
Interest Paid- (Rangudyan Insurance Broking Services Ltd.)	0.03	-	-	-	-	-
Rent Paid- (Coatings Specialities (India) Ltd.)	24.00	26.30	-	-	-	-
Managerial Remuneration –(a)			100.21	174.43	-	-
Managerial Remuneration –(b)	-	-	37.11	-	-	-
Inter Corporate Deposits – Received - (Rangudyan Insurance Broking Services Ltd.)	1.50	-	-	-	-	-
Inter Corporate Deposits – Paid - (Rangudyan Insurance Broking Services Ltd.)	1.50	-	-	-	-	-
Inter Corporate Deposits – Given - (Coatings Specialities (India) Limited)	50.00	-	-	-	-	-
Inter Corporate Deposits – Received Back - (Coatings Specialities (India) Limited)	50.00	-	-	-	-	-
Interest Received - (Coatings Specialities (India) Limited)	0.59	-	-	-	-	-
Inter Corporate Deposits Received	-	-	-	-	500.00	1,500.00
Inter Corporate Deposits Paid	-	-	-	-	250.00	500.00
Inter Corporate Deposits Balance	-	-	-	-	1,250.00	1,000.00
Interest Paid	-	-	-	-	171.22	43.34

(a) Amount paid to Managing Director Mr. Ashok K. Goyal (Up to 15.08.12) &amp; Mr. Rajiv Gandhe

(b) Amount paid to Managing Director Mr. Malav Dani

(₹ in Lacs)

Particulars	Promoter Directors of the Company		Companies over which Directors have controlling interest		Employee benefit plans where control exists	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sales to Asian Paints	-	-	18,329.56	16,417.51	-	-
Balance Receivable-Asian Paints	-	-	478.08	701.32	-	-
Sitting Fees	1.12	1.96	-	-	-	-
Commission	1.62	2.40	-	-	-	-
Reimbursement of Expenses to Advisor	4.97	5.00	-	-	-	-
Managerial Remuneration –(b)	-	20.84	-	-	-	-
Contribution During the year	-	-	-	-	4.85	70.75
Amount Payable	-	-	-	-	85.25	79.99

(b) Amount paid to Managing Director, Mr. Malav A. Dani is also Promoter Director of the Company.

- 3 Key manager person who is under the employment of the Company is entitled to post employment benefits and other long term employee benefits recognised as per AS – 15 (Revised) Employee benefits in the financial statements. As this employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.

31. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

(₹ in Lacs)

	As at 31.03.2013	As at 31.03.2012
Sale of Goods		
Asian Paints Limited	18,329.56	16,417.51
Purchase of Goods	Nil	Nil
Service provided	Nil	Nil
Services received	Nil	Nil

32. Name of the Subsidiaries	% of Voting power	Financial Year
Clear Mipak Packaging Solutions Limited	60%	31st March, 2013

### 33. Principles of Consolidation

- The Financial Statements of Hitech Plast Limited together with audited financial statements of its subsidiary have been considered for the purpose of consolidation.
- The financial statements of the parent Company and its subsidiary have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All significant intra group balances and transactions have been eliminated in consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent Company and its share in the post - acquisition increase in the relevant reserves of the subsidiary.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's financial statement.
- Minority Interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Loss applicable to minority in excess of the minority's interest in the subsidiary equity are allocated against the interests of the group
- The unamortized carrying value of goodwill is tested for impairment as at each Balance Sheet date.
- The excess of cost to the company of its investments in subsidiary over its share of the equity of the subsidiary at the date on which the investment in the subsidiary are made, is recognized as "Goodwill" being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognized as "Capital Reserve" and shown under the head "Reserves and Surplus", in the consolidated financial statements. Impact of currency translation on such "Goodwill" and "Capital Reserve" is adjusted in the respective carrying amounts.

**34. Segment information**

As the Group business activity falls within a single primary business segment viz., "Plastic Containers", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", as prescribed in the Companies (Accounting Standards) Rules, 2006, is not applicable. As on 31st March, 2013, the capital employed in the reportable segment was ₹ 22,850.36 lacs (31st March, 2012: ₹ 23,409.19 lacs).

