



**Hitech Plast Limited
Annual Report 2013-14**

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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

A.V.S. Murthy
(Upto 25th April, 2014)

Jayendra R. Shah
Additional Director
(w.e.f. 14th November, 2013)

Malav A. Dani
Managing Director

Company Secretary
Namita Tiwari

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

Unit No. 201, 2nd Floor,
Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel (W),
Mumbai-400013.
(w.e.f. 1st July 2014)

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500

Fax: +91 22 24955659

Email: investors.help@hitechplast.in

www.hitechplast.in

NOTICE

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING OF HITECH PLAST LIMITED will be held on Saturday, the 13th day of September, 2014, at 12.00 Noon, at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Accounts of the Company for the financial year ended 31st March, 2014, 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, 2014.
3. To appoint a Director in place of Mr. Ashwin S. Dani (DIN 00009126), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Jalaj A. Dani (DIN 00019080), who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in place of the retiring auditors, M/s Shah & Co Chartered Accountants (Firm Reg.No: 109430W), who have given a notice in writing expressing their inability to be reappointed as the Auditors of the Company; M/s Manubhai & Shah Chartered Accountants (Firm Reg.No: 106041W) be and are hereby appointed as the Auditors of the Company, pursuant to the special notice received from a member under Sections 115, 140(4) and all other applicable provisions of the Companies Act, 2013 and based on the recommendation of the Audit Committee and pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting), subject to the ratification of the appointment by the members of the Company at every AGM after this AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person and to do all such acts, deeds, matters and things for giving effect to this Resolution."

SPECIAL BUSINESS:

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules'), including any statutory modification(s) or any amendment or any substitution or any re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. Jayendra Shah (DIN 00132613), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 1st April, 2014 upto 31st March, 2019.

RESOLVED FURTHER THAT, any Director and/or the Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto.”

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules'), including any statutory modification(s) or any amendment or any substitution or any re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. Rameshchandra Shantilal Gandhi (DIN 00199192), Director of the Company whose period of office is liable to retirement by rotation as per the erstwhile applicable provisions of Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 1st April, 2014 upto 31st March, 2019;

RESOLVED FURTHER THAT, any Director and/or the Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto.”

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 the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules'), including any statutory modification(s) or any amendment or any substitution or any re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. Harish Narendra Motiwala (DIN 00029835), Director of the Company whose period of office is liable to

retirement by rotation as per the erstwhile applicable provisions of Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 1st April, 2014 upto 31st March, 2019.

RESOLVED FURTHER THAT, any Director and/or the Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto."

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

"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ('the Rules'), including any statutory modification(s) or any amendment or any substitution or any re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Mr. Rajnikant Baldevlal Desai (DIN 1824504), Director of the Company whose period of office is liable to retirement by rotation as per the erstwhile applicable provisions of Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from 1st April, 2014 upto 31st March, 2019.

RESOLVED FURTHER THAT, any Director and/or the Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto."

10. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 197, 198 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the directors other than the Managing Director or Whole-time Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five financial years commencing from 1st April, 2014.

RESOLVED FURTHER that the above remuneration shall be in addition to fee(s) payable to the director(s) for attending the Meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other Meetings."

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the this Resolution."

11. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members at the Annual General Meeting of the Company held on 30th July, 2011 in terms of provisions of Section 293(1)(d) Companies Act, 1956, and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the members be and is hereby accorded to Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this Resolution) to borrow from time to time of such sum(s) of money(ies), secured or unsecured, for the purposes of the business of the Company, either in foreign currency and / or in rupee currency, as may be deemed necessary, any sum or sums of money on such terms and conditions and with or without security as it may deem proper notwithstanding that the moneys to be so borrowed together with moneys already borrowed by the Company, if any, (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up share capital of the Company and its free reserves, if any, i.e., reserves not set apart for any specific purpose provided that the total amount of the moneys to be so borrowed by the Board together with moneys already borrowed (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) shall not exceed Rs. 1000 Crores (Rupees one Thousand Crores Only) or aggregate of the paid up share capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, whichever is higher.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary and/or expedient on behalf of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all the matters arising out of and incidental thereto, for giving effect to the this Resolution.

12. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members at the Annual General Meeting of the Company held on 30th July, 2011 in terms of provisions of Section 293(1)(a) Companies Act, 1956, and pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include person(s) authorized and/or any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to create Charge/floating charge, mortgage and/or Hypothecate, to transfer, sell, lease, assign, deliver or otherwise dispose off, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immoveable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default in favour of Lender(s), Agents, and Trustee(s), for securing the borrowings availed/to be availed by the Company and/or any of the Company’s holding/subsidiary / affiliate / associate company, by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partially Convertible debentures and/or Non Convertible Debentures with or without detachable or non detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time,

subject to the limits approved under by the Members of the Company from time to time together with interest at the respective agreed rates, additional interest, compound/further interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/ Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/ to be entered into between the Company and the Lender(s)/ Agent(s) and Trustee(s), in respect of the said loans/borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/ Agent(s) and Trustee(s).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the abovementioned lending institution(s) or lending entity(ies) the documents for creating the aforesaid mortgages and or charges and to do all such acts and things as may be necessary for giving effect to the above Resolution including the authority to sub-delegate the aforesaid powers."

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise terms & conditions for such transfer, sell, lease, disposal or for creating the aforesaid charge, mortgage, hypothecation and to do all such acts, deeds, matters and things as may be deemed necessary or expedient by them to give effect to this Resolution and also to agree to any amendments thereto from time to time as it may think fit.

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500

Fax: +91 22 24955659

Email: investors.help@hitechplast.in

www.hitechplast.in

Date: 26th May, 2014

By Order of the Board
For Hitech Plast Limited

Sd/-
Namita Tiwari
Company Secretary

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. Proxies submitted on behalf of the Companies or other Body Corporate, must be supported by an appropriate Resolution / Authority as applicable. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total Share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, 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 8th September, 2014 to 12th September, 2014 (both days inclusive).
5. The dividend on Equity Shares, if declared at the Meeting, will be credited/ dispatched on or after 15th September, 2014 to those members whose names shall appear on the Company's Register of Members on 5th September, 2014. 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:

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| Name of the Director | : Mr. Ashwin S. Dani |
| Date of Birth | : 24th October, 1942 |
| Profile | : Mr. Ashwin S. Dani has graduated in the Technology of Pigments, Paints and Varnishes from the University of Mumbai, followed by a Master's Degree in Polymer Science from the University of Akron, Akron, Ohio, U.S.A. In 1968, he joined Asian Paints Limited as a Senior Executive and worked in various capacities such as Director R & D, Works Director and Vice-Chairman & Managing Director. During his career span of over 40 years, Mr. Ashwin S. Dani accumulated vast experience in the fields of polymers, paints and plastic business. |
| Date of Joining the Board | : 13th January 1992 |
| Directorships and Committee Memberships in other Companies | : <ul style="list-style-type: none"> • Asian Paints Ltd. Chairman – Shareholder Committee Member – Nomination & Remuneration Committee • PPG Asian Paints Pvt. Ltd. • Gujarat Organics Ltd. • Resins & Plastics Ltd. Member – Remuneration Committee Member – Investor Grievances and Share Transfer Committee • Sun Pharmaceutical Industries Ltd. Member – Audit Committee • Geetanjali Trading & Investments Pvt. Ltd. • Rangudyan Insurance Broking Services Ltd. • ACC Ltd. Member – Audit Committee • Smiti Holding & Trading Company Pvt. Ltd. • Rayirth Holding And Trading Company Pvt. Ltd. • ISIS Holding And Trading Company Private Ltd. • Hydra Trading Pvt. Ltd. • Canes Venatics Trading Pvt. Ltd. • Rituh Holding And Trading Company Pvt. Ltd. • Avinash Holding And Trading Company Pvt. Ltd. |
| No. of shares held in the Company | : 1,50,095 |

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| Name of the Director | : Mr. Jalaj A. Dani |
| Date of Birth | : 20th October 1969 |
| Profile | : Mr. Jalaj A. Dani holds Masters Degree in Chemical Engineering from Massachusettes Institute of Technology. Under the leadership of Mr. Jalaj A. Dani, Asian Paints Limited successfully concluded four international acquisitions in a short span of four years, placing Asian Paints on the global map. Presently he is President – International and manages the international operation of Asian Paints Limited spanning across 24 Countries. He is a Director in several international subsidiaries of Asian Paints Limited as well as several Indian Companies. He is associated with various Chambers of Commerce in India and abroad. |
| Date of Joining the Board | : 12th September 1994 |
| Directorships and Committee Memberships in other Companies | : <ul style="list-style-type: none"> • Asian Paints PPG Pvt. Ltd. • Coatings Specialities (India) Ltd. • Hydra Trading Pvt. Ltd. • Dani Finlease Ltd. • Geetanjali Trading And Investments Pvt. Ltd. • Gujarat Organics Ltd. • Haish Holding And Trading Company Pvt. Ltd. • JM Financial Trustee Company Pvt. Ltd. • Maxbhumi Developers Ltd. • S C Dani Research Foundation Pvt. Ltd. • Vijal Holding And Trading Company Pvt. Ltd. • Smiti Holding And Trading Pvt. Ltd. • Pragati Chemicals Ltd. • Suprasad Investments And Trading Company Pvt. Ltd. |
| No. of shares held in the Company | : 25,100 |

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 8 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.

18. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting to be held on 13th September, 2014, by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

| | |
|--|--|
| Members whose email addresses are registered with the Company/Depository Participant (s) | <ol style="list-style-type: none"> 1. NSDL shall send the User ID and Password/Pin through email to the Members. 2. The above password is an initial password. |
| Members who have not registered their email addresses. | <p>The User ID and Password is provided at the bottom of the attendance slip for the AGM as mentioned below:</p> <p>EVEN (E-Voting Event Number) User ID Password</p> |

Thereafter the following procedure is to be followed by the Members:

- (i) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (ii) Click on Shareholder - Login
- (iii) Put user ID and password as initial password/PIN as mentioned above. Click Login.
- (iv) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vi) Select "EVEN" (E-Voting Event Number) of Hitech Plast Limited.
- (vii) Now you are ready for e-voting as Cast Vote page opens.
- (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (ix) Upon confirmation, the message "Vote cast successfully" will be displayed
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to keyulmdedhia@gmail.com with a copy marked to evoting@nsdl.co.in
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Wednesday, 3rd September, 2014 (9:00 am) and ends on Friday, 5th September, 2014 (6:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 8th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday, 8th August, 2014.

- VII. Mr. Keyul M. Dedhia, Practicing Company Secretary (Membership No. ACS: 22761) and Proprietor M/s. Keyul M. Dedhia & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 8th August, 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- IX. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- X. The Results shall be declared on or after the AGM of the Company convened for the purpose. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.hitechplast.in and on the website of NSDL within two(2) days of passing of the Resolution at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited, where the Company is listed.

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500

Fax: +91 22 24955659

Email: investors.help@hitechplast.inwww.hitechplast.in

26th May, 2014

By Order of the Board

Namita Tiwari
Company Secretary

ANNEXURE TO THE NOTICE**Explanatory Statement**

[Pursuant to Section 102(2) of the Companies Act, 2013]

The following statement sets out all material facts relating to business mentioned under Item Nos. 5 to 12 of the accompanying Notice of the Annual General Meeting to be held on 13th September, 2014.

Item No. 5:

1. M/s Shah & Co., Chartered Accountants (Firm Reg.No: 109430W), the present Statutory Auditors of the Company hold the office until the conclusion of the 23rd Annual General Meeting (AGM) and have given a notice in writing expressing their inability to be considered for reappointment as the Statutory Auditors of the Company.
2. Pursuant to Sections 115, 140(4) and all other applicable provisions of the Companies Act, 2013, a special notice was received from a member of the Company proposing to pass the Resolution as appearing at Item No. 5 of the notice at the forthcoming AGM to appoint M/s Manubhai & Shah, Chartered Accountants (Firm Reg.No: 106041W) as the Statutory Auditors of the Company in place of M/s Shah & Co., Chartered Accountants (Firm Reg.No: 109430W), the retiring auditors of the Company.
3. M/s Manubhai & Shah, Chartered Accountants (Firm Reg.No: 106041W) have given their consent to be appointed as the Statutory Auditors of the Company. They have submitted a certificate in terms of the Rule 4 of the Companies (Audit and Auditors) Rules, 2014 and confirmed their eligibility for appointment in terms of the applicable provisions of the Companies Act, 2013, read with the applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force). They have also confirmed that they are not disqualified for appointment under the applicable provisions of the Companies Act, 2013.
4. In terms of the Rule 4(1)(d) of the Companies (Audit and Auditors) Rules, 2014, M/s Manubhai & Shah, Chartered Accountants (Firm Reg.No: 106041W) have confirmed that to the best of their knowledge as on date, there are no pending proceedings against them or any of their partner(s) with respect to professional matters of conduct.
5. M/s Manubhai & Shah, Chartered Accountants (Firm Reg.No: 106041W) will hold office from the conclusion of this AGM till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting), subject to the ratification of the appointment by the members of the Company at every AGM after this AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the audit.
6. Relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.
7. None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the notice. The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the notice for approval by the members.

Item No. 6:

Mr. Jayendra Ratilal Shah was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on 14th November, 2013.

Mr. Jayendra R. Shah is a Non-Executive Independent Director of the Company.

The following is the information as required under Clause 49 IV (G) of the Listing Agreement

| | |
|-----------------------------------|--|
| Name of the Director | : Mr. Jayendra R. Shah |
| Date of Birth | : 12th December, 1933 |
| Profile | : Mr. Jayendra Shah is a double graduate (Bsc. Chemistry & Bsc., Technology) and M.sc. (Tech) by research in technology of plastics, UDCT, Mumbai. He has 50 years of business experience and is also member of professional bodies like the Institute of Materials, Minerals & Mining, U.K., Indian Plastics Institute, Indian Institute of Chemical Engineers, Oil Technologists Association of India etc. He has extensive exposure in marketing of multinational and Indian companies with various industries eg. Plastics, Surface Coating, Adhesives, Leather Processing, Man made fibres, Speciality and Fine Chemicals, Perfumery and flavours etc. He has received several awards in recognition of his services in the field of plastic industry |
| Date of Joining the Board | : 14th November, 2013 |
| Directorships and Committee | : Jayvee Organics and Polymers Pvt. Ltd. |
| Memberships in other Companies | |
| No. of shares held in the Company | : 1800 |

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Jayendra R. Shah being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Jayendra R. Shah as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Jayendra R. Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Jayendra R. Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jayendra R. Shah as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Jayendra R. Shah as an Independent Director, for the approval by the shareholders 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.6 of the accompanied Notice.

Except Mr. Jayendra R. Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 6.

Item No. 7

Mr. Rameshchandra S. Gandhi is a Non-Executive Independent Director of the Company.

The following is the information as required under Clause 49 IV (G) of the Listing Agreement

| | |
|-----------------------------------|--|
| Name of the Director | : Mr. Rameshchandra S. Gandhi |
| Date of Birth | : 18th June, 1929 |
| Profile | : Mr. Rameshchandra S. Gandhi, a Chartered Accountant by profession also holds membership of the Institute of Company Secretaries of India and a Masters Degree in Business Administration from University of Columbia. He has a vast expertise in the field of corporate laws, accounts and corporate governance as he was Finance Director for 10 years and Company Secretary of Bombay Burmah Trading Corporation for 19 years. |
| Date of Joining the Board | : 31st January 2005 |
| Directorships and Committee | : Clear Mipak Packaging Solutions Ltd. |
| Memberships in other Companies | Chairman – Remuneration Committee |
| No. of shares held in the Company | : 3880 |

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Rameshchandra S. Gandhi being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Rameshchandra Gandhi as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Rameshchandra S. Gandhi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Rameshchandra S. Gandhi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rameshchandra S. Gandhi as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Rameshchandra S. Gandhi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rameshchandra S. Gandhi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 7.

Item No. 8

Mr. Harish N. Motiwalla is a Non-Executive Independent Director of the Company.

The following is the information as required under Clause 49 IV (G) of the Listing Agreement

| | |
|--|--|
| 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"> • Excel Industries Ltd. Chairman – Audit Committee Chairman – Remuneration Committee • Balkrishna Synthetics Ltd. • Gujarat Organics Limited • Ashapura Minechem Ltd. • Multibase India Ltd. • LIC Nomura Mutual Fund Trustee Company Pvt. Ltd. • Siyaram Silk Mills Limited • Cabal Insurance Broking Services Pvt. Ltd. |
| No. of shares held in the Company | : 100 |

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Harish N. Motiwalla being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Harish Motiwalla as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Harish N. Motiwalla fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Harish N. Motiwalla as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Harish N. Motiwalla as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Harish N. Motiwalla as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Harish N. Motiwalla, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 8.

Item No. 9

Mr. Rajnikant B. Desai is a Non-Executive Independent Director of the Company.

The following is the information as required under Clause 49 IV (G) of the Listing Agreement

| | |
|-----------------------------------|--|
| Name of the Director | : Mr. Rajnikant B. Desai |
| Date of Birth | : 15th August 1934 |
| Profile | : Mr. Rajnikant B. Desai, a Non-resident Indian, Ex-GM of Herdillia Chemicals Limited, is a Director of the Company since 1994. He has rich professional experience in the industry and moulding related field. His experienced suggestions are quite valuable to the Company. |
| Date of Joining the Board | : 31st March 1994 |
| Directorships and Committee | : Nil |
| Memberships in other Companies | |
| No. of shares held in the Company | : Nil |

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Rajnikant Desai being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Rajnikant Desai as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Rajnikant B. Desai fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Rajnikant B. Desai as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rajnikant B. Desai as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajnikant B. Desai as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rajnikant B. Desai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 9.

Item No. 10

The members of the Company at their 18th Annual General Meeting held on 26th September, 2009 approved by way of a Special Resolution under Section 309 of the Companies Act, 1956, the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act 1956, for a period of five years commencing from 1st April, 2009.

In view of Sections 149, 197 and any other relevant provisions of the Companies Act, 2013 coming into effect from 1st April, 2014 and taking into account the roles and responsibilities of the directors, it is proposed that the Directors other than Managing Director and the Whole-time Directors be paid for each of the five financial years of the Company commencing from 1st April, 2014 remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013.

This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, a fresh approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the Directors of the Company other than Managing Director and Whole-time Directors, for a period of five years commencing from 1st April, 2014 as set out in the Resolution at Item No. 10 of the Notice.

The Managing Director, Whole-time Directors and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, in the Resolution set out at Item No. 10 of the Notice. Directors other than the Managing Director and the Whole-time Directors of the Company may be deemed to be concerned or interested in the Resolution set out at Item No. 10 of the Notice to the extent of the remuneration that may be received by them.

Item No. 11

The Members of the Company, at the Annual General Meeting held on 30th July, 2011, had accorded by way of an **Ordinary Resolution**, their approval to the Board of Directors of the Company for borrowing monies on behalf of the Company, from time to time, any sum or sums of money not exceeding ₹ 1000 crores, including the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business). However, after the applicability of the provisions of Section 180(1) (c) of the Companies Act, 2013, a company can borrow monies exceeding the aggregate of its paid up capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) with the approval of Members of the Company by way of a **Special Resolution**.