35. The previous year's figures have been re-grouped / re-classified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date	For and on behalf of the Board of Directors		
<b>For Shah &amp; Co.</b> Chartered Accountants FRN: 109430W	<b>Ashwin S. Dani</b> Chairman	<b>Malav A. Dani</b> Managing Director	<b>Ramesh S. Gandhi</b> Director & Chairman of Audit Committee
<b>Ashish Shah</b> Partner M.No.103750 Mumbai 18th May, 2013	<b>Satish B. Samant</b> Chief Financial officer		<b>Namita R. Tiwari</b> Company Secretary

**SUMMARY OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANY PURSUANT  
TO SECTION 212(8) OF THE COMPANIES ACT,1956**

Name of the Subsidiary Company : **Clear Mipak Packaging Solutions Limited**

(₹ in Lacs)

Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
1	Capital	447.17	447.17
2	Reserves	6,849.26	6,513.36
3	Total Liabilities	12,524.51	13,280.22
4	Total Assets	12,524.51	13,280.22
5	Investment (other than in subsidiaries)	-	11.00
6	Turnover	18,364.57	15,474.51
7	PBT	413.32	(71.39)
8	Tax Provision	77.43	(13.71)
9	PAT	335.90	(57.68)
10	Dividends Proposed/Paid	-	-



## HITECH PLAST LIMITED

REGISTERED OFFICE:

C/130, Solaris, Building No. 1, Opp. L & T Gate No. 6, Powai, Mumbai - 400 072.

### ATTENDANCE SLIP

Regd. Folio No.....

DP ID / Client ID No. ....

No. of Shares held.....

(To be filled by the shareholder)

I/We hereby record my / our presence at the TWENTY SECOND ANNUAL GENERAL MEETING of the Company being held on Saturday, the 14th day of September, 2013, at 11.30 a.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai - 400 020.

Member's Name (in Block Letters)

Member's/Proxy's Signature

NOTE:

1. A Member/Proxy attending the Meeting must complete this Attendance Slip and hand it over at the entrance. Joint Shareholders may obtain additional slip at the venue of the Meeting.



## HITECH PLAST LIMITED

REGISTERED OFFICE:

C/130, Solaris, Building No. 1, Opp. L & T Gate No. 6, Powai, Mumbai - 400 072.

### PROXY FORM

I/We.....of.....  
..... in the district of ..... being a member(s) of HITECH PLAST LIMITED  
hereby appoint .....of ..... in the district of .....  
.....or failing him/her.....of.....in the  
district of ..... as my/our Proxy to attend and vote for me/us on my/our behalf at  
the Twenty Second Annual General Meeting of the Company to be held on Saturday, the 14th day of September  
2013, at 11.30 a.m. and at any adjournment(s) thereof.

Signed this ..... day of ..... 2013.

Signature.....

Affix a  
₹ 1/-  
Revenue  
Stamp

Regd. Folio No.....

DP ID / Client ID No. ....

No. of Shares held .....

NOTE:

1. The Proxy need not be a member of the Company.
2. The Proxy in order to be effective must be duly signed and deposited at the Company's Registered Office not later than 48 hours before the scheduled time of commencement of the Meeting.












**HITECH PLAST LIMITED**

REGISTERED OFFICE

C/130, Solaris - 1,  
Opp. L & T Gate No. 6,  
Powai, Mumbai - 400 072.  
[www.hitechplast.in](http://www.hitechplast.in)

## FORM A

Pursuant to Clause 31 a'(amended) of the Listing Agreement.

1.	Name of the Company	Hitech Plast Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by:  <div style="display: flex; justify-content: space-around; align-items: flex-end;"><div style="text-align: center;"> Managing Director (Malav Dani)</div><div style="text-align: center;"> Chairman, Audit Committee (Rameshchandra S. Gandhi)</div></div> <div style="display: flex; justify-content: space-around; align-items: flex-end;"><div style="text-align: center;"> Chief Financial Officer (Satish B. Samant )</div><div style="text-align: center;"> Statutory Auditor (Ashish Shah)</div><div style="text-align: center;"></div></div>	