The Board accordingly recommends the **Special Resolution** as mentioned at item No. 11 of this Notice for your approval.

Pursuant to applicable provisions of the Companies Act, 2013, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the Resolution.

Item No. 12

The Members of the Company, at the Annual General Meeting held on 30th July, 2011, had accorded by way of an **Ordinary Resolution**, their approval to the Board of Directors of the Company to sell, lease or mortgage, charge or create any security on the whole or substantially the whole of the undertaking of the Company including movable or immovable properties and assets of the Company, to secure the repayment of term loan/financial assistance obtained/to be obtained for business purpose for an amount not exceeding ₹ 1000 Crores for availing credit facilities from various Financial Institutions and Banks.

In furtherance to the Resolution in Item No. 12 of this notice the said borrowings may be required to be secured by way of mortgage or charge over charge over all or any part of the movable/ or immovable assets of the Company and as per provisions of Section 180(1)(a) of the Companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the shareholders of the Company by way of Special Resolution.

Accordingly, it is proposed to pass an enabling Resolution authorizing the Board to create charge on the assets of the Company for a value not exceeding ₹ 1000 crores (Rupees One Thousand Crores only) or aggregate of the paid- up share capital and free reserves of the Company, whichever is higher.

The Board recommends the Resolution as mentioned at item No. 12 of this Notice for your approval as a **Special Resolution**.

Pursuant to applicable provisions of the Companies Act, 2013, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the Resolution.

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel(W), Mumbai-400013.
Phone: +91 2240016500/24816500
Fax: +91 22 24955659
Email: investors.help@hitechplast.in
www.hitechplast.in

26th May, 2014

By Order of the Board

Namita Tiwari
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of your Company and the Audited Accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

The financial performance of your Company, for the year ended 31st March, 2014 is summarised below:

(₹ in Lacs)

| | HITECH PLAST LIMITED | | HITECH PLAST LIMITED CONSOLIDATED | |
|---|----------------------|---------|--------------------------------------|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Gross Sales | 30,499 | 28,686 | 50,414 | 48,128 |
| Sales (Net of Excise) | 26,970 | 25,422 | 45,756 | 43,685 |
| Other Income | 157 | 215 | 252 | 468 |
| Total Income | 27,127 | 25,637 | 46,008 | 44,153 |
| Total Expenditure | 24,209 | 22,683 | 41,096 | 39,328 |
| Operating Profit | 2,918 | 2,954 | 4,913 | 4,825 |
| Interest and Financing Charges | 1,371 | 1,294 | 1,722 | 1,832 |
| Depreciation | 989 | 810 | 1,843 | 1,729 |
| Profit (Before Tax) | 558 | 850 | 1,348 | 1,264 |
| Less: Provision for Tax | 188 | 68 | 522 | 176 |
| Provision for Deferred Tax | (32) | 80 | (116) | 50 |
| MAT credit of earlier year | (81) | -- | (81) | -- |
| Tax provision for earlier years | 108 | -- | 214 | -- |
| Net Profit (After Tax) | 375 | 702 | 809 | 1,038 |
| Minority Interest | -- | -- | 174 | 134 |
| Net Profit after Minority Interest | 375 | 702 | 635 | 904 |
| Previous year balance brought forward | 5,463 | 5,061 | 6,043 | 5,439 |
| Disposable Profit | 5,837 | 5,763 | 6,678 | 6,343 |
| Appropriations | | | | |
| Proposed Dividend on Equity shares | 119 | 211 | 119 | 211 |
| Tax on Equity Dividend | 20 | 36 | 20 | 36 |
| Transfer to General Reserve | -- | 53 | -- | 53 |
| Balance carried to Balance Sheet | 5,699 | 5,463 | 6,539 | 6,043 |

STANDALONE FINANCIALS

Net revenue from operations increased to ₹ 270 crores from ₹ 254 crores in the previous year registering a growth of 6%. The operating profit (EBIDTA) however, was lower at ₹ 29.18 crores as against ₹ 29.54 crores in the previous year. The operating margins were under pressure because of increase in material and variable cost. The finance and depreciation costs were higher resulting in lower profit before tax of ₹ 5.58 crores against ₹ 8.50 crores in the previous year.

CONSOLIDATED FINANCIALS

The consolidated revenues increased to ₹ 458 crores from ₹ 437 crores in the previous year. The net profit before minority interest was lower at ₹ 8.09 crores against ₹ 10.38 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 2013-14, 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 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 2013-14. A statement of summarized financials of 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 ₹ 0.90 per share (at the rate of 9%), (Previous year ₹ 1.60 per share), on the Equity Shares of the Company for the year ended 31st March, 2014.

The proposed dividend on Equity Share Capital will absorb ₹ 1.39 crores including Dividend Distribution Tax of ₹ 0.20 crores.

TRANSFER TO RESERVES

As the rate of dividend declared by the Company is less than 10% of face value, no amount has been transferred to the General Reserve.

CONSOLIDATION OF MANUFACTURING ACTIVITIES

As a part of your Company's consolidation initiatives, the Company's Puducherry plant has been shifted and merged with the plant situated at Sriperumbudur and the Company's Masat Plant has been shifted and merged with plant situated at Galonda. The consolidation initiatives will help in reducing cost and improving operational efficiency.

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 profit (before tax) of ₹ 7.90 crores as against profit of ₹ 4.13 crores for the previous year on account of better sales realization and reduction in interest and depreciation cost.

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. BSE 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 ₹ 15.06 crores (including ₹ 4.32 crores payable within 12 months) against ₹ 8.97 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, 2014.

However in the light of applicability of Section 74 of The Companies Act, 2013, your Company has stopped accepting or renewing Fixed Deposits with effect from 1st April, 2014. Further all the deposits shall be refunded as and when due.

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 B to the Directors' Report. Details of expenditure and earnings in foreign currencies are given under relevant Notes to the Financial Statements.

STATUTORY DISCLOSURES

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, 2014 on a going concern basis.

BOARD OF DIRECTORS

Mr. Jayendra Ratilal Shah was appointed as an Additional Director with effect from 14th November, 2013 under Section 161(1) of the Companies Act, 2013. As per Section 161(1) of the Companies Act, 2013, 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 160 of the Companies Act, 2013, proposing his candidature for appointment as a Director of the Company. Resolution seeking approval of the Members for appointment of Mr. Jayendra Ratilal Shah as a Director of the Company, has been incorporated in the Notice of the ensuing Annual General Meeting along with his brief profile. Your Directors recommend his appointment as a Director of your Company.

Mr. A.V.S Murthy resigned as a Director of the Company on 25th April, 2014 as his resignation has been accepted in the Board Meeting held on 26th May, 2014.

The Board had placed on its record gratitude and appreciation for the valuable assistance, advice and support rendered by Mr. A.V.S Murthy throughout his 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 S. Dani and Mr. Jalaj A. Dani, 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.

Reappointment of Independent Directors

As per the requirement of Companies Act, 2013, Mr. Rameshchandra S. Gandhi, Mr. Harish N. Motiwalla, Mr. Rajnikant B. Desai and Mr. Jayendra R. Shah are proposed to be reappointed as Independent Directors of the Company to hold office for a period of five consecutive years for a term commencing from 1st April, 2014 to 31st March, 2019.

The Company has received notices under Section 160 of the Companies Act, 2013, proposing their candidature for appointment as Independent Directors of the Company. 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.

M/s Shah & Co. have informed the Company that they do not seek reappointment as Statutory Auditor at the next AGM of the Company, in view of the applicability of Section 139 of the Companies Act, 2013 wherein it has been provided that a Firm of Chartered Accountants who have been Statutory Auditors of a Company for more than 10 years cannot be reappointed for a further period of five years. M/s. Shah & Co., Chartered Accountants, have been the Statutory Auditors of the Company for more than 10 years.

The Company has received letter from M/s Manubhai & Shah to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and are not disqualified for appointment within the meaning of Section 141 of Companies Act, 2013. M/s Manubhai & Shah 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 above appointment forms part of the Notice of the ensuing Annual General Meeting.

The Board of Directors recommends the appointment of M/s. Manubhai & Shah, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years commencing from the financial year 2014-15.

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 financial year 2013-14 to carry out Cost Audit of your Company under the Chapter heading "Organic and Inorganic Chemicals". The Cost Audit Report for the financial year 2012-13 was filed on 27th September, 2013 well within the prescribed time limit. The due date for submission of Cost Audit Report for the year 2013-14 is within 180 days from 31st March, 2014 and the same will be submitted within the prescribed time period.

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 2014-15 to carry out Cost Audit of Articles of Plastics & Polymer manufactured by the Company subject to the approval of the Central Government.

ACKNOWLEDGEMENTS

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
26th May, 2014

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, 2014. (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 Atul R. Sethi \$ | 42 | Chief Operating Officer | 66.00* | As per Notes | As per Notes | B. Tech, MBA, 17 years of experience | 17-08-2012 | Everstone Capital Advisors |

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

Notes:

- i) 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.
- ii) In addition to the above remuneration, Mr. Atul Sethi is entitled to Gratuity in accordance with the Company's Rules.
- iii) Mr. Atul Sethi is not a relative of any Director of the Company, nor he hold more than 2% of the paid up equity capital of the Company.
- iv) Nature of duties of employment of Mr. Atul R. Sethi is as per his letter of employment.

FOR AND ON BEHALF OF THE BOARD

Mumbai
26th May, 2014

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 | | 2013-14 | 2012-13 |
|-------------|------------------------------|----------|---------|
| a. | Purchased - | | |
| | Units ('000 Kwh) | 15,606 | 14,983 |
| | Total Amount (₹ in Lacs) | 1,096.68 | 871.03 |
| | Rate/Unit (₹) | 7.03 | 5.81 |
| b. | Own Generation | | |
| | Through Diesel Generator - | | |
| | Units ('000 Kwh) | 805 | 2,145 |
| | Units per ltr. of diesel oil | 3.45 | 3.42 |
| | Cost/ Unit (₹) | 16.21 | 13.30 |
| c. | Own Generation | | |
| | Through Wind Farm - | | |
| | Units ('000 Kwh) | 877 | 1,258 |
| | Total Amount (₹ in Lacs) | 53.03 | 75.35 |
| | Rate/Unit (₹) | 6.04 | 5.99 |

B. Consumption per unit of Production:

| UNIT | 2013-14 | 2012-13 |
|-----------|---------|---------|
| KWH / kg. | 1.14 | 1.14 |

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 | 2013-14 | 2012-13 |
| (a) Capital | - | 6.71 |
| (b) Recurring | 176.77 | 296.11 |
| Total | 176.77 | 302.82 |
| Total R & D expenditure as a % to turnover | 0.66% | 1.19% |

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
26th May, 2014

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, 2014.

In line with the accepted good corporate practices, your Company 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 continued to languish, recording a sub-5% growth for the second successive year during 2013-14. Weak and uneven global recovery, lack of revival in domestic investment and moderation in private demand led to subdued growth. The near stagnation in Industrial sector being the chief contributor for slow pace of growth. The manufacturing sector de-grew by 0.2%, whereas the Service sector's growth moderated to 6.9%. The only silver lining in otherwise lacklustre economy was the growth in Agriculture sector which grew at 4.6% aided by a strong monsoon.

The sudden and strong depreciation of Rupee towards the end of Q1 FY 14, let down expectations in the upturn of growth prospects in the economy. The unexpected announcement of unwinding of stimulus measures by the US Fed in May 2013 led to significant volatility in capital flows and exchange rates. The very high Current Account Deficit (CAD) at 5.2% of GDP dragged the Rupee to its all-time low of ₹ 68.36 per US \$ on 28th August 2013. RBI had to resort to exceptional liquidity tightening measures and regulatory restrictions on gold imports to address to the currency pressures. Decline in gold imports, higher exports on the back of weak Rupee and strong capital inflows aided by NRI deposits helped in reducing the CAD and restoring stability in the currency market in the second half of the year.

The Indian economy is expected to post a moderate recovery in the year 2014-15. The GDP growth is estimated at 5.5 % supported by improved private consumption and renewed pick up in investment activity. A stable Government at the Centre is expected to provide thrust on infrastructure and revival of large stalled projects which would provide necessary impetus to the investment demand. Consumption is expected to accelerate as the expected stability in inflation would lead to more discretionary spending. Also pick up in investment activity will generate more income and thereby have positive impact on consumption.

Your Company along with its subsidiary cater to the packaging requirements of Paint, Fast Moving Consumer Goods and Agrochemical Industry.

PAINT INDUSTRY

The Company's products mainly cater to the packaging requirement of decorative segment which constitutes to 75% of paint industry in India. Historically, paint industry has grown at 1.5 to 2 times of GDP growth. The slowdown in GDP growth and discretionary consumer spending and high inflation has resulted in sluggish in demand for paints in the year 2013-14.

While in the near term the paint industry is not expected to revert to double digit growth rate trajectory witnessed in the last one decade, the structural drivers of long term growth remain firmly in place. The Paint industry is expected to bounce back over medium to long term, driven by increasing affluence, rapid urbanisation and a young population having propensity to spend on one hand, and relatively low level of penetration on the other.

FMCG AND AGROCHEMICALS

The Indian FMCG sector is the fourth largest sector in the economy with a total market size in excess of US\$ 13.1 billion. It has a strong MNC presence and is characterised by a well-established distribution network. The FMCG market is set to treble from US\$ 11.6 billion in 2003 to US\$ 33.4 billion in 2015 (Source CII). Penetration level as well as per capita

consumption in most product categories in India is low indicating the untapped market potential. Growth is also likely to come from consumer 'upgrading' to branded products burgeoning Indian population, particularly the middle class and the rural segments, presents an opportunity for high growth in branded packaged products. This will require high quality and innovative packaging.

Though the overall consumption spending was subdued in the year 2013-14, the secular growth trend in FMCG segment remains intact driven by favourable demographics, rising rural wages and low level of penetration particularly in branded segment.

The Global Agrochemical industry has grown by about 9% and is currently valued at USD 54 Billion of which India accounts for USD 1.8 Billion. With the introduction of newer molecules and increasing awareness among farmer community, the industry is expected to witness higher growth rates. The present consumption level in India is lowest in the World at 0.6 kg per hectare as against 13 kg per hectare in China and 7 kg per hectare in USA. This presents an immense opportunity for the industry to grow. The demand is expected to be robust at around 15% per annum considering the increasing awareness about their benefits and the government thrust for increase in farm production to meet the food needs of the increasing population.

CAPITAL EXPENDITURE

The overall capital expenditure incurred during the year 2013-14 was ₹ 6.03 crores of which ₹ 4.98 crores was balance expenditure on Khandala project which started commercial production by March 2013.

BUSINESS RISKS

Slowdown 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 during the first half of the year 2013-14. 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 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 shareholders' values. 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 has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Agreement. This chapter, along with chapters on Management Discussion and Analysis and General Shareholder Information, is in compliance with Clause 49 of the Listing Agreements.

BOARD OF DIRECTORS:

Composition:

As on 31st March, 2014, the Board of Directors comprised of ten (10) members, one (1) of whom is the Managing Director (Promoter), and nine (9) Non Executive Directors, out of which five (5) are Independent Directors. The Chairman of the Company is a Non Executive Promoter Director.

The composition of the Board is in conformity with Clause 49 of the Listing Agreement. During the year, Mr. Somashekar Sundaresan, Independent Director, resigned with effect from 10th May, 2013, and Mr. Jayendra Ratilal Shah was appointed as an Additional Director (Independent) with effect from 14th November, 2013. The details of the Directors being appointed and re-appointed on retirement by rotation or as Independent Directors 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.

BOARD MEETINGS :

During the financial year ended 31st March, 2014, 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: | |
|--|---------------------|
| 18th May, 2013 | 14th November, 2013 |
| 10th August, 2013 | 13th February, 2014 |
| 14th September, 2013 | |

The details of the composition, nature of Directorship, relationship of Directors with each other and the directorships held in other companies by the Directors of the Company as required to be disclosed in terms of clause 49 of the Listing Agreement are detailed below:

| Name of the Director | Nature of Directorship | Relationship with each other | Date of joining the Board | Attendance | | Director ships in other companies^ | Membership and Chairmanship of the Committees 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, - and Mr. Malav Dani | 13.01.1992 | 5 | Yes | 6 | 6 | - |
| Mr. R. B. Desai | Non-Executive/Independent/Non Resident | *** | 31.03.1994 | -- | No | -- | -- | -- |
| Mr. R S. Gandhi | Non-Executive / Independent | *** | 31.01.2005 | 5 | Yes | 1 | -- | -- |
| Mr. Harish Motiwalla | Non Executive / Independent | *** | 10.12.2004 | 5 | Yes | 6 | -- | 3 |
| Mr. Jalaj Dani | Non-Executive/Promoter | Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Malav Dani | 12.09.1994 | 2 | Yes | 5 | -- | -- |
| *Mr. Malav Dani | Managing Director/Promoter | Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Jalaj Dani | 01.02.2008 | 5 | Yes | 4 | 1 | -- |
| Mrs. Ina Dani | Non-Executive/Promoter | Wife of Mr. Ashwin Dani and Mother of Mr. Jalaj Dani, and Mr. Malav Dani | 30.01.2010 | 5 | Yes | 2 | -- | -- |
| Mr. Ashwin Nagarwadia | Non-Executive/Non Independent | *** | 31.01.2009 | 4 | No | 5 | -- | -- |
| Mr. A.V.S. Murthy \$ | Non-Executive/Independent | *** | 03.11.2012 | 5 | Yes | 1 | -- | -- |
| ~Mr. Jayendra Ratilal Shah | Non-Executive/Independent | *** | 14.11.2013 | 1 | N.A. | -- | -- | -- |

NOTE: N.A. - Not Applicable

~ - Mr. Jayendra Ratilal Shah appointed as Additional Director of the Company with effect from 14th November, 2013.

* - 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.

\$ - Mr. A. V. S. Murthy resigned with effect from 25th April, 2014.

^ Excludes directorship and committee membership in Hitech Plast Limited, Alternate directorships and directorship in Section 8 Company, Foreign Companies and Private Limited Companies.

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

*** There is no relationship between any of the Independent Directors.

BOARD PROCEDURES:

The Board meets atleast once in a 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 concerning the business. The tentative annual calendar of Board Meetings for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report. The Board Meetings are governed by a structured Agenda. The Agenda alongwith detailed explanatory notes and supporting material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. 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 the 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 which includes following information as specified in Annexure IA to the Clause 49 of the Listing Agreement.

- a) Annual operating plans and budgets, capital budgets, 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 CFO 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 concerns;
- 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 of 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) The Senior Management internally presents procedure followed for risk management in terms of raw materials risks and industry specific risks;
- 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 nature 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.

The Minutes capturing the proceedings of the meetings of the Board of Directors / Committees of the Board of Directors are maintained as per the applicable laws.

COMMITTEES OF THE BOARD:

The Board of Directors of your Company has constituted four (4) Committees namely: Audit Committee, Nomination and Remuneration Committee (earlier known as Remuneration Committee), Stakeholders Relationship Committee (earlier known as 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, Nomination and Remuneration Committee (earlier known as Remuneration Committee), Stakeholders Relationship Committee (earlier known as 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 related attendance etc., of these Committees are provided hereunder:

1. AUDIT COMMITTEE:

Composition and terms of reference:

The Audit Committee comprised of three (3) Independent Directors. The members of the Audit Committee were Mr. Rameshchandra Gandhi (Chairman), Mr. Harish Motiwalla, and Mr. Ashwin Nagarwadia. On 13th February, 2014, the Audit Committee was reconstituted with addition of Mr. Jayendra R. Shah as a Member. Hence the Committee consist of Mr. Rameshchandra Gandhi (Chairman), Mr. Harish Motiwalla, Mr. Ashwin Nagarwadia and Mr. Jayendra R. Shah, 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 / exposure.

The Audit Committee invites the Managing Director, Chief Financial Officer, Statutory Auditor and Internal Auditors to attend the Audit Committee Meeting(s). The Company Secretary acts as Secretary to the Committee. The minutes of each Audit Committee are placed and discussed at the next meeting of the Board.

The Audit Committee is constituted and functions in accordance with Section 177 of the Companies Act, 2013 and Listing Agreement.

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, 2014 are as follows:

| Date (s) on which the meeting(s) were held. | |
|---|---------------------|
| 17th May, 2013 | 14th November, 2013 |
| 9th August, 2013 | 13th February, 2014 |
| 14th September, 2013 | |

Attendance details of the members during the financial year 2013-2014

| Name | Meeting Details | |
|-----------------------------|----------------------|----------|
| | Held during the year | Attended |
| Mr. Rameshchandra S. Gandhi | 5 | 5 |
| Mr. Harish N. Motiwalla | 5 | 5 |
| Mr. Ashwin Nagarwadia | 5 | 4 |
| Mr. Jayendra R. Shah* | 5 | - |

*Appointed with effect from 13th February, 2014

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

1. Overseeing 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, re-appointment 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, quarterly, half yearly, nine months and annual 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 rights 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 auditor 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 auditor 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, if any.
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 Auditor 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;
17. Reviewing the Management Discussion and Analysis of the financial condition and results of operation; and
18. Any other matter referred to by the Board of Directors.

2. NOMINATION AND REMUNERATION COMMITTEE (Earlier known as Remuneration Committee):

Composition and terms of reference:

In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and revised clause 49 of the Listing Agreement, the erstwhile Remuneration Committee was renamed and reconstituted as "Nomination and Remuneration Committee" by the Board of Directors of the Company in May, 2014. The Committee consists of four (4) Members out of which two (2) Members are Independent Directors, viz. Mr. Rameshchandra S. Gandhi (Chairman), and Mr. Harish N. Motiwalla, and two (2) Members are Non Executive Directors viz Mr. Ashwin S. Dani. and Mr. Ashwin R. Nagarwadia. Mr. Ashwin S. Dani was appointed as the member in the reconstituted Nomination and Remuneration Committee with effect from 21st May, 2014.

The terms of reference of the Committee includes;

1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
2. Carry on the evaluation of every director's performance;
3. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
4. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
5. Formulation of criteria for evaluation of Independent Directors and the Board;
6. Devising a policy on Board diversity; and
7. Any other matter as the Board may decide from time to time.

The details as to the date(s) on which the meeting of the erstwhile Remuneration Committee were held and the attendance of the members during the financial year ended 31st March, 2014 are as follows:

Date(s) on which the meeting(s) were held : 17th May, 2013

Attendance details of the members during the financial year 2013-2014

| 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 | 1 |
| Mr. Ashwin S. Dani | 1 | Not applicable |

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.

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 was considered and recommended by the erstwhile 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 agreement with the Managing Director 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 Mr. Malav A. Dani is for a period of five years commencing from 5th August, 2011. His Remuneration structure comprises of salary, allowances, perquisites etc. Performance linked Bonus payable to the Managing Director is decided by the Nomination and Remuneration Committee and recommended to the Board within the limits mentioned in the Agreement and as approved by the Shareholders.

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.

ADVISOR:

Mr. Ashwin S. Dani, the Chairman was appointed as an Advisor to the Company after obtaining shareholders approval in the 18th Annual General Meeting held on 26th September, 2009 and the opinion from the Central Government in this regard.

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 ₹ 4.22 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 performance 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(5) of the Companies Act, 1956 and the limits approved by the Shareholders at their meeting held on 26th September, 2009. The commission payable to Non-Executive Director is distributed broadly on the basis of their attendance and contributions at Board/Committee Meetings and Chairmanship of Committees of the Board. Approval of Members is sought at the ensuing Annual General Meeting under Section 197 of the Companies Act, 2013 for payment of remuneration to the Non-Executive Directors by way of Commission not exceeding one (1) percent of the net profits of the Company.

Apart from commission the Non-Executive Directors are also paid sitting fees for attending the Meetings of the Board/Committees. The Company has not granted any Stock Options to any of its Directors.

Details of Remuneration paid to the Directors in 2013-14 are as follows:

(Figures in ₹)

| Name of the Director | Salary | Perquisites @ | Sitting Fees | Performance Linked Bonus | Commission | Total |
|------------------------|-----------|---------------|--------------|--------------------------|------------|-----------|
| Ashwin Dani | -- | 4,22,444 | 56,000 | -- | 25,000 | 5,03,444 |
| Ina Dani | -- | -- | 50,000 | -- | 25,000 | 75,000 |
| R. B. Desai | -- | -- | -- | -- | -- | -- |
| Rameshchandra Gandhi | -- | -- | 1,05,000 | -- | 1,60,000 | 2,65,000 |
| Harish Motiwalla | -- | -- | 1,05,000 | -- | 1,00,000 | 2,05,000 |
| Jalaj Dani | -- | -- | 26,000 | -- | 25,000 | 51,000 |
| Malav Dani | 29,16,000 | 5,44,053 | -- | 1,00,000 | -- | 35,60,053 |
| Ashwin Nagarwadia | -- | -- | 85,000 | -- | 90,000 | 1,75,000 |
| A.V.S. Murthy | -- | -- | 50,000 | -- | 75,000 | 1,25,000 |
| Jayendra Ratilal Shah* | -- | -- | 10,000 | -- | 25,000 | 35,000 |

@ Perquisites include medical and leave travel allowance etc., as well as monetary value of perquisites as per Income Tax Rules.

* Appointed with effect from 14th November, 2013.

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

There is no pecuniary or business relationship between the Non-Executive Directors / Independent Directors and the Company, except for the commission payable to them annually in accordance the applicable laws and with the approval of the share holders.

The Shareholding of the Executive and Non-Executive/Independent Directors of the Company as on 31st March, 2014 is as follows :-

| Name of the Director | Nature of Directorship | Number of Shares held * | Percentage to the paid-up capital * |
|------------------------|--|-------------------------|-------------------------------------|
| 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 | 0.23 |
| Ashwin Nagarwadia | Non-Executive/ Independent/ Non-Resident | 5,000 | 0.04 |
| Ina Dani | Non-Executive/ Promoter Director | 35,200 | 0.27 |
| A.V.S. Murthy | Non-Executive/Professional | -- | -- |
| Jayendra Ratilal Shah@ | Non-Executive/ Additional Director-Independent | 1,800 | 0.01 |
| | TOTAL | 2,51,175 | 1.91 |

@ Appointed with effect from 14th November, 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. STAKEHOLDERS RELATIONSHIP COMMITTEE (Earlier known as Investors' Grievance and Share Transfer Committee) :

The nomenclature and terms of reference of Investors' Grievance and Share Transfer Committee was changed to "Stakeholders' Relationship Committee" pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, with effect from 26th May, 2014.

The Stakeholders' Relationship Committee consists of three (3) Members, viz, Mr. Ashwin S. Dani, as Chairman, Mrs. Ina A. Dani and Mr. Malav A. Dani as Members.

Mr. Jalaj A. Dani resigned as a Member of the Committee and Mrs. Ina A. Dani was appointed as a Member with effect from 26th May, 2014.

The terms of reference of the Committee were also amended pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The revised terms of reference includes enquiring into and redress complaints of shareholders, investors and other stakeholders and to resolve their grievances.

The terms of reference of the Stakeholders' Relationship Committee (erstwhile Investors' Grievance and Share Transfer Committee) were as 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, 2014, the erstwhile Investors' Grievance and Share Transfer Committee met 4 times. In compliance with the Listing Agreement, Mrs. Namita Tiwari, Company Secretary is the Compliance Officer of the Company.

| Date(s) on which the meeting(s) were held: | |
|--|--------------------|
| 19th April, 2013 | 26th October, 2013 |
| 20th July, 2013 | 20th March, 2014 |

Attendance details of the members during the financial year 2013-2014

| Name | Meeting Details | |
|--------------------|----------------------|----------|
| | Held during the year | Attended |
| Mr. Ashwin S. Dani | 4 | 4 |
| Mr. Jalaj A. Dani | 4 | 4 |
| Mr. Malav A. Dani | 4 | 4 |

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31st March, 2014 are given as follows:

| Nature of Complaints | Received | Replied |
|----------------------------------|----------|---------|
| Non receipt of dividend warrants | 26 | 26 |
| Total | 26 | 26 |

All the requests, queries and complaints received during the financial year ended 31st March, 2014, were duly addressed and resolved appropriately by the Company/ Registrar and Transfer Agent, Link Intime India Pvt. Ltd., and no queries are pending for resolution as on that date except where they are constrained due to incomplete or non-submission of documents by the shareholders. At the end of the financial year 2013-2014 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. Jalaj A. Dani and Mr. Malav A. Dani as the members. The Committee meets for deciding the various matters relating to operations of the Company, as and when the need arises.

During the financial year ended 31st March 2014, the Committee met three times on 19th April 2013, 20th July 2013 and 6th January 2014.

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 Lakhs only) but not exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs only) per annum per employee;
3. Power to appoint advisors, retainers, consultants exceeding ₹ 3,00,000/- but not exceeding ₹ 6,00,000/- per month;
4. power to approve capital expenditure proposals exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs 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 Lakhs only) but not exceeding ₹ 10,00,000/- (Rupees Ten Lakhs 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 Lakhs only) outstanding at any one time and that the loan given to any employee shall in no case exceed ₹ 5,00,000/- (Rupees Five Lakhs only) and the Managing Director/ Joint Managing Director of the Company be and is hereby severally authorised to do such acts, deeds and things as may be necessary for disbursing the loans on behalf of the Company;
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); and
10. any other matters as may be delegated by the Board from time to time.

SUBSIDIARY COMPANY:

In terms of Clause 49 (III) of the Listing Agreements, your Company has one material non-listed Indian subsidiary company, namely Clear Mipak Packaging Solutions Ltd., whose turnover or networth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiary in the immediately preceding accounting year. As per the requirement at least one Independent Director on the Board of the holding Company shall be a Director on the Board of a material non-listed Indian subsidiary company. Accordingly, Mr. Rameshchandra S. Gandhi, an Independent Director of the Company is a Member 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 company from time to time. Also, copies of the minutes of the meetings of the unlisted subsidiary 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 for the financial year 2013 – 14 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 26th May, 2014.

GENERAL BODY MEETINGS:

The Venue and the 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 |
|---------|---|----------------------|------------|---|
| 2012-13 | Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai – 400 020 | 14th September, 2013 | 11.30 a.m. | Nil |
| 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 |

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:**

Your 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) and the Securities Exchange Board of India (SEBI) on matters related to Capital Markets or any other matter, as may be 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 and in preparation of financial statements, the Company has not adopted a treatment different from what is 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 of the Clause 49 of the Listing Agreements:

a. Non-Executive Chairman's Office :

The Chairman of the Company is a Non-Executive Director and hence, in compliance with this requirement.

b. Remuneration Committee :

The Board of Directors has constituted a 'Nomination And Remuneration Committee' comprising of Non-Executive/Independent Directors and the Chairman being an Independent Director as per the requirements of the Companies Act, 2013 and revised Clause 49 of the Listing Agreements. Please refer to para on 'Nomination And Remuneration Committee'.

c. Shareholder's Rights :

Quarterly Financial Results of the Company both standalone and consolidated, are submitted to the Stock Exchanges where the Company is listed and standalone results are uploaded regularly on the Company's website for the information of the Shareholders. The Consolidated Financial Results are published in the Newspapers.

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 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.

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:

Your 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. 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, 2014. 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. Mrs. Namita Tiwari, Company Secretary is the Compliance officer with effect from 21st May, 2013, as per the Listing Agreement

8. Management Discussion and Analysis:

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

MEANS OF COMMUNICATION:

- Quarterly/Half-Yearly/Nine-months and Annual Audited Financial Results of the Company are published in the all India editions of The Hindu Business Line(English) and Mumbai edition of Aapla Mahanagar(Marathi).
- The results of the Company are also posted up on the Company's corporate website: www.hitechplast.in.
- 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.
- 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 from time to time.

Pursuant to Section 20, 101 and 136 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014; Companies (Accounts) Rules, 2014 and Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, companies can serve documents to its shareholders through electronic transmission. Accordingly your Company has given an option to the shareholders to receive documents, General Meeting Notices (including AGM), Annual Report, ECS intimations and other documents in electronic form.

Your Company encourages its shareholders to participate in the cause of Green Initiative by opting to receive communications from the Company in electronic form, by registering their e-mail addresses :

- in case the shares are held in electronic form (demat) with the Depository Participant.
- in case the shares are held in physical form with the Company or its Registrar & Transfer Agent, Link Intime India Pvt. Ltd.

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500

Fax: +91 22 24955659

Email: investors.help@hitechplast.in

www.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. 2596 3838 Fax: 2596 2691

E-mail: mumbai@linkintime.co.in

GENERAL SHAREHOLDER INFORMATION**23rd Annual General Meeting of the Company:**

| | |
|-------|---|
| Date | Saturday, 13th September, 2014 |
| Venue | Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020 |
| Time | 12.00 Noon |

Financial Calendar:

Financial year : 1st April to 31st March

For the year ended 31st March, 2014, quarterly financial results were announced on:

| | |
|---------------------|--------------------------------|
| 10th August, 2013 | First Quarter |
| 14th November, 2013 | Second Quarter and Half Yearly |
| 13th February, 2014 | Third Quarter and Nine Months |
| 26th May, 2014 | Fourth Quarter and Annual |

For the financial year ending on 31st March, 2015, quarterly financial results will be announced as per the tentative schedule mentioned below:

| | |
|----------------------------------|--------------------------------|
| On or before 15th August, 2014 | First Quarter |
| On or before 15th November, 2014 | Second Quarter and Half Yearly |
| On or before 15th February, 2015 | Third Quarter and Nine Months |
| On or before 30th May, 2015 | Fourth Quarter and Annual |

Book Closure Date:

The dates of book closure are from 8th September, 2014 to 12th September, 2014, inclusive of both days.

Dividend Payment Date:

A final dividend of ₹ 0.90 (9 per cent) per equity share has been recommended in the Board of Directors meeting held on 26th May, 2014 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be credited/ dispatched on or after 15th September, 2014:

- 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 5th September, 2014.
- 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 5th September, 2014.

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

| Year | Percentage (%) | In ₹ per share Face value of ₹ 10/- each | Dividend Amount (₹ in Lacs) |
|-----------|----------------|---|--------------------------------|
| 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 |
| 2012-2013 | 16 | 1.60 | 210.81 |

Listing:

The Company's share 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, 5th Floor, Plot No. C/1, "G" Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

Listing and Custodial fees:

The Company has paid the Listing Fees for the financial year 2014-2015 to the Stock Exchanges on which Company's shares are listed. The Company has also paid custodial fees for the year 2014-2015 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.

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

| Stock Exchange | Codes |
|----------------|------------|
| BSE | 526217 |
| NSE | HITECHPLAS |

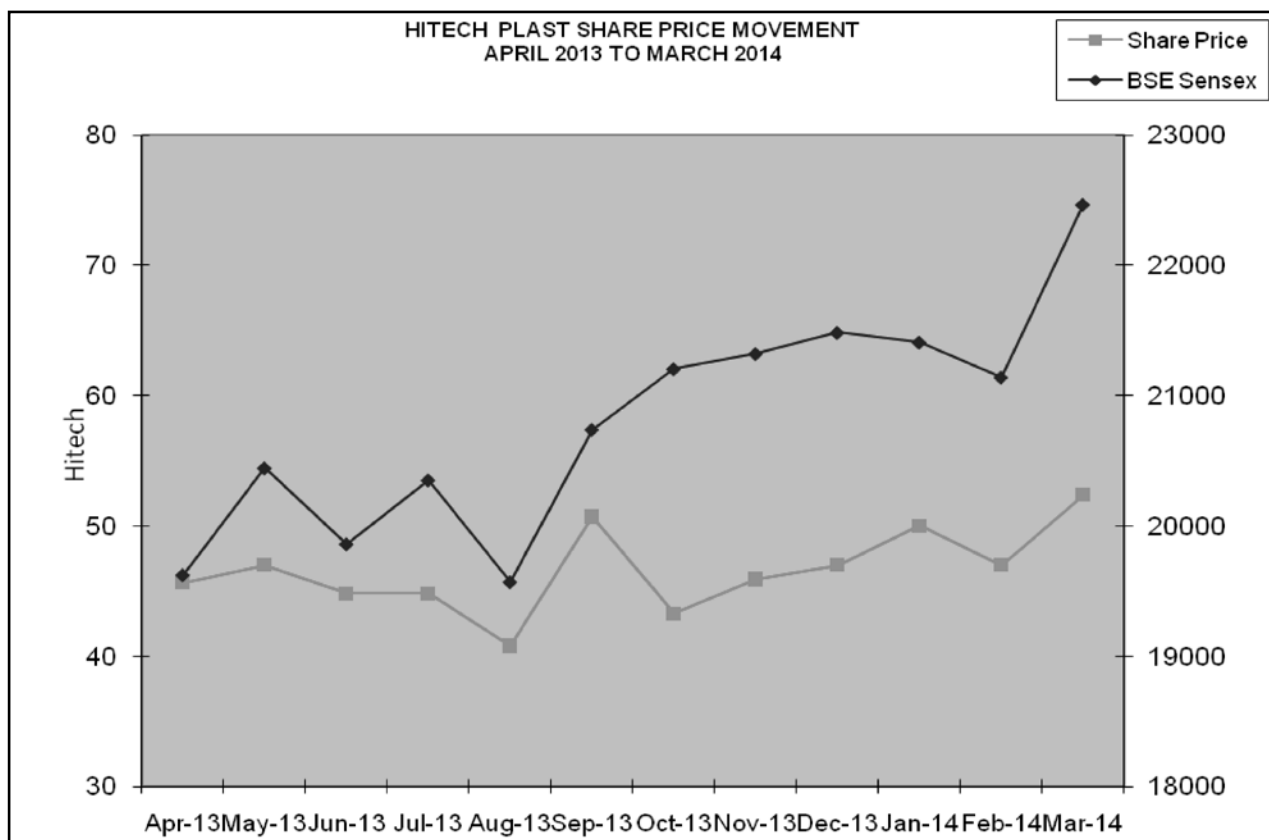
Stock Price Data:

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, 2014 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 | |
|-----------|----------|-------|---------|-------|------------------------|-------|-----------------------------------|------------|----------------------------------|------------|
| 2013-14 | BSE | NSE | BSE | NSE | BSE | NSE | BSE | NSE | BSE | NSE |
| April | 45.65 | 45.45 | 38.10 | 39.25 | 32112 | 7060 | 01.04.2013 | 03.04.2013 | 18.04.2013 | 11.04.2013 |
| May | 47.00 | 48.95 | 38.30 | 37.10 | 38889 | 42746 | 15.05.2013 | 15.05.2013 | 30.05.2013 | 30.05.2013 |
| June | 44.80 | 44.60 | 37.00 | 35.75 | 15500 | 16530 | 05.06.2013 | 03.06.2013 | 28.06.2013 | 26.06.2013 |
| July | 44.80 | 47.95 | 32.00 | 30.00 | 16301 | 18293 | 10.07.2013 | 11.07.2013 | 30.07.2013 | 25.07.2013 |
| August | 40.80 | 38.00 | 33.35 | 35.00 | 7464 | 1193 | 13.08.2013 | 16.08.2013 | 05.08.2013 | 26.08.2013 |
| September | 50.70 | 50.05 | 35.00 | 28.20 | 42261 | 11302 | 13.09.2013 | 13.09.2013 | 03.09.2013 | 02.09.2013 |
| October | 43.25 | 47.50 | 37.30 | 39.05 | 16441 | 195 | 07.10.2013 | 08.10.2013 | 18.10.2013 | 31.10.2013 |
| November | 45.90 | 43.90 | 40.70 | 37.50 | 8875 | 9126 | 28.11.2013 | 28.11.2013 | 12.11.2013 | 07.11.2013 |
| December | 47.00 | 45.95 | 41.00 | 40.00 | 14195 | 2795 | 02.12.2013 | 06.12.2013 | 12.12.2013 | 30.12.2013 |
| January | 50.00 | 49.00 | 39.20 | 41.00 | 45982 | 5501 | 13.01.2014 | 21.01.2014 | 31.01.2014 | 08.01.2014 |
| February | 47.00 | 46.30 | 39.00 | 40.00 | 18063 | 8634 | 19.02.2014 | 18.02.2014 | 03.02.2014 | 17.02.2014 |
| March | 52.40 | 49.70 | 43.00 | 43.15 | 33151 | 19259 | 27.03.2014 | 31.03.2014 | 04.03.2014 | 10.03.2014 |

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade in Hitech Plasts' 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 2013-2014:



The performance of the Company's share price as at the beginning and end of the financial year 2013-14 is given as follows:

| Share Price | Name of The Stock Exchange | |
|------------------------------|----------------------------|-------|
| | BSE | NSE |
| Price as on 1st April, 2013 | 42.00 | 42.05 |
| Price as on 31st March, 2014 | 50.00 | 49.70 |
| Change in Value | 8.00 | 7.65 |
| % Change | 19.05 | 18.19 |

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 transferee within the stipulated period under applicable laws.

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 Stakeholders' Relationship Committee (erstwhile Investor Grievance and Share Transfer Committee) of the Company.

A summary of all the transfers, transmissions, deletion requests, etc., approved by the Investor 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 Shareholder holdings:

The distribution pattern of shareholding of your Company as on 31st March, 2014, by ownership and size class, respectively, is given as follows:

| Category of Shareholder | | Total No. of Shares | Percentage of total No. of shares |
|-------------------------|---|---------------------|-----------------------------------|
| (A) | Shareholding of Promoter and Promoter Group | | |
| (a) | Individuals/Hindu Undivided Family | 3,17,185 | 2.41 |
| (b) | Bodies Corporate | 84,67,295 | 64.26 |
| | Total Shareholding of Promoter and Promoter Group (A) | 87,84,480 | 66.67 |
| (B) | Public Shareholding | | |
| 1) | Institutions | | |
| (a) | Mutual Funds/UTI | 4,94,100 | 3.75 |
| | Sub-Total (B) (1) | 4,94,100 | 3.75 |
| 2) | Non-Institutions | | |
| (a) | Bodies Corporate | 4,07,473 | 3.09 |
| (b) | Individuals | | |
| | (i) Individual shareholders holding nominal share capital up to Rs 1 Lakh | 15,74,383 | 11.95 |
| | (ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh | 13,94,531 | 10.59 |
| (c) | Individual (Non-Resident Individuals) | 5,20,733 | 3.95 |
| | Sub-Total (B) (2) | 38,97,120 | 29.58 |
| | Total Public shareholding (B)=(B)(1) +(B)(2) | 43,91,220 | 33.33 |
| | Total (A) + (B) | 1,31,75,700 | 100.00 |

Distribution of shareholding of the Company by number of shares held as on 31st March, 2014 is as follows:

| | | Shareholders | | Shareholding | |
|-------|-----------|--------------|------------|--------------|------------|
| | | Number | % to Total | Number | % to Total |
| Upto | 500 | 5,437 | 90.17 | 6,74,466 | 5.12 |
| 501 | 1000 | 208 | 3.45 | 1,66,962 | 1.27 |
| 1001 | 2000 | 146 | 2.42 | 2,20,870 | 1.68 |
| 2001 | 3000 | 56 | 0.93 | 1,42,819 | 1.08 |
| 3001 | 4000 | 26 | 0.43 | 94,928 | 0.72 |
| 4001 | 5000 | 40 | 0.66 | 1,96,795 | 1.49 |
| 5001 | 10000 | 49 | 0.81 | 3,40,309 | 2.58 |
| 10001 | And above | 68 | 1.13 | 1,13,38,551 | 86.06 |
| Total | | 6,030 | 100.00 | 1,31,75,700 | 100.00 |

Details about Company's dematerialised shares as on 31st March, 2014:

| Number of shares | % to total shares | Number of shareholders | % to total shareholders |
|------------------|-------------------|------------------------|-------------------------|
| 1,25,64,674 | 95.36 | 3,158 | 52.37 |

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, having its office at 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. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

Break up of shares in physical and demat form as on 31st March, 2014 is as follows:

| | No. of Shares | % of Shares |
|------------------|---------------|-------------|
| Physical Segment | 6,11,026 | 4.64 |
| Demat Segment | | |
| NSDL | 1,20,89,345 | 91.75 |
| CDSL | 4,75,329 | 3.61 |
| 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, 2014.

Details of public funding obtained in the last three years:

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

Other Information:**Corporate Identification Number (CIN):**

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

Reconciliation of Share Capital Audit:

As stipulated by the Securities and Exchange Board of India (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 that 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 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 correspondence 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, having its office at C - 13 Pannalal Silk Mills Compound, L. B. S. Road, Bhandup (West), Mumbai - 400 078. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature records lodged with the Company.

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 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members holding shares in physical form and desirous of making a nomination are requested to send their requests 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.

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.

Unclaimed dividend:

In terms of Sections 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 31.03.2014 (in ₹) | Due Date for transfer to IEPF |
|----------------|-------|--|----------------------------------|
| 2006-2007 | Final | 1,20,014.00 | 21.10.2014 |
| 2007-2008 | Final | 1,50,219.00 | 19.10.2015 |
| 2008-2009 | Final | 1,64,440.10 | 25.10.2016 |
| 2009-2010 | Final | 2,28,741.63 | 03.10.2017 |
| 2010-2011 | Final | 2,47,979.20 | 05.09.2018 |
| 2011-2012 | Final | 2,69,227.20 | 09.09.2019 |
| 2012-2013 | Final | 3,40,785.60 | 13.10.2020 |

Unclaimed Shares

As required under Clause 5AII of the Listing Agreement, the Company had sent reminders to the shareholders whose shares were lying unclaimed with the Company. These will be transferred to the Unclaimed Suspense Account as required under the Listing Agreement. The Company is in the process of completing the formalities for 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, 2014 | | | 1,31,75,700 |

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.
- 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 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 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 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, telephone 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 contacts for the shareholders. The email address is rnt.helpdesk@linkintime.co.in and telephone number is 022-25946970

Website: www.hitechplast.in

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

E-mail ID for Investor's Grievances:

The e-mail address for investor grievance is investor.help@hitechplast.in

The above exclusive email id is disclosed by the Company on its websites and all the various materials, correspondence, 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.

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) 396230.

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:

Hitech Plast Ltd.

CIN:L28992MH 1991PLC168235

Registered Office:

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500

Fax: +91 22 24955659

Email: investors.help@hitechplast.in

www.hitechplast.in

Annexure to Report on Corporate Governance for the year ended 31st March 2014**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that :

The Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct, for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2014.

Mumbai
26th May, 2014

Malav Dani
Managing Director

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, 2014 as stipulated in Clause 49 of the Listing Agreement of the said 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 based on 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 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
26th May, 2014

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 | 2013-2014 | 2012-2013 | 2011-2012 | 2010-2011 | 2009-2010 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| REVENUE ACCOUNT | | | | | |
| Gross Revenue | 30,498.85 | 28,685.56 | 25,536.10 | 22,645.85 | 17,349.52 |
| Net Revenue from Operations | 26,969.45 | 25,421.89 | 23,079.68 | 20,444.72 | 15,879.59 |
| Growth Rate (%) | 6.09 | 10.15 | 12.89 | 28.75 | 18.17 |
| Materials Cost | 18,183.66 | 16,899.84 | 14,668.74 | 12,755.74 | 9,460.18 |
| % to Net Revenue | 67.42 | 66.48 | 63.56 | 62.39 | 59.57 |
| Overheads | 6,025.38 | 5,783.25 | 5,210.64 | 4,649.60 | 3,698.80 |
| % to Net Revenue | 22.34 | 22.75 | 22.58 | 22.74 | 23.29 |
| Operating Profit (EBITDA) | 2,917.68 | 2,953.86 | 3,370.02 | 3,099.99 | 2,856.22 |
| Finance Costs | 1,370.78 | 1,293.55 | 1,231.09 | 909.90 | 504.12 |
| Depreciation | 989.07 | 809.91 | 678.83 | 573.02 | 345.94 |
| Profit Before Tax | 557.83 | 850.40 | 1,460.10 | 1,617.07 | 2,006.16 |
| % to Net Revenue | 2.07 | 3.35 | 6.33 | 7.91 | 12.63 |
| Profit After Tax | 374.26 | 702.17 | 1,098.39 | 1,185.32 | 1,374.81 |
| CAPITAL ACCOUNT | | | | | |
| Share Capital | 1,317.57 | 1,317.57 | 1,317.57 | 1,317.57 | 1,317.57 |
| Reserves and Surplus | 7,120.73 | 6,885.19 | 6,429.66 | 5,576.27 | 4,635.96 |
| Deferred Tax Liability/ Asset (Net) | 297.08 | 328.58 | 247.97 | 256.15 | 203.40 |
| Borrowings | 7,110.38 | 6,813.22 | 6,961.11 | 6,218.38 | 4,046.71 |
| Fixed Assets | 7,907.23 | 8,272.17 | 6,152.46 | 5,732.77 | 4,643.74 |
| Investments | 3,408.89 | 3,408.89 | 3,408.89 | 3,408.89 | 2,805.54 |
| Debt - Equity Ratio | 0.84 | 0.83 | 0.90 | 0.90 | 0.89 |
| Market Capitalisation | 6,548.32 | 5,810.48 | 7,246.64 | 10,935.83 | 11,462.86 |
| PER SHARE DATA | | | | | |
| Earning Per Share (Rs.) | 2.84 | 5.33 | 8.34 | 9.00 | 10.43 |
| Dividend | 0.90 (#) | 1.60 | 1.60 | 1.60 | 1.50 |
| Book Value (Rs.) | 64.04 | 62.26 | 58.80 | 52.32 | 45.19 |

(#) 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, 2014, 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") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 auditor considers 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows 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 Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- (e) On the basis of the written representations received from the directors as at 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 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
26th May, 2014

**Annexure to the Independent Auditors' Report – 31st March, 2014
(Referred to in 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 upon 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) In our opinion and according to the information and explanation 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 lakh in respect of 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.
- 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, 2014 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 | F.Y.2007-08 | 66.02 | CIT (A) |
| | | F.Y.2009-10 | 292.89 | CIT (A) |
| | | F.Y.2010-11 | 106.54 | CIT (A) |
| | Total (A) | | 465.45 | |
| Sales Tax | Assessment Dues | FY.2012-13 | 234.80 | Appellate Level |
| | | FY.2008-09 | 17.48 | |
| | Total (B) | | 252.28 | |
| | Grand Total (A) +(B) | | 717.73 | |

- 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 In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institution and bankers. The Company did not have any outstanding debentures during the year.
- 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 In our opinion and according to the information and explanations given to us, the Company is not a chit fund, nidhi, mutual benefit fund or society.
- 14 In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- 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 The Company has not made any preferential allotment of shares to companies / firms / parties covered in the register maintained under Section 301 of the Act during the year.
- 19 The Company did not have any outstanding debentures during the year.
- 20 The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations 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
26th May, 2014

Balance Sheet as at 31st March, 2014

(₹ in Lacs)

| | Notes | As at 31.03.2014 | As at 31.03.2013 |
|--|-------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 3 | 1,317.57 | 1,317.57 |
| Reserves and Surplus | 4 | 7,120.73 | 6,885.19 |
| | | 8,438.30 | 8,202.76 |
| NON-CURRENT LIABILITIES | | | |
| Long-Term Borrowings | 5 | 2,747.04 | 3,452.34 |
| Deferred Tax Liabilities (Net) | 6 | 297.08 | 328.58 |
| Long Term Provisions | 7 | 29.36 | 48.64 |
| | | 3,073.48 | 3,829.56 |
| CURRENT LIABILITIES | | | |
| Short-Term Borrowings | 8 | 2,822.99 | 2,244.05 |
| Trade Payables | 9 | 984.29 | 817.06 |
| Other Current Liabilities | 10 | 2,173.37 | 1,618.03 |
| Short-Term Provisions | 7 | 162.43 | 267.81 |
| | | 6,143.08 | 4,946.95 |
| TOTAL | | 17,654.86 | 16,979.27 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | | | |
| Tangible Assets | 11A | 7,817.25 | 8,238.61 |
| Intangible Assets | 11B | 30.23 | 26.84 |
| Capital work-in-progress | | 59.75 | 6.72 |
| | | 7,907.23 | 8,272.17 |
| Non-current Investments | 12 | 3,408.89 | 3,408.89 |
| Long term Loans and Advances | 13 | 386.36 | 373.25 |
| CURRENT ASSETS | | | |
| Inventories | 14 | 1,759.48 | 1,328.50 |
| Trade Receivables | 15 | 3,309.68 | 2,502.31 |
| Cash and Bank Balances | 16 | 94.86 | 223.55 |
| Short-Term Loans and Advances | 13 | 729.77 | 759.19 |
| Other Current Assets | 17 | 58.59 | 111.41 |
| | | 5,952.38 | 4,924.96 |
| TOTAL | | 17,654.86 | 16,979.27 |
| Significant Accounting Policies | | | |
| 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

Ashwin S. Dani
Chairman

Malav A. Dani
Managing Director

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah
Partner
M.No.103750
Mumbai
26th May, 2014

Satish B. Samant
Chief Financial officer

Namita R. Tiwari
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in Lacs)

| | Notes | Year 2013-14 | Year 2012-13 |
|---|-------|------------------|------------------|
| (I) INCOME | | | |
| Revenue from sale of goods and services | 18A | 30,498.85 | 28,685.56 |
| Less: Excise Duty | | 3,529.40 | 3,263.67 |
| Revenue from sale of goods and services (Net of Excise Duty) | | 26,969.45 | 25,421.89 |
| Other Operating Revenue | 18B | 134.36 | 171.69 |
| Other Income | 19 | 22.91 | 43.37 |
| Total Revenue (I) | | 27,126.72 | 25,636.95 |
| (II) EXPENSES | | | |
| Cost of Materials Consumed | 20A | 18,296.48 | 16,602.91 |
| Changes in inventories of finished goods and work-in-progress | 20B | (112.82) | 296.93 |
| Employee Benefits Expense | 21 | 1,425.53 | 1,421.77 |
| Other Expenses | 22 | 4,599.85 | 4,361.48 |
| Total Expenses (II) | | 24,209.04 | 22,683.09 |
| EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I-II) | | 2,917.68 | 2,953.86 |
| Depreciation and Amortisation Expense | 23 | 989.07 | 809.91 |
| Finance Costs | 24 | 1,370.78 | 1,293.55 |
| PROFIT BEFORE TAX | | 557.83 | 850.40 |
| Tax Expenses: | | | |
| Current Tax | | 187.62 | 67.62 |
| Deferred Tax | 6 | (31.51) | 80.61 |
| MAT Credit of Earlier Years | | (80.42) | - |
| (Excess)/Short Tax Provision for earlier years | | 107.88 | - |
| PROFIT AFTER TAX | | 374.26 | 702.17 |
| Earnings per equity share(₹) Basic and Diluted (Face value of ₹ 10/- each) | 39 | 2.84 | 5.33 |
| 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

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
26th May, 2014

Cash Flow Statement for the year ended 31st March, 2014

(₹ in Lacs)

| | 2013-14 | 2012-13 |
|--|-------------------|-------------------|
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before Tax | 557.83 | 850.40 |
| Adjustments for : | | |
| Depreciation and amortization expense | 989.07 | 809.91 |
| Loss/(Profit) on Sale of Fixed Assets | 16.29 | - |
| Provision for doubtful debts/Provisions written-back(Net) | 21.90 | 11.85 |
| Bad Debts written off | 0.05 | 0.23 |
| Finance costs | 1,370.78 | 1,293.55 |
| Interest Income | (11.46) | (25.55) |
| Operating Profit before working capital changes | 2,944.46 | 2,940.39 |
| Adjustments for : | | |
| Trade Receivables | (829.32) | 393.18 |
| Other Receivables | (109.52) | (190.50) |
| Inventories | (430.98) | 567.44 |
| Trade and other Payables | 256.14 | 188.91 |
| Cash Generated from Operations | 1,830.78 | 3,899.42 |
| Income Tax paid (Net of Refund) | (85.91) | (242.59) |
| Net Cash generated from operating activities | 1,744.87 | 3,656.83 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (610.24) | (2,494.58) |
| Sale of Fixed Assets | 16.07 | 15.23 |
| Interest Received | 14.69 | 31.55 |
| Net Cash used in Investing Activities | (579.48) | (2,447.80) |
| (C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Long Term Borrowings | 835.05 | 1,678.93 |
| Repayment of Long Term Borrowings | (1,116.83) | (420.22) |
| Proceeds from/ (Repayment of) Cash Credit | 333.18 | (1,756.17) |
| Proceeds from Short Term Borrowings | 400.00 | 349.57 |
| Repayment of Short Term Borrowings | (154.23) | - |
| Dividend and Dividend tax paid | (244.75) | (242.26) |
| Finance costs paid | (1,346.50) | (1,273.50) |
| Net Cash used in Financing Activities | (1,294.08) | (1,663.65) |
| (D) Net Increase/ (Decrease) in Cash and Cash Equivalents | (128.69) | (454.62) |
| Cash and Cash Equivalents at the beginning of the year | 223.55 | 678.17 |
| Cash and Cash Equivalents at the end of the year | 94.86 | 223.55 |

Notes :

- (a) The above 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 31.03.2014 | As at 31.03.2013 |
| (b) Cash and Cash Equivalents comprises of : (Refer Note .16) | | |
| Cash on hand | 4.24 | 2.47 |
| Balances with bank | | |
| - Current Accounts | 41.58 | 106.02 |
| - Deposits with Bank (with original maturity for < 12 months but > 3 months) | 33.83 | 93.79 |
| - Margin Money Deposit | - | 7.94 |
| - Unpaid Dividend Account * | 15.21 | 13.33 |
| TOTAL | 94.86 | 223.55 |

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

- (c) Previous year's figures have been regrouped wherever necessary.

| | | | |
|--|--|---|--|
| 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 26th May, 2014 | Satish B. Samant Chief Financial officer | | Namita R. Tiwari Company Secretary |

Notes to Financial Statements for the year ended 31st March 2014**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 and relevant enacted provisions of the Companies Act, 2013 to the extent applicable.

(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 and impairment. 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. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant tangible asset heads. 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. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. 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. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

(c) Capital Work in Progress & Capital Advances

Cost of assets not ready for intended use, as on balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans and Advances.

(d) 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 to the Companies Act, 1956 :-

| | | |
|---------------------|---|----------|
| 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 license fees and consultancy fees for major software are amortised over a period of three years.

(e) 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 exists 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 fixed 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 as per the completed service contract method.

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

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

Interest income is recognised on the 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 valued at net realizable value.

In determining cost of raw materials, 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 long-term 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 long term investments. However that part of long term investments which are expected to be realized within twelve months from balance sheet date is also presented under "Current Assets" under "Current portion of long term investments" in consonance with the current / non current classification of revised Schedule VI to the Companies Act, 1956.

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.

Long term investments are stated at cost. A provision for diminution in the value of long term 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 recognized in the Statement of Profit and Loss.

(c) Forward exchange contracts:

The Company enters into 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 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 provident 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 leaves 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 expenditure of a revenue nature is expensed out under the respective heads of accounts in the year in which it is incurred.

Fixed Assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.11 Provision for Taxation

Tax expense comprises 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 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) | |
|---|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.03.2013 |
| 3. SHARE CAPITAL | | |
| Authorised | | |
| 2,00,00,000 (31st March 2013: 2,00,00,000) equity shares of ₹ 10/- each | 2,000.00 | 2,000.00 |
| TOTAL | 2,000.00 | 2,000.00 |
| Issued, Subscribed and Paid-Up Capital | | |
| 1,31,75,700 (31st March 2013: 1,31,75,700) equity shares of ₹ 10/- each fully paid. | 1,317.57 | 1,317.57 |
| TOTAL | 1,317.57 | 1,317.57 |

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

| | 31.03.2014 | | 31.03.2013 | |
|------------------------------|---------------|-------------|---------------|-------------|
| 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 | - | - | - | - |
| At the end of the year | 1,31,75,700 | 1,317.57 | 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) | |
|---|---------------|---------------|
| | 31.03.2014 | 31.03.2013 |
| Geetanjali Trading & Investments Pvt Ltd – the Holding company 80,29,295 (31st March, 2013 : 80,29,295) equity Shares of ₹ 10/- each fully paid | 802.93 | 802.93 |
| TOTAL | 802.93 | 802.93 |

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

| Name of Shareholders | 31.03.2014 | | 31.03.2013 | |
|--|---------------------|------------------------|---------------------|------------------------|
| | 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 ₹ 0.90 (Paise Ninety only) per equity share of ₹ 10/- each has been recommended by the Board of Directors at its meeting held on 26th May, 2014, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2013-14 will be ₹ 0.90 per equity share; ₹ 1.60 per equity share of face value ₹ 10/- was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2014 amounted to ₹ 138.72 lacs including corporate dividend tax of ₹ 20.15 lacs. (Previous year ₹ 246.64 lacs including corporate dividend tax of ₹ 35.83 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 31.03.2014 | As at 31.03.2013 |
|--|-----------------------------|-----------------------------|
| Capital Redemption Reserve | 251.00 | 251.00 |
| Securities Premium Account | 737.21 | 737.21 |
| General reserve | | |
| Balance as per last Balance Sheet | 433.41 | 380.75 |
| Add: Amount transferred from Statement of Profit and Loss | - | 52.66 |
| Closing Balance | 433.41 | 433.41 |
| Surplus in Statement of Profit and Loss | | |
| Balance as per last Balance Sheet | 5,463.57 | 5,060.70 |
| Add: Net Profit after tax transferred from Statement of Profit and Loss for the year | 374.26 | 702.17 |
| Less: Appropriations- | | |
| - Proposed Dividend on Equity Share (amount per share ₹ 0.90 (31st March 2013 : ₹ 1.60)) | 118.57 | 210.81 |
| - Tax on Proposed Equity Dividend | 20.15 | 35.83 |
| - Transfer to General reserve | - | 52.66 |
| - Total appropriations | 138.72 | 299.30 |
| Net Surplus in Statement of Profit and Loss | 5,699.11 | 5,463.57 |
| TOTAL RESERVES AND SURPLUS | 7,120.73 | 6,885.19 |

(₹ in Lacs)

| 5 LONG TERM BORROWINGS | Non-Current | | Current | |
|--|--------------------|-------------------|-------------------|-------------------|
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| Term Loans @ | | | | |
| I) Secured | | | | |
| Indian rupee loan from banks | 62.50 | 437.50 | 375.00 | 375.00 |
| Foreign currency loan from bank | 1,609.89 | 2,343.54 | 733.65 | 516.33 |
| | 1,672.39 | 2,781.04 | 1,108.65 | 891.33 |
| II) Unsecured | | | | |
| Deposits | | | | |
| - Deposits from shareholders | 502.95 | 153.05 | 95.55 | 52.92 |
| - Deposits from others | 571.70 | 518.25 | 336.15 | 172.58 |
| | 1,074.65 | 671.30 | 431.70 | 225.50 |
| TOTAL | 2,747.04 | 3,452.34 | 1,540.35 | 1,116.83 |
| Amount included under the head "other current liabilities" (Refer Note 10) | - | - | (1,540.35) | (1,116.83) |
| NET AMOUNT | 2747.04 | 3452.34 | - | - |

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

(₹ in Lacs)

| | Non-Current | Current |
|---|-------------|---------|
| A) Standard Chartered Bank Term Loan of ₹ 625 Lacs 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 ₹ 468.75 Lacs till 31st March, 2014 and the balance amount of ₹ 156.25 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 156.25 |
| B) Standard Chartered Bank Term Loan of ₹ 375 Lacs 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 ₹ 281.25 Lacs till 31st March, 2014 and the balance amount of ₹ 93.75 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 93.75 |
| C) Standard Chartered Bank Term Loan of ₹ 250 Lacs 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 ₹ 187.50 Lacs till 31st March, 2014 and the balance amount of ₹ 62.50 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 62.50 |
| D) Standard Chartered Bank Term Loan of ₹ 250 Lacs 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 ₹ 125 Lacs till 31st March, 2014 and the balance amount of ₹ 125.00 Lacs is repayable 8 quarterly installments upto February, 2016. | 62.50 | 62.50 |

(₹ in Lacs)

| | Non-Current | Current |
|--|-------------|---------|
| E) Standard Chartered Bank (ECB) of ₹ 11.96 Crores (USD 2.30 Million) | | |
| 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 1,43,750 @ 52 i.e. ₹ 74,75,000/- 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 loan of ₹ 1,196.00 Lacs, the Company has already repaid ₹ 373.75 Lacs till 31st March, 2014 and the balance amount of ₹ 822.25 Lacs is repayable in 11 quarterly installments upto November, 2016. | 523.25 | 299.00 |
| F) Standard Chartered Bank (ECB) of ₹ 17.39 Crores (USD 3.14 Million) | | |
| 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 installment of USD 1,96,250 @ 55.37 i.e. ₹ 1,08,66,363/- 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, the Company has already repaid ₹ 217.33 Lacs till 31st March, 2014 and the balance amount of ₹ 1,521.29 Lacs is repayable in 14 quarterly installments upto September, 2017. | 1,086.64 | 434.65 |
| G) Deposits from Shareholders, Directors, relatives and associate carry interest @ 9.50% to 11 % p.a. and are repayable after 1-3 years from the date of deposit. | 1,074.65 | 431.70 |

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, 2014 are as follows:

| | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| Deferred tax liabilities | | |
| Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961 | (328.58) | (365.64) |
| Total deferred tax liabilities | (328.58) | (365.64) |
| Deferred tax asset | | |
| Provision for expense allowed for tax purpose on payment basis | 17.22 | 22.66 |
| Provision for doubtful debts | 14.29 | 14.40 |
| Total deferred tax assets | 31.51 | 37.06 |
| Net Deferred tax asset/(liability) | (297.08) | (328.58) |
| Net Deferred Tax Benefit/(Expense) for the year | 31.51 | (80.61) |

(₹ in Lacs)

| 7. PROVISIONS | Long Term | | Short Term | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.03.2013 | As at 31.03.2014 | As at 31.03.2013 |
| Provision for Employee Benefits (Refer note No. 38) | | | | |
| - Provision for gratuity | - | - | 13.40 | - |
| - Provision for leave benefits | 29.36 | 48.64 | 10.30 | 21.17 |
| Other Provisions | | | | |
| - Proposed Dividend | - | - | 118.58 | 210.81 |
| - Provision for Income tax on Proposed Dividend | - | - | 20.15 | 35.83 |
| TOTAL | 29.36 | 48.64 | 162.43 | 267.81 |

(₹ in Lacs)

| 8. SHORT-TERM BORROWINGS | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| | | |
| Loan repayable on demand from banks ^ | | |
| Secured | | |
| Cash credits from Banks | 1,344.65 | 1,011.48 |
| Working Capital demand Loan | 1,000.00 | 1,000.00 |
| Buyers' Credit * | 78.34 | 232.57 |
| TOTAL | 2,422.99 | 2,244.05 |
| Unsecured | | |
| Working Capital demand Loan | 400.00 | - |
| TOTAL | 400.00 | - |
| | 2,822.99 | 2,244.05 |

^ 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 @9.95% to 13.50% p.a.

* Buyers' Credit loan carries interest @ LIBOR plus 1.68% to 2.20% p.a.

(₹ in Lacs)

| 9. TRADE PAYABLES | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| | | |
| Trade Payables (including acceptances) | 984.29 | 817.06 |
| (Refer Note 34 for details of dues to Micro, Small and Medium Enterprises) | | |
| TOTAL | 984.29 | 817.06 |

(₹ in Lacs)

| 10. OTHER CURRENT LIABILITIES | As at 31.03.2014 | As at 31.03.2013 |
|--|-----------------------------|-----------------------------|
| Other liabilities | | |
| Current maturities of Long term borrowings (Refer note 5) | 1,540.35 | 1,116.83 |
| Interest accrued but not due on borrowings | 99.37 | 75.11 |
| Advance from Customers | 45.79 | 6.19 |
| Investor Education and Protection Fund # | | |
| - Unpaid / Unclaimed Dividend | 15.21 | 13.33 |
| Others Payables | | |
| Statutory Payable - | | |
| - Payable towards CST & VAT | 45.77 | 47.57 |
| - Payable towards Excise & Service Tax | 14.80 | 14.31 |
| - Payable towards TDS under Income Tax | 24.38 | 34.12 |
| - Payable towards Providend Fund , Professional Tax & ESIC | 9.97 | 10.01 |
| Payable to Employees | 99.71 | 92.52 |
| Provision for Other Expenses | 240.58 | 173.69 |
| Others | 37.44 | 34.35 |
| TOTAL | 2,173.37 | 1,618.03 |

There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2014. 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 01.04.13 | Additions during the Year | Deductions / adjustments | As at 31.03.14 | As at 01.04.13 | Additions / Amortization during the Year | Deductions / adjustments | As at 31.03.14 | As at 31.03.14 |
| (A) Tangible Assets : | | | | | | | | | |
| Freehold Land | 1,519.47 | 1.63 | - | 1,521.10 | - | - | - | - | 1,521.10 |
| Leasehold Land | 14.50 | - | - | 14.50 | 1.19 | 0.15 | - | 1.34 | 13.16 |
| Buildings | 3,310.84 | 217.55 | 4.24 | 3,524.15 | 732.20 | 277.49 | 4.24 | 1,005.45 | 2,518.69 |
| Moulds | 804.87 | 51.54 | 23.00 | 833.41 | 650.78 | 78.86 | 21.49 | 708.15 | 125.26 |
| Plant & Machinery | 6,691.35 | 301.28 | 76.12 | 6,916.51 | 2,920.29 | 554.39 | 59.98 | 3,414.70 | 3,501.81 |
| Furniture | 149.00 | 3.09 | 12.26 | 139.83 | 83.30 | 9.80 | 6.19 | 86.91 | 52.92 |
| Leasehold Improvements | 76.85 | - | 23.53 | 53.32 | 48.69 | 15.34 | 22.39 | 41.64 | 11.68 |
| Computers | 120.77 | 0.14 | 1.59 | 119.32 | 89.15 | 11.82 | 1.40 | 99.57 | 19.75 |
| Office Equipment | 120.29 | 2.57 | 9.73 | 113.13 | 65.44 | 8.98 | 6.20 | 68.22 | 44.91 |
| Vehicles | 135.90 | - | 37.56 | 98.34 | 114.20 | 9.97 | 33.80 | 90.37 | 7.97 |
| Total Tangible Assets | 12,943.84 | 577.80 | 188.03 | 13,333.61 | 4,705.24 | 966.80 | 155.69 | 5,516.35 | 7,817.25 |
| (B) Intangible Assets : | | | | | | | | | |
| Software | 138.84 | 25.65 | - | 164.49 | 111.99 | 22.27 | - | 134.26 | 30.23 |
| Total Intangible Assets | 138.84 | 25.65 | - | 164.49 | 111.99 | 22.27 | - | 134.26 | 30.23 |
| Total (A+B) | 13,082.68 | 603.45 | 188.03 | 13,498.10 | 4,817.23 | 989.07 | 155.69 | 5,650.61 | 7,847.48 |

11. FIXED ASSETS (Contd....)

| (₹ 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 |

(₹ In Lacs)

11. FIXED ASSETS

Capitalized borrowing costs :-

The borrowing cost capitalized during the year ended 31st March 2014 was ₹ Nil (31st March 2013 : ₹ 66.03 Lacs).

(₹ in Lacs)

| 12. NON-CURRENT INVESTMENTS | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Trade Investments (At Cost) | | |
| Unquoted equity investments | | |
| Investment in subsidiary | | |
| 26,83,020 (31st March, 2013 : 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 | Non-Current | | Current | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.03.2013 | As at 31.03.2014 | As at 31.03.2013 |
| Unsecured & considered good: | | | | |
| Capital advances | 106.34 | 152.59 | - | - |
| Sundry deposits | 278.30 | 218.94 | - | - |
| Other loans and advances: | | | | |
| Advance income-tax (net of provision for taxation) | - | - | 177.47 | 387.06 |
| Advances recoverable in cash or kind | - | - | 62.71 | 18.43 |
| Prepaid expenses | - | - | 18.54 | 24.61 |
| Advances to employees | - | - | 1.40 | 2.28 |
| Mat credit entitlement | - | - | 80.42 | - |
| Balances with Government authorities | | | | |
| - Cenvat credit receivable | - | - | 112.65 | 167.17 |
| - Service tax credit receivable | - | - | 29.52 | 17.45 |
| - VAT credit receivable | - | - | 247.06 | 142.19 |
| - Other | 1.72 | 1.72 | - | - |
| TOTAL | 386.36 | 373.25 | 729.77 | 759.19 |

(₹ in Lacs)

| 14. INVENTORIES (Valued at Lower of Cost and Net Realizable Value) | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Raw Materials | 896.08 | 562.40 |
| Packing Materials | 28.70 | 32.34 |
| Finished Goods | 124.95 | 126.40 |
| Work-In-Progress | 703.48 | 589.36 |
| Stores, Spares and Consumables | 6.27 | 18.00 |
| TOTAL | 1,759.48 | 1,328.50 |

(₹ in Lacs)

| 15. TRADE RECEIVABLES | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| Unsecured | | |
| (a) Overdue for more than six months | | |
| considered good | 184.15 | 29.83 |
| considered doubtful | 85.62 | 63.07 |
| | 269.77 | 92.90 |
| (b) Others | | |
| considered good | 3,125.53 | 2,472.48 |
| considered doubtful | - | - |
| | 3,125.53 | 2,472.48 |
| | 3,395.30 | 2,565.38 |
| Less : Provision for doubtful trade receivables | 85.62 | 63.07 |
| TOTAL | 3,309.68 | 2,502.31 |

(₹ in Lacs)

| 16. CASH AND BANK BALANCES | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| (A) Cash and Cash Equivalents | | |
| a. Balances with banks | | |
| - On current accounts # | 41.58 | 106.02 |
| b. Cash on hand | 4.24 | 2.47 |
| (B) Other Bank balances: | | |
| - Margin Money Deposit | - | 7.94 |
| - Bank Deposits (with original maturity for < 12 months but > 3 months) | 33.83 | 75.04 |
| - Bank Deposits for Guarantees © | - | 18.75 |
| - Unpaid Dividend accounts * | 15.21 | 13.33 |
| TOTAL | 94.86 | 223.55 |

© Bank Term Deposits given as security

Bank Term deposits, with a carrying amount of ₹ Nil (31st March 2013: ₹ 18.75 Lacs) are kept for providing bank guarantee to secure payments to Government authorities of Electricity Boards.

Overdraft in current account carries interest rate @ 9.95 % to 13.50% p.a.

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

(₹ in Lacs)

| 17. OTHER CURRENT ASSETS | As at 31.03.2014 | As at 31.03.2013 |
|------------------------------|---------------------|---------------------|
| Interest accrued on deposits | 4.47 | 7.70 |
| Quantity discount receivable | 54.12 | 101.58 |
| Other receivable | - | 2.13 |
| TOTAL | 58.59 | 111.41 |

(₹ in Lacs)

| 18. REVENUE FROM OPERATIONS | Year 2013-14 | Year 2012-13 |
|---|------------------|------------------|
| (A) Revenue from sale of goods and services: | | |
| Sales of goods (Net of Returns) | 30,498.85 | 28,685.56 |
| TOTAL | 30,498.85 | 28,685.56 |
| (B) Other Operating Revenues : | | |
| - Scrap Sales | 81.33 | 96.34 |
| - Wind Mill Income | 53.03 | 75.35 |
| TOTAL | 134.36 | 171.69 |

(₹ in Lacs)

| 19. OTHER INCOME | Year 2013-14 | Year 2012-13 |
|---------------------------------------|-----------------|-----------------|
| (a) Interest Income on | | |
| - Bank Deposits | 2.62 | 24.31 |
| - Others | 8.84 | 1.24 |
| | 11.46 | 25.55 |
| (b) Insurance Claims received | 8.94 | 4.59 |
| (c) Other non-operating income | 2.51 | 13.23 |
| TOTAL | 22.91 | 43.37 |

(₹ in Lacs)

| 20. | Year 2013-14 | Year 2012-13 |
|---|-----------------|-----------------|
| A. COST OF MATERIALS CONSUMED | | |
| Raw Materials Consumed (Refer Note No.26) | | |
| Opening Stock | 562.40 | 828.06 |
| Add: Purchases | 18,081.57 | 15,760.36 |
| | 18,643.97 | 16,588.42 |
| Less: Closing Stock | 896.08 | 562.40 |
| | 17,747.89 | 16,026.02 |
| Packing Materials Consumed | | |
| Opening Stock | 32.34 | 31.82 |
| Add: Purchases | 544.95 | 577.41 |
| | 577.29 | 609.23 |
| Less: Closing Stock | 28.70 | 32.34 |
| | 548.59 | 576.89 |
| Total Cost of Materials Consumed | 18,296.48 | 16,602.91 |
| B. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS | | |
| Inventories at the beginning of the year | | |
| Finished Goods | 126.40 | 207.65 |
| Work-in-Progress | 589.37 | 813.99 |
| TOTAL | 715.77 | 1,021.64 |
| Inventories at the end of the year | | |
| Finished Goods | 124.95 | 126.40 |
| Work-in-Progress | 703.48 | 589.37 |
| TOTAL | 828.43 | 715.77 |
| Changes in inventories | (112.66) | 305.87 |
| Increase/ (decrease) in excise duty on Finished Goods | (0.16) | (8.94) |
| Changes in Inventories of Finished Goods and Work-in-Progress | (112.82) | 296.93 |

(₹ in Lacs)

| 21. EMPLOYEE BENEFITS EXPENSES | Year 2013-14 | Year 2012-13 |
|--|-----------------|-----------------|
| Salaries and wages | 1,197.79 | 1,211.38 |
| Contribution to Provident Fund | 63.97 | 67.62 |
| Defined Benefit Plan – Gratuity (Note No.38) | 13.40 | 0.04 |
| Staff welfare expenses | 150.37 | 142.73 |
| TOTAL | 1,425.53 | 1,421.77 |

(₹ in Lacs)

| 22. OTHER EXPENSES | Year 2013-14 | Year 2012-13 |
|---|-------------------------|-------------------------|
| Consumption of Stores, Spares and Consumables | 119.32 | 83.54 |
| Water, Power and Fuel | 1,250.11 | 1,178.17 |
| Processing Charges | 678.52 | 670.22 |
| Materials Handling Charges | 870.30 | 750.98 |
| Repairs and Maintenance | | |
| Building | 26.69 | 21.04 |
| Plant and Machineries | 159.30 | 173.49 |
| Other Assets | 28.12 | 41.62 |
| | 214.11 | 236.15 |
| Freight and Handling Charges | 576.66 | 594.83 |
| Rent | 183.57 | 216.50 |
| Rates and Taxes | 18.11 | 8.59 |
| Insurance | 20.20 | 10.78 |
| Security Charges | 91.28 | 78.80 |
| House-Keeping Expenses | 11.49 | 12.27 |
| Printing and Stationery | 25.07 | 22.29 |
| Travelling and Conveyance | 129.35 | 119.49 |
| Postage and Telephone | 46.98 | 44.53 |
| Directors' sitting fees | 4.87 | 3.06 |
| Payment to Auditors (Refer details below) | 28.48 | 29.27 |
| Commission to non-executive directors | 4.50 | 7.10 |
| Provision for doubtful debts | 22.92 | 18.67 |
| Bad debts written off | 0.05 | 0.23 |
| Management Fees | 93.00 | 93.00 |
| Legal and Professional Expenses | 114.09 | 97.43 |
| Loss on Sale of Fixed Assets (Net) | 16.29 | - |
| Net Loss on Foreign Currency Transactions and Translations (other than Considered as Finance Cost) | 0.21 | 4.00 |
| Advertisement and Sales Promotional Expenses | 9.95 | 11.07 |
| Miscellaneous expenses | 70.42 | 70.51 |
| TOTAL | 4,599.85 | 4,361.48 |

Payment to Auditors

(₹ in Lacs)

| | Year 2013-14 | Year 2012-13 |
|---------------------------|-----------------|-----------------|
| As Auditor: | | |
| - Audit Fees | 22.00 | 22.00 |
| - Tax Audit Fees | 3.00 | 3.00 |
| - Corporate Governance | 1.00 | 1.00 |
| - Other services | 1.38 | 1.07 |
| Reimbursement of Expenses | 1.10 | 2.20 |
| TOTAL | 28.48 | 29.27 |

(₹ in Lacs)

| 23. DEPRECIATION AND AMORTIZATION EXPENSE | Year 2013-14 | Year 2012-13 |
|--|-----------------|-----------------|
| Depreciation on tangible assets | 966.65 | 789.44 |
| Amortization of leasehold land | 0.15 | 0.15 |
| Amortization of intangible assets | 22.27 | 20.32 |
| TOTAL | 989.07 | 809.91 |

(₹ in Lacs)

| 24. FINANCE COSTS | Year 2013-14 | Year 2012-13 |
|--|-----------------|-----------------|
| Interests | | |
| - on term loans | 374.29 | 270.80 |
| - on Cash credit and short term borrowings | 228.32 | 362.21 |
| - on Fixed Deposits | 134.87 | 105.45 |
| Bill Discounting Charges | 598.51 | 532.72 |
| Bank Charges | 31.69 | 19.93 |
| Net (Gain)/Loss on Foreign Currency Transactions and Translations (Buyers' Credit) | 3.10 | 2.44 |
| TOTAL | 1,370.78 | 1,293.55 |

(₹ in Lacs)

| 25. CONTINGENT LIABILITIES AND COMMITMENTS | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| a) Contingent Liabilities: | | |
| 1) Claims against the Company not acknowledged as debts | | |
| - Tax and other matters in dispute under appeal | 717.73 | 358.92 |
| 2) Corporate guarantee issued by the Company to certain bank on behalf of its subsidiary | - | 4,803.00 |
| 3) Bills of exchange discounted with banks (since realized ₹ 3,794.63 Lacs, (31st March 2013: ₹ 2,743.43 Lacs)) | 5,138.85 | 5,382.68 |

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 31.03.2014 | As at 31.03.2013 |
|---|--|---------------------|---------------------|
| b) Commitments: | | | |
| 1) Estimated amount of contracts remaining to be executed on capital account and not provided for | | 41.64 | 377.02 |
| 2) The Company enters into 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, 2014 are as under :

| As at 31.03.2014 | | | | As at 31.03.2013 | | | |
|---------------------|--------------------|--------|--------------------|---------------------|--------------------|----------|--------------------|
| Currency | Number of Contract | Amount | INR (₹ In Lacs) | Currency | Number of Contract | Amount | INR (₹ In Lacs) |
| USD | - | - | - | USD | 5 | 4,17,688 | 235.03 |

(₹ in Lacs)

| | | Year 2013-14 | Year 2012-13 |
|------------------------------------|--|------------------|-----------------|
| 26. RAW MATERIALS CONSUMED: | | | |
| PPCP, LLDP and Master Batch | | 15,954.31 | 14,392.98 |
| Printing ink and Materials | | 1,066.73 | 867.54 |
| Boughtout Components | | 710.60 | 724.20 |
| Others | | 16.25 | 41.31 |
| TOTAL | | 17,747.89 | 16,026.02 |

27. STOCK AND TURNOVER

(₹ in Lacs)

| Products | Unit | Opening Stock | Closing Stock | Gross Turnover |
|------------|------|---------------------------|---------------------------|---------------------------------|
| | | Value | Value | Value |
| Containers | MT | 126.40 (207.65) | 124.95 (126.40) | 30,498.85 (28,685.56) |

(Figures in brackets represent that of Previous Year.)

28. VALUE OF IMPORTS CALCULATED ON CIF BASIS

(₹ in Lacs)

| | 2013-14 | 2012-13 |
|--------------------------------|-----------------|----------|
| Raw Materials | 2,886.49 | 2,547.66 |
| Stores, Spares and Consumables | 2.90 | - |
| TOTAL | 2,889.39 | 2,547.66 |

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

| | 2013-14 | | 2012-13 | |
|-------------------|------------------|---------------|-------------|------------|
| | (₹ in Lacs) | % to Total | (₹ in Lacs) | % to Total |
| Raw Materials | | | | |
| - Imported | 2,886.49 | 16.26 | 2,547.66 | 15.90 |
| - Indigenous | 14,861.40 | 83.74 | 13,478.36 | 84.10 |
| TOTAL | 17,747.89 | 100.00 | 16,026.02 | 100.00 |
| Stores and Spares | | | | |
| - Imported | 2.90 | 2.43 | - | - |
| - Indigenous | 116.42 | 97.57 | 83.54 | 100.00 |
| TOTAL | 119.32 | 100.00 | 83.54 | 100.00 |

30. NET DIVIDEND REMITTED IN FOREIGN CURRENCY

| | 2013-14 | | | 2012-13 | | |
|------------------------|-------------------------------------|------------------------------|-------------------------------|-------------------------------------|------------------------------|-------------------------------|
| | 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 2011-12 | - | - | - | 11 | 2,88,400 | 4.61 |
| Final Dividend 2012-13 | 9 | 2,19,900 | 3.52 | - | - | - |

31. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

| | (₹ in Lacs) | |
|---------------------|-------------|---------|
| | 2013-14 | 2012-13 |
| Travelling Expenses | 2.37 | 1.80 |

32. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

| | (₹ in Lacs) | |
|---------------------|-------------|---------|
| | 2013-14 | 2012-13 |
| Export at FOB Value | Nil | Nil |
| Other Receipts | Nil | Nil |

33. RESEARCH AND DEVELOPMENT

The Company has received recognition of 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)

| a) Revenue Expenditure | 2013-14 | 2012-13 |
|---|----------------|----------------|
| Employee Cost | 89.39 | 113.48 |
| Travelling Expenditure | 3.36 | 5.99 |
| Testing and Laboratory Expenditure | 14.63 | 38.93 |
| Power and fuel | 2.80 | 3.74 |
| Stores and Spares | 1.31 | 4.60 |
| Material Consumed | 31.66 | 95.76 |
| Repairs and Maintenance | 1.53 | 2.97 |
| Depreciation on Equipment | 3.51 | 3.36 |
| Rent | 12.17 | 12.00 |
| Others | 16.41 | 15.28 |
| TOTAL | 176.77 | 296.11 |
| | | (₹ in Lacs) |
| b) Capital Expenditure | 2013-14 | 2012-13 |
| For Mould Research and Development facility | - | 6.71 |
| TOTAL | - | 6.71 |

34. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2013-14, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in Lacs)

| | As at 31.03.2014 | As at 31.03.2013 |
|--|-----------------------------|-----------------------------|
| (a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year | 63.40 | 122.10 |
| (b) Interest due thereon remaining unpaid | Nil | 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 | Nil | 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 | Nil | Nil |
| (e) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid | Nil | 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 | Nil | 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 enters into 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, 2014 are as under :

| Currency | Payable (in FC) | | Payable (₹ In Lacs) | |
|----------|-----------------|-------------|---------------------|-------------|
| | FY 2013 -14 | FY 2012 -13 | FY 2013 -14 | FY 2012 -13 |
| GBP | 3,712.24 | 5,328.70 | 3.71 | 4.40 |
| USD | 3,15,728.00 | - | 189.75 | - |

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, 2014 ₹ Nil (31st March, 2013: ₹ Nil)

Maximum amount outstanding during the year ₹ 18.81 Lacs (31st March, 2013: ₹ 19.83 Lacs)

Repayment schedule - on demand.

| (₹ in Lacs) | | | |
|-------------|---|---------------------|---------------------|
| No. | Particulars | As at 31.03.2014 | As at 31.03.2013 |
| 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:

Assets taken on operating lease

- (a) 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.
- (b) Future minimum lease rentals payable as at 31st March, 2014 as per the lease agreements:

| (₹ in Lacs) | | |
|---|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.03.2013 |
| Not later than one year | 25.25 | 23.60 |
| Later than one year and not later than five years | 33.92 | 18.71 |
| Later than five years | - | - |
| Total | 59.17 | 42.31 |

- (c) Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 28.91 Lacs (31st March, 2013: ₹ 26.29 Lacs).

38. Employee benefits :-

(1) Short term employee benefits:

The liability towards short term employee benefits for the year ended 31st March, 2014 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) 2013-2014 | Gratuity (Funded Plan) 2012-2013 |
|--|--|--|
| Amount recognised in Balance Sheet | | |
| Present value of funded obligations | 92.64 | 98.77 |
| Fair Value of Plan Assets | 79.24 | 107.49 |
| Present value of unfunded obligations | - | - |
| Net Liability/(Asset) | 13.40 | (8.72) |
| Amounts in Balance Sheet | | |
| Liability | 13.40 | - |
| (Assets) | - | (8.72) |
| Net Liability/(Asset) | 13.40 | (8.72) |
| Expense recognised in the statement of Profit & Loss | | |
| Opening defined benefit obligation less benefit paid | - | - |
| Current service cost | 12.14 | 15.45 |
| Interest on defined benefit obligation | 7.65 | 12.84 |
| Expected return on plan assets | - | 13.00 |
| Net actuarial losses/ (gains) recognized in year | 2.33 | 23.35 |
| Past Service Cost | - | - |
| Total included in 'Employee Benefit Expense' | 22.12 | 64.64 |
| Actual return on plan assets | 5.67 | 0.56 |
| Reconciliation of benefit obligations and plan assets for the period: | | |
| Change in defined benefit obligation : | | |
| Opening defined benefit obligation as at 1st April | 98.77 | 151.08 |
| Current Service Cost | 12.14 | 15.45 |
| Interest Cost | 7.65 | 12.84 |
| Actuarial (Gain)/Loss on obligations | 7.99 | (22.78) |
| Past service Cost | - | - |
| Acquisition/ Business combination | - | - |
| Benefits Paid | (33.92) | (57.82) |
| Closing defined benefit obligation as at 31st March | 92.63 | 98.77 |

(₹ in Lacs)

| Particulars | Gratuity (Funded Plan) 2013-2014 | Gratuity (Funded Plan) 2012-2013 |
|--|--|--|
| Change in fair value of assets : | | |
| Opening fair value of plan assets as at 1st April | 107.49 | 151.11 |
| Expected return on Plan Assets | - | 13.00 |
| Actuarial Gain/(Loss) | 5.67 | 0.56 |
| Assets distributed on settlements | - | - |
| Contributions by employer | - | 0.63 |
| Assets acquired due to acquisition/ Business combination | - | - |
| Benefits Paid | (33.92) | (57.81) |
| | 79.24 | 107.49 |
| Investment Details (Assets information) : | | |
| 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 |
| Assumptions : | | |
| Discounted Rate (per annum) | 8.75% | 8.00% |
| Estimated Rate of return on Plan Assets (per annum) | 8.00% | 8.00% |
| Rate of Escalation in Salary (per annum) | 8.00% | 8.00% |

- Discount Rate :** The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.
- Expected Rate of Return on Plan Assets :** This is based on the expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.
- Salary Escalation Rate :** 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.

Experience Adjustments for the current and previous four periods

(₹ in Lacs)

| Gratuity Funded | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 | 31-Mar-11 | 31-Mar-10 |
|---|----------------|-----------|-----------|-----------|-----------|
| Defined Benefit Obligation | 92.64 | 98.77 | 151.08 | 84.54 | 58.11 |
| Plan Assets | 79.24 | 107.49 | 151.11 | 85.14 | 57.14 |
| Surplus / (Deficit) | (13.40) | 8.72 | 0.03 | 0.60 | (0.97) |
| Experience Adjustment on plan liabilities | 7.99 | (22.78) | 44.21 | 2.51 | 12.23 |
| Experience Adjustment on plan assets | 5.67 | 0.56 | 0.82 | (2.86) | (4.67) |

Notes:-

- a) The gratuity fund assets and liabilities are managed by Hitech Plast Employees' Gratuity Trust.
- b) The Company estimates that the amount to be contributed to the Gratuity fund for the financial year 2013-14 will be ₹ 13.40 lacs.
- c) 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 2005) 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, 2014 based on actuarial valuation carried out by using the Projected Accrued Benefit Method amounting to ₹ (4.79) Lacs (31st March, 2013: ₹ 45.59 Lacs) has been recognised in the Statement of Profit and Loss.

Annual leave and sick leave assumptions :

| i. Financial Assumptions | 31.03.2014 | 31.03.2013 |
|--|----------------------------|---------------------------|
| Discounted Rate (per annum) | | |
| Rate of Escalation in Salary (per annum) | 8.00% | 8.00% |
| ii. Demographic Assumptions | 31.03.2014 | 31.03.2013 |
| Mortality | IALM (2006-08) Ultimate | LIC (1994-96) Ultimate |
| Attrition Rate | 25.00% | 21.25% |

39. EARNINGS PER SHARE (EPS)

| | 2013-14 | 2012-13 |
|---|--------------------|----------------|
| a) Basic and diluted earnings per share in rupees (face value - ₹ 10/- per share) | 2.84 | 5.33 |
| b) Profit after tax as per Statement of Profit and Loss (₹ in Lacs) | 374.26 | 702.17 |
| c) Weighted average number of equity shares outstanding | 1,31,75,700 | 1,31,75,700 |

40. Information on related party transactions as required by Accounting Standard – 18 on Related Party Disclosures for the year ended 31st March 2014.

1. Relationship:

(i) Holding Company

Geetanjali Trading and Investments Private Limited

(ii) Fellow Subsidiaries

Coatings Specialities (India) Limited
 Rangudyan Insurance Broking Services Ltd
 Vijal Holding and Trading Company Pvt. Ltd.
 Smiti Holding and Trading Company Pvt. Ltd.
 Isis Holding and Trading Company Pvt. Ltd
 Isis Skills Development Pvt. Ltd.

(iii) Subsidiary of the Company

Clear Mipak Packaging Solutions Limited

(iv) Key Management Person:

Malav A. Dani

(v) Promoter Directors

Mr. Ashwin S. Dani
 Mr. Jalaj A. Dani
 Mrs. Ina A. Dani

(vi) Employee Benefit funds where control exists:

Hitech Plast Employee's Gratuity Trust

(vii) 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.
 Pragati Chemicals Ltd.
 Resins and Plastics Ltd.
 Raytirth Holding and Trading Company Pvt. Ltd.
 Suryakant Paint Accessories Pvt. Ltd.
 Asian Paints Ltd.

2. Details of Related Party Transactions for the Year - 2013-14 and 2012-13 :

(₹ in Lacs)

| Particulars | Fellow subsidiary | | Subsidiary of the Company | | Key Management Personnel | |
|--|-------------------|---------|---------------------------|---------|--------------------------|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Sale of Fixed Assets | - | - | 13.10 | 13.97 | - | - |
| Purchase of Fixed Assets | - | - | 16.00 | - | - | - |
| Interest Received | - | - | - | 0.57 | - | - |
| Purchase of Goods/Services | - | - | 5.21 | 10.08 | - | - |
| Sale of Goods/Services | - | - | 1.15 | - | - | - |
| Purchase of Raw Materials | - | - | - | 18.36 | - | - |
| Sale of Raw Materials | - | - | 5.65 | - | - | - |
| Services Received (Coatings Specialities) | 93.00 | 93.00 | - | - | - | - |
| Interest Paid- (Rangudyan) | 0.77 | 0.03 | - | - | - | - |
| Commission Paid | - | - | - | 0.44 | - | - |
| Rent Paid-(Coating Specilities) | 24.00 | 24.00 | - | - | - | - |
| Managerial Remuneration -(a) | - | - | - | - | - | 58.26 |
| Managerial Remuneration -(b) | - | - | - | - | 35.60 | 37.11 |
| Deposits Received | - | - | - | - | 100.00 | 85.00 |
| Deposits Repaid | - | - | - | - | - | 25.00 |
| Deposits Balance | - | - | - | - | 185.00 | 85.00 |
| Interest on Deposit Paid | - | - | - | - | 12.93 | 3.09 |
| Inter Corporate Deposits - Given | - | - | 30.52 | 155.45 | - | - |
| Inter Corporate Deposits - Received | - | - | 30.52 | 155.45 | - | - |
| Inter Corporate Deposits - Recd.- (Rangudyan) | 27.20 | 1.50 | - | - | - | - |
| Inter Corporate Deposits-Paid-(Rangudyan) | 27.20 | 1.50 | - | - | - | - |
| Balance Payable for Goods and services (Coatings Specialities & Clear Mipak Packaging Solutions Limited) | 0.10 | - | 5.01 | 0.51 | - | - |

(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 | | Employee Benefit Plans where control Exists | |
|---|---|---------|--|-----------|---|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Sales to Asian Paints | - | - | 19,574.91 | 17,243.77 | - | - |
| Balance Receivable (Asian Paints) | - | - | 1,189.28 | 448.09 | - | - |
| Deposits Received (Mr.Ashwin S. Dani) | 250.00 | - | - | - | - | - |
| Interest on Deposit Paid (Mr. Ashwin S. Dani) | 7.77 | - | - | - | - | - |
| Sitting Fees | 1.32 | 1.12 | - | - | - | - |
| Commission | 0.75 | 1.62 | - | - | - | - |
| Reimbursement of Expenses to Advisor (Mr.Ashwin S. Dani) | 4.22 | 4.97 | - | - | - | - |
| Contribution During the year | - | - | - | - | - | 0.04 |
| Amount payable | - | - | - | - | 13.40 | - |

- 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 these employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.
- 4 As at 31st March, 2014 corporate guarantee issued by the Company on behalf of its subsidiary amounting to ₹ Nil (31st March, 2013: ₹ 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)

| | 2013-14 | 2012-13 |
|----------------------|-----------|-----------|
| Sale of Goods | | |
| Asian Paints Limited | 19,574.91 | 17,243.77 |
| Sitting Fees | | |
| Mr.Ashwin S. Dani | 0.56 | 0.42 |
| Mr.Jalaj A. Dani | 0.26 | 0.38 |
| Mrs.Ina A. Dani | 0.50 | 0.30 |
| Mr.Hasit A. Dani | - | 0.02 |
| | 1.32 | 1.12 |
| Commission | | |
| Mr.Ashwin S. Dani | 0.25 | 0.54 |
| Mr.Jalaj A. Dani | 0.25 | 0.54 |
| Mrs.Ina A. Dani | 0.25 | 0.54 |
| | 0.75 | 1.62 |

41. Segment Reporting.

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 2014, the capital employed in the reportable segment was ₹ 15,548.69 Lacs (31st March 2013: ₹ 15,015.98 Lacs).

42. During the year, the manufacturing unit of the Company situated at Masat in Silvassa was shifted and merged with Company's existing unit at Galonda in Silvassa and the manufacturing unit of the Company situated at Pondicherry was shifted and merged with Company's existing unit at Sriperumbudur as part of restructuring plan.

43. 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

For Shah & Co.

Chartered Accountants

FRN: 109430W

Ashish Shah

Partner

M.No.103750

Mumbai

26th May, 2014

Ashwin S. Dani

Chairman

Malav A. Dani

Managing Director

Ramesh S. Gandhi

Director &

Chairman of Audit Committee

Satish B. Samant

Chief Financial officer

Namita R. Tiwari

Company Secretary

**CONSOLIDATED
FINANCIAL STATEMENTS**

FINANCIAL HIGHLIGHTS FOR THE LAST FIVE YEARS - CONSOLIDATED

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

| PARTICULARS | 2013-2014 | 2012-2013 | 2011-2012 | 2010-2011 | 2009-2010 |
|--|-----------|-----------|-----------|-----------|-----------|
| REVENUE ACCOUNT | | | | | |
| Gross Revenue | 50,414.40 | 48,127.59 | 41,776.37 | 37,502.83 | 28,232.88 |
| Net Revenue from Operations | 45,756.55 | 43,685.12 | 38,454.93 | 34,488.47 | 26,192.17 |
| Growth Rate (%) | 4.74 | 13.60 | 11.50 | 31.67 | 21.40 |
| Materials Cost | 30,839.53 | 29,039.28 | 24,592.56 | 21,606.98 | 15,690.94 |
| % to Net Revenue | 67.40 | 66.47 | 63.95 | 62.65 | 59.91 |
| Overheads | 10,256.03 | 10,288.49 | 9,396.60 | 8,246.77 | 6,558.49 |
| % to Net Revenue | 22.41 | 23.55 | 24.44 | 23.91 | 25.04 |
| Operating Profit (EBITDA) | 4,912.74 | 4,825.56 | 4,699.38 | 4,750.78 | 4,161.56 |
| Finance Costs | 1,721.85 | 1,832.86 | 1,751.13 | 1,240.85 | 855.54 |
| Depreciation | 1,843.01 | 1,728.96 | 1,537.57 | 1,262.53 | 948.74 |
| Profit Before Tax and Exceptional Item | 1,347.88 | 1,263.74 | 1,410.68 | 2,247.40 | 2,357.28 |
| % to Net Revenue | 2.95 | 2.89 | 3.67 | 6.52 | 9.00 |
| Exceptional Item | - | - | 21.97 | - | - |
| Profit Before Tax and After Exceptional Item | 1,347.88 | 1,263.74 | 1,388.71 | 2,247.40 | 2,357.28 |
| % to Net Revenue | 2.95 | 2.89 | 3.61 | 6.52 | 9.00 |
| Profit After Tax | 808.99 | 1,038.08 | 1,040.71 | 1,612.50 | 1,573.18 |
| Minority Interest | (173.88) | (134.36) | 23.07 | (170.87) | (79.35) |
| Profit After Tax (After Minority Interest) | 635.11 | 903.72 | 1,063.78 | 1,441.63 | 1,493.83 |
| CAPITAL ACCOUNT | | | | | |
| Share Capital | 1,317.57 | 1,317.57 | 1,317.57 | 1,317.57 | 1,317.57 |
| Reserves and Surplus | 8,639.66 | 8,143.28 | 7,486.20 | 6,649.43 | 5,440.88 |
| Deferred Tax Liability/ Asset (Net) | 527.72 | 568.74 | 519.30 | 561.14 | 492.34 |
| Borrowings | 9,727.15 | 10,470.93 | 11,821.19 | 9,628.58 | 6,970.35 |
| Minority Interest | 3,092.47 | 2,918.59 | 2,784.23 | 2,795.30 | 2,214.24 |
| Fixed Assets | 13,384.33 | 14,512.56 | 13,016.21 | 11,664.77 | 9,461.62 |
| Investments | - | - | 11.00 | 11.00 | 11.00 |
| Debt - Equity Ratio | 0.98 | 1.11 | 1.34 | 1.21 | 1.40 |
| PER SHARE DATA | | | | | |
| Earning Per Share (Rs.) | 4.82 | 6.86 | 8.07 | 10.94 | 11.34 |
| Book Value (Rs.) | 75.57 | 71.81 | 66.82 | 60.47 | 51.29 |

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 2014, 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 Company 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.

Auditor's 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 involves 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 2014;
- (ii) in the case of Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No. 103750

Mumbai
26th May, 2014

Consolidated Balance Sheet as at 31st March, 2014

(₹ in Lacs)

| | Notes | As at 31.03.2014 | As at 31.03.2013 |
|--------------------------------|-------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 3 | 1,317.57 | 1,317.57 |
| Reserves and Surplus | 4 | 8,639.66 | 8,143.28 |
| | | 9,957.23 | 9,460.85 |
| Minority Interest | | 3,092.47 | 2,918.59 |
| NON-CURRENT LIABILITIES | | | |
| Long-Term Borrowings | 5 | 2,919.48 | 4,067.25 |
| Deferred Tax Liabilities (Net) | 6 | 527.72 | 568.74 |
| Long Term Provisions | 7 | 49.36 | 79.73 |
| | | 3,496.56 | 4,715.72 |
| CURRENT LIABILITIES | | | |
| Short-Term Borrowings | 8 | 4,827.10 | 4,789.94 |
| Trade Payables | 9 | 2,036.48 | 1,653.25 |
| Other Current Liabilities | 10 | 3,014.49 | 2,485.73 |
| Short-Term Provisions | 7 | 274.57 | 359.44 |
| | | 10,152.64 | 9,288.36 |
| TOTAL | | 26,698.90 | 26,383.52 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | | | |
| Tangible Assets | 11A | 13,213.61 | 14,398.28 |
| Intangible Assets | 11B | 31.55 | 28.60 |
| Capital work-in-progress | | 139.17 | 85.68 |
| | | 13,384.33 | 14,512.56 |
| Goodwill on Consolidation | | 293.95 | 293.95 |
| Non-Current Investments | 12 | - | - |
| Long Term Loans and Advances | 13 | 571.62 | 535.09 |
| Other Non-Current Assets | 14 | 5.00 | - |
| CURRENT ASSETS | | | |
| Inventories | 15 | 3,372.91 | 2,703.70 |
| Trade Receivables | 16 | 7,298.50 | 6,145.34 |
| Cash and Bank Balances | 17 | 317.94 | 637.13 |
| Short-Term Loans and Advances | 13 | 1,315.27 | 1,371.50 |
| Other Current Assets | 18 | 139.38 | 184.25 |
| | | 12,444.00 | 11,041.92 |
| TOTAL | | 26,698.90 | 26,383.52 |

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

26th May, 2014

Ashwin S. Dani

Chairman

Satish B. Samant

Chief Financial officer

Malav A. Dani

Managing Director

Ramesh S. Gandhi

Director &

Chairman of Audit Committee

Namita R. Tiwari

Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in Lacs)

| | Notes | Year 2013-14 | Year 2012-13 |
|---|-------|------------------|------------------|
| (I) INCOME | | | |
| Revenue from Sale of goods and services | 19A | 50,414.40 | 48,127.59 |
| Less: Excise Duty | | 4,657.85 | 4,442.47 |
| Revenue from Sale of goods and services (Net of excise duty) | | 45,756.55 | 43,685.12 |
| Other Operating Revenue | 19B | 204.45 | 262.96 |
| Other Income | 20 | 47.30 | 205.25 |
| Total Revenue (I) | | 46,008.30 | 44,153.33 |
| (II) EXPENSES | | | |
| Cost of Materials Consumed | 21A | 31,022.98 | 28,478.72 |
| Changes in inventories of finished goods and work-in-progress | 21B | (183.45) | 560.56 |
| Employee Benefits Expense | 22 | 2,500.64 | 2,436.51 |
| Other Expenses | 23 | 7,755.39 | 7,851.98 |
| Total Expenses (II) | | 41,095.56 | 39,327.77 |
| EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I-II) | | | |
| | | 4,912.74 | 4,825.56 |
| Depreciation and Amortisation Expense | 24 | 1,843.01 | 1,728.96 |
| Finance Costs | 25 | 1,721.85 | 1,832.86 |
| PROFIT BEFORE TAX | | 1,347.88 | 1,263.74 |
| Tax Expenses: | | | |
| Current Tax | | 521.73 | 176.22 |
| Deferred Tax | 6 | (116.38) | 49.44 |
| MAT Credit | | (80.42) | - |
| (Excess) /Short Tax Provision for earlier years | | 213.96 | - |
| PROFIT AFTER TAX | | 808.99 | 1,038.08 |
| Less : Minority Interest | | 173.88 | 134.36 |
| Net Profit Attributable to Shareholders | | 635.11 | 903.72 |
| Earnings per equity share (₹): Basic and Diluted | 30 | 4.82 | 6.86 |
| (Face value of ₹ 10/- each) | | | |
| 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

Ashwin S. Dani
Chairman

Malav A. Dani
Managing Director

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah
Partner
M.No.103750
Mumbai
26th May, 2014

Satish B. Samant
Chief Financial officer

Namita R. Tiwari
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2014

(₹ in Lacs)

| | 2013-14 | 2012-13 |
|--|-------------------|-------------------|
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before Tax | 1,347.88 | 1,263.74 |
| Adjustments for : | | |
| Depreciation and amortization expense | 1,843.01 | 1,728.96 |
| Loss/(Profit) on Sale of Fixed Assets | 11.35 | (3.29) |
| Provision for diminution in value of investment | - | 11.00 |
| Provision for doubtful debts/Provisions written-back(Net) | 67.57 | 170.92 |
| Bad Debts written off | 0.05 | 11.17 |
| Finance costs | 1,721.85 | 1,832.86 |
| Interest Income | (31.55) | (49.39) |
| Operating Profit before working capital changes | 4,960.16 | 4,965.97 |
| Adjustments for : | | |
| Trade Receivables | (1,220.78) | (90.36) |
| Other Receivables | (163.12) | (258.14) |
| Inventories | (669.21) | 1,115.54 |
| Trade and other Payables | 485.18 | 351.62 |
| Cash Generated from Operations | 3,392.23 | 6,084.63 |
| Income Tax paid (Net of Refund) | (419.31) | (321.58) |
| Net Cash generated from operating activities | 2,972.92 | 5,763.05 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (701.97) | (2,676.34) |
| Sale of Fixed Assets | 39.90 | 36.58 |
| Interest Received | 29.59 | 63.41 |
| Net Cash used in Investing Activities | (632.48) | (2,576.35) |
| (C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Long Term Borrowings | 835.05 | 1,678.93 |
| Repayment of Long Term Borrowings | (1,615.99) | (983.95) |
| Proceeds from/ (Repayment of) Cash Credit | (428.66) | (2,453.32) |
| Proceeds from Short Term Borrowings | 620.06 | 408.08 |
| Repayment of Short Term Borrowings | (154.23) | - |
| Dividend and Dividend tax paid | (244.75) | (242.26) |
| Finance costs paid | (1,671.11) | (1,815.89) |
| Net Cash used in Financing Activities | (2,659.63) | (3,408.41) |
| (D) Net Increase/ (Decrease) in Cash and Cash Equivalents | (319.19) | (221.71) |
| Cash and Cash Equivalents at the beginning of the year | 637.13 | 858.84 |
| Cash and Cash Equivalents at the end of the year | 317.94 | 637.13 |

Notes :

- (a) The above 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 31.03.2014 | As at 31.03.2013 |
| (b) | Cash and Cash Equivalents comprises of : (Refer Note .17) | | |
| | Cash on hand | 13.53 | 6.16 |
| | Balances with bank | | |
| | - Current Accounts | 88.14 | 398.10 |
| | - Cheque on Hand | 98.59 | - |
| | - Deposits with Bank (with original maturity for < 12 months but > 3 months) | 88.59 | 176.12 |
| | - Margin Money Deposit | 13.88 | 43.42 |
| | - Unpaid Dividend Account * | 15.21 | 13.33 |
| | TOTAL | 317.94 | 637.13 |

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

- (c) Previous year's figures have been regrouped, wherever necessary.

| 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 26th May, 2014 | Satish B. Samant Chief Financial officer | | Namita R. Tiwari Company Secretary |

Notes to Financial Statements for the year ended 31st March 2014

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 manufacturing of the rigid plastic containers specially catering to customers relating to Paints, Lube and Pharmacy product as well as export 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 and relevant enacted provisions of the Companies Act, 2013 to the extent applicable.

(b) Use of Estimates:

The preparation of Consolidated 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 Group'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 Group 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 Group 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 and impairment. 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. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant tangible asset heads. 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. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. 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. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

Goodwill

Goodwill arising on the acquisition of a business 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 business recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

The unamortized carrying value of goodwill is tested for impairment as at each balance sheet date. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(c) Capital Work in Progress & Capital Advances

Cost of assets not ready for intended use, as on balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans and Advances.

(d) 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.

(e) Impairment:

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Group'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 exists 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 as per the completed service contract method.

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

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

Interest income is recognised on the 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 valued at net realizable value.

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 long-term 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 long term investments. However, that part of long term investments which are expected to be realized within twelve months from balance sheet date is also presented under "Current Assets" under "Current portion of long term investments" in consonance with the current / non current classification of revised Schedule VI to the Companies Act, 1956.

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.

Long term 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 Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transitions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

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 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 Group presents the above liabilities as current and non-current in the balance sheet as per actuarial valuation by the independent actuary.

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 leaves 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.

2.10 Research and Development

Research and Development expenditure of a revenue nature is expensed out under the respective heads of accounts in the year in which it is incurred.

Fixed Assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.11 Provision for Taxation

Tax expense comprises 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.

2.12 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.

2.13 Earnings Per Share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the 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 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.

2.18 Principles of Consolidation

1. The Consolidated Financial Statements have been prepared to comply in all material respect with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.
2. The financial statements of Hitech Plast Limited together with audited financial statements of its subsidiary as described in note 32 have been considered for the purpose of consolidation.
3. The financial statements of the Parent Company and its subsidiary as described in note 32 have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. All significant intra group balances and transactions have been eliminated on 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.
4. 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 statements.

5. Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group
6. The unamortized carrying value of goodwill is tested for impairment as at each balance sheet date.
7. 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 on Consolidation" being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiary company 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. The unamortized carrying value of goodwill is tested for impairment as at each balance sheet date. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.

On disposal of cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(₹ in Lacs)

| 3. SHARE CAPITAL | As at 31.03.2014 | As at 31.03.2013 |
|---|-----------------------------|-----------------------------|
| Authorised | | |
| 2,00,00,000 (31st March 2013: 2,00,00,000) equity shares of ₹ 10/- each | 2,000.00 | 2,000.00 |
| TOTAL | 2,000.00 | 2,000.00 |
| Issued, Subscribed and Paid-Up Capital | | |
| 1,31,75,700 (31st March 2013: 1,31,75,700) equity shares of ₹ 10/- each fully paid. | 1,317.57 | 1,317.57 |
| TOTAL | 1,317.57 | 1,317.57 |

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

| | 31.03.2014 | | 31.03.2013 | |
|------------------------------|----------------------|--------------------|----------------------|--------------------|
| 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 | - | - | - | - |
| At the end of the year | 1,31,75,700 | 1,317.57 | 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)

| | 31.03.2014 | 31.03.2013 |
|---|---------------|---------------|
| Geetanjali Trading & Investments Pvt Ltd – the Holding company 80,29,295 (31st March, 2013 : 80,29,295) equity Shares of ₹ 10/- each fully paid | 802.93 | 802.93 |
| TOTAL | 802.93 | 802.93 |

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

| | 31.03.2014 | | 31.03.2013 | |
|--|---------------------|------------------------|---------------------|------------------------|
| 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 ₹ 0.90 (paise Ninety only) per equity share of ₹ 10/- each has been recommended by the Board of Directors at its meeting held on 26th May, 2014, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2013-14 will be ₹ 0.90 per equity share; ₹ 1.60 per equity share of face value ₹ 10/- was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2014 amounted to ₹ 138.72 lacs including corporate dividend tax of ₹ 20.15 lacs. (Previous year ₹ 246.64 lacs including corporate dividend tax of ₹ 35.83 lacs).

As per the Companies Act, 1956, in the case of parent company 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 31.03.2014 | As at 31.03.2013 |
|---|-----------------------------|-----------------------------|
| Capital Reserve | 432.57 | 432.57 |
| Capital Redemption Reserve | 461.20 | 461.20 |
| Securities Premium Account | 737.21 | 737.21 |
| General reserve | | |
| Balance as per last Balance Sheet | 469.41 | 416.75 |
| Add: amount transferred from statement of Profit and Loss Account | - | 52.66 |
| Closing Balance | 469.41 | 469.41 |
| Surplus in Statement of Profit and Loss | | |
| Balance as per last Balance Sheet | 6,042.89 | 5,438.47 |
| Add: Net Profit after tax transferred from statement of profit and loss for the year | 635.11 | 903.72 |
| Less: Appropriations- | | |
| - Proposed final equity dividend (amount per share ₹ 0.90 (31st March 2013 : ₹ 1.60)) | 118.57 | 210.81 |
| - Tax on proposed equity dividend | 20.15 | 35.83 |
| - Transfer to General reserve | | 52.66 |
| - Total appropriations | 138.72 | 299.30 |
| Net Surplus in Statement of Profit and Loss | 6,539.28 | 6,042.89 |
| TOTAL RESERVES AND SURPLUS | 8,639.66 | 8,143.28 |

(₹ in Lacs)

| 5 LONG TERM BORROWINGS | Non-Current | | Current | |
|--|--------------------|------------|-------------------|------------|
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| Term Loans @ | | | | |
| I) Secured | | | | |
| Indian rupee loan from banks | 216.35 | 975.96 | 759.62 | 836.54 |
| Foreign currency loan from bank | 1,609.89 | 2,343.54 | 733.65 | 516.33 |
| | 1,826.23 | 3,319.50 | 1,493.27 | 1,352.87 |
| II) Unsecured | | | | |
| Deposits | | | | |
| - Deposits from shareholders | 502.95 | 153.05 | 95.55 | 52.92 |
| - Deposits from others | 590.30 | 594.70 | 391.75 | 207.95 |
| | 1,093.25 | 747.75 | 487.30 | 260.87 |
| TOTAL | 2,919.48 | 4,067.25 | 1,980.57 | 1,613.74 |
| Amount included under the head "other current liabilities" (Refer Note 10) | - | - | (1,980.57) | (1,613.74) |
| NET AMOUNT | 2,919.48 | 4,067.25 | - | - |

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

| | Non-Current | Current |
|---|-------------|---------|
| A Standard Chartered Bank Term Loan of ₹ 625 Lacs | | |
| 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 ₹ 468.75 Lacs till 31st March, 2014 and the balance amount of ₹ 156.25 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 156.25 |
| B Standard Chartered Bank Term Loan of ₹ 375 Lacs | | |
| 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 ₹ 281.25 Lacs till 31st March, 2014 and the balance amount of ₹ 93.75 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 93.75 |
| C Standard Chartered Bank Term Loan of ₹ 250 Lacs | | |
| 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 ₹ 187.50 Lacs till 31st March, 2014 and the balance amount of ₹ 62.50 Lacs is repayable in 4 quarterly installments upto February, 2015. | - | 62.50 |
| D Standard Chartered Bank Term Loan of ₹ 250 Lacs | | |
| 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 ₹ 125 Lacs till 31st March, 2014 and the balance amount of ₹ 125.00 Lacs is repayable in 8 quarterly installments upto February, 2016. | 62.50 | 62.50 |

(₹ in Lacs)

| | Non-Current | Current |
|--|-------------|---------|
| E Standard Chartered Bank (ECB) of ₹ 11.96 Crores (USD 2.30 Million) | | |
| 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 1,43,750 @ 52 i.e. ₹ 74,75,000/- 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 loan of ₹ 1,196.00 Lacs, the Company has already repaid ₹ 373.75 Lacs till 31st March, 2014 and the balance amount of ₹ 822.25 Lacs is repayable in 11 quarterly installments upto November, 2016. | 533.25 | 299.00 |
| F Standard Chartered Bank (ECB) of ₹ 17.39 Crores (USD 3.14 Million) | | |
| 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 installment of USD 1,96,250 @ 55.37 i.e. ₹ 1,08,66,363/- 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, the Company has already repaid ₹ 217.33 Lacs till 31st March, 2014 and the balance amount of ₹ 1,521.29 Lacs is repayable in 14 quarterly installments upto September, 2017. | 1,086.64 | 434.65 |
| G Deposits from Shareholders, directors, relatives and associate carry interest @ 9.50% to 11 % p.a. and are repayable after 1-3 years from the date of deposit. | 1,093.25 | 487.30 |
| H Kotak Mahindra Bank Ltd. Loan of ₹ 371 Lacs | | |
| 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 ₹ 371 Lacs the Company has already repaid the ₹ 285.38 Lacs till 31st March, 2014 and the balance amount of ₹ 85.62 Lacs is repayable in 9 monthly installments up to Decemeber, 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. | - | 85.62 |
| I Kotak Mahindra Bank Ltd. Loan of ₹ 129 Lacs | | |
| 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 ₹ 129 Lacs the Company has already repaid the ₹ 99.23 Lacs till 31st March, 2014 and the balance amount of ₹ 29.77 Lacs is repayable in 9 monthly installments up to Decemeber, 2014. | | |

(₹ in Lacs)

| | 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 Naroli (new unit) belonging to the borrower. | - | 29.77 |

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 ₹ 500 Lacs the Company has already repaid the ₹ 384.62 Lacs till 31st March, 2014 and the balance amount of ₹ 115.38 Lacs is repayable in 9 monthly installments up to 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 Naroli (new unit) belonging to the borrower. | - | 115.38 |

K Kotak Mahindra Bank Ltd. loan of ₹ 500 Lacs

Indian Rupee loan from bank carries interest @ 12.75 % p.a. The loan is repayable in monthly installments of ₹ 12.82 Lacs along with interest.

Out of the total loan ₹ 500 Lacs the Company has already repaid the ₹ 192.31 Lacs till 31st March, 2014 and the balance amount of ₹ 307.69 Lacs is repayable in 24 monthly installments up to 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 Naroli (new unit) belonging to the Borrower. | 153.85 | 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, 2014 are as follows:

(₹ in Lacs)

| | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| Deferred tax liabilities | | |
| Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961 | (603.46) | (722.64) |
| Total deferred tax liabilities | (603.46) | (722.64) |
| Deferred tax asset | | |
| Carry forward business losses and unabsorbed depreciation | - | 75.35 |
| Provision for expense allowed for tax purpose on payment basis | 59.76 | 62.16 |
| Provision for doubtful debts and advances | 15.98 | 16.39 |
| Total deferred tax assets | 75.74 | 153.90 |
| Net Deferred tax asset/(liability) | (527.72) | (568.74) |
| Deferred Tax Liability of earlier year | (75.35) | - |
| Net Deferred Tax Benefit/(Expense) for the year | 116.38 | (49.44) |

(₹ in Lacs)

| 7. PROVISIONS | Long Term | | Short Term | |
|---|--------------|--------------|---------------|---------------|
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| Provision for Employee Benefits (Refer note No. 29) | | | | |
| - Provision for gratuity | - | - | 122.20 | 85.25 |
| - Provision for leave benefits | 49.36 | 79.73 | 13.64 | 27.55 |
| Other Provisions | | | | |
| - Proposed Dividend | - | - | 118.58 | 210.81 |
| - Provision for Income tax on Proposed Dividend | - | - | 20.15 | 35.83 |
| TOTAL | 49.36 | 79.73 | 274.57 | 359.44 |

(₹ in Lacs)

| 8. SHORT-TERM BORROWINGS | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| a) Loan repayable on demand from banks ^ | | |
| Secured | | |
| Cash credits from Banks | 1,878.70 | 2,307.36 |
| Working Capital Demand loan | 1,000.00 | 1,000.00 |
| Buyers' Credit * | 298.40 | 232.58 |
| b) Loans and Advances from related parties | | |
| Unsecured | | |
| Advances from related parties | 1,250.00 | 1,250.00 |
| Working Capital demand Loan | 400.00 | - |
| TOTAL | 4,827.10 | 4,789.94 |

^ 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 @9.95% to 13.50% p.a.

* Buyers' Credit loan carries interest @ LIBOR plus 1.68% to 3.50% p.a.

(₹ in Lacs)

| 9. TRADE PAYABLES | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Trade Payables (including acceptances) | 2,036.48 | 1,653.25 |
| TOTAL | 2,036.48 | 1,653.25 |

(₹ in Lacs)

| 10. OTHER CURRENT LIABILITIES | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| Other liabilities | | |
| Current maturities of Long term borrowings (Refer note 5) | 1,980.57 | 1,613.74 |
| Interest accrued but not due on borrowings | 144.37 | 93.63 |
| Advance from Customers | 92.60 | 50.39 |
| Investor Education and Protection Fund # | | |
| - Unpaid / Unclaimed Dividend | 15.21 | 13.33 |
| Others Payables | | |
| Statutory Payable - | | |
| - Payable towards CST & VAT | 84.67 | 81.89 |
| - Payable towards Excise & Service Tax | 41.40 | 42.81 |
| - Payable towards TDS under Income Tax | 36.80 | 42.96 |
| - Payable towards Providend Fund, Professional Tax & ESIC | 18.91 | 17.43 |
| Payable to Employees | 185.27 | 177.77 |
| Provision for Other Expenses | 367.25 | 307.43 |
| Others | 47.44 | 44.35 |
| TOTAL | 3,014.49 | 2,485.73 |

There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March, 2014. 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 01.04.13 | Additions during the Year | Deductions / adjustments | As at 31.03.14 | As at 01.04.13 | Additions / Amortization during the Year | Deductions / adjustments | As at 31.03.14 | As at 31.03.14 |
| (A) Tangible Assets : | | | | | | | | | |
| Freehold Land | 2,212.39 | 1.63 | - | 2,214.02 | - | - | - | - | 2,214.02 |
| Leasehold Land | 344.22 | - | - | 344.22 | 18.31 | 4.08 | - | 22.39 | 321.83 |
| Buildings | 6,310.43 | 217.55 | 4.24 | 6,523.75 | 1,969.35 | 453.54 | 4.24 | 2,418.65 | 4,105.10 |
| Moulds | 2,296.22 | 101.59 | 34.40 | 2,363.41 | 1,878.18 | 211.25 | 26.45 | 2,062.98 | 300.43 |
| Plant & Machinery | 12,799.79 | 358.63 | 141.58 | 13,016.84 | 6,021.49 | 1,071.30 | 114.53 | 6,978.26 | 6,038.58 |
| Furniture | 303.64 | 3.09 | 13.98 | 292.75 | 170.88 | 19.85 | 7.42 | 183.31 | 109.44 |
| Leasehold Improvements | 77.82 | - | 23.53 | 54.29 | 49.12 | 15.54 | 22.39 | 42.27 | 12.02 |
| Computers | 188.89 | 0.54 | 2.13 | 187.30 | 142.32 | 17.99 | 1.90 | 158.41 | 28.89 |
| Office Equipment | 184.92 | 3.01 | 10.03 | 177.90 | 100.86 | 12.95 | 6.40 | 107.41 | 70.49 |
| Vehicles | 199.56 | - | 46.07 | 153.49 | 169.09 | 12.97 | 41.38 | 140.68 | 12.81 |
| Total Tangible Assets | 24,917.88 | 686.04 | 275.96 | 25,327.97 | 10,519.60 | 1,819.47 | 224.71 | 12,114.36 | 13,213.61 |
| (B) Intangible Assets : | | | | | | | | | |
| Software | 159.34 | 26.49 | - | 185.83 | 130.78 | 23.50 | - | 154.28 | 31.55 |
| Patent | 3.37 | - | - | 3.37 | 3.33 | 0.04 | - | 3.37 | - |
| Total Intangible Assets | 162.71 | 26.49 | - | 189.20 | 134.11 | 23.54 | - | 157.65 | 31.55 |
| Total (A+B) | 25,080.59 | 712.53 | 275.96 | 25,517.17 | 10,653.71 | 1,843.01 | 224.71 | 12,272.01 | 13,245.16 |

11. FIXED ASSETS (Contd..)

(₹ 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 |
| (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 | - | 325.91 |
| Buildings | 4,746.78 | 1,563.65 | - | 6,310.43 | 1,597.02 | 372.34 | - | 4,341.08 |
| Moulds | 2,188.72 | 117.91 | 10.41 | 2,296.22 | 1,656.15 | 224.91 | 2.88 | 418.04 |
| Plant & Machinery | 11,322.01 | 1,519.83 | 42.05 | 12,799.79 | 5,033.93 | 1,008.01 | 20.45 | 6,778.30 |
| Furniture | 295.54 | 8.10 | - | 303.64 | 149.75 | 21.13 | - | 132.76 |
| Leasehold Improvements | 69.02 | 8.80 | - | 77.82 | 24.78 | 24.34 | - | 28.70 |
| Computers | 183.11 | 5.78 | - | 188.89 | 121.39 | 20.93 | - | 46.57 |
| Office Equipment | 180.00 | 4.92 | - | 184.92 | 88.20 | 12.66 | - | 84.06 |
| Vehicles | 210.71 | - | 11.15 | 199.56 | 157.67 | 18.41 | 6.99 | 30.47 |
| Total Tangible Assets | 21,262.70 | 3,718.79 | 63.61 | 24,917.88 | 8,843.11 | 1,706.81 | 30.32 | 14,398.28 |
| (B)Intangible Assets : | | | | | | | | |
| Software | 137.70 | 21.64 | - | 159.34 | 108.84 | 21.94 | - | 28.56 |
| Patent | 3.37 | - | - | 3.37 | 3.12 | 0.21 | - | 0.04 |
| Total Intangible Assets | 141.07 | 21.64 | - | 162.71 | 111.96 | 22.15 | - | 28.60 |
| Total (A+B) | 21,403.77 | 3,740.43 | 63.61 | 25,080.59 | 8,955.07 | 1,728.96 | 30.32 | 14,426.88 |

11. FIXED ASSETS

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March 2014 was ₹ Nil (31st March 2013 : ₹ 66.03 Lacs).

| (₹ in Lacs) | | |
|---|-----------------------------|-----------------------------|
| 12. NON-CURRENT INVESTMENTS | As at 31.03.2014 | As at 31.03.2013 |
| Trade Investments (At Cost) | | |
| Unquoted equity investments | | |
| 11,000 (31st March 2013 : 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) | (11.00) |
| | 0.00 | 0.00 |

| (₹ in Lacs) | | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| 13. LOANS AND ADVANCES | Non-Current | | Current | |
| | As at 31.03.2014 | As at 31.03.2013 | As at 31.03.2014 | As at 31.03.2013 |
| Unsecured and considered good : | | | | |
| Capital advances | 120.81 | 184.86 | - | - |
| Sundry deposits | 449.09 | 347.76 | - | - |
| Other loans and advances : | | | | |
| Advance income-tax (net of provision for taxation) | - | - | 303.99 | 545.01 |
| Advances recoverable in cash or kind | - | - | 151.09 | 114.99 |
| Prepaid expenses | - | - | 37.15 | 46.03 |
| Advances to employees | - | 0.75 | 2.20 | 5.66 |
| Mat credit entitlement | - | - | 80.42 | - |
| Balances with Government authorities | | | | |
| - Cenvat credit receivable | - | - | 182.20 | 213.54 |
| - Service tax credit receivable | - | - | 58.13 | 48.76 |
| - VAT credit receivable | - | - | 499.89 | 397.31 |
| - Other | 1.72 | 1.72 | 0.20 | 0.20 |
| TOTAL | 571.62 | 535.09 | 1,315.27 | 1,371.50 |

(₹ in Lacs)

| 14. OTHER NON CURRENT ASSETS | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Bank Deposits (with original maturity for >12 months) (Refer Note.17) | 5.00 | - |
| TOTAL | 5.00 | - |

(₹ in Lacs)

| 15. INVENTORIES (Valued at Lower of Cost and Net Realizable Value) | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Raw Materials | 1,839.01 | 1,336.84 |
| Packing Materials | 74.23 | 79.34 |
| Finished Goods | 555.59 | 509.56 |
| Work-In-Progress | 895.53 | 757.86 |
| Stores, Spares and Consumables | 8.55 | 20.10 |
| TOTAL | 3,372.91 | 2,703.70 |

(₹ in Lacs)

| 16. TRADE RECEIVABLES | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Unsecured | | |
| (a) Overdue for more than six months | | |
| considered good | 571.51 | 144.98 |
| considered doubtful | 326.40 | 230.88 |
| | 897.91 | 375.86 |
| (b) Others | | |
| considered good | 6,726.99 | 6,000.37 |
| considered doubtful | 107.62 | 2.44 |
| | 6,834.61 | 6,002.81 |
| Less : Provision for doubtful trade receivables(*) | 434.02 | 233.33 |
| TOTAL | 7,298.50 | 6,145.34 |

(*) 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)

| 17. CASH AND BANK BALANCES | Non-current | | Current | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.03.2013 | As at 31.03.2014 | As at 31.03.2013 |
| (A) Cash and Cash Equivalents | | | | |
| a. Balances with banks | | | | |
| - On current accounts # | - | - | 88.14 | 398.10 |
| b. Cash on hand | - | - | 13.53 | 6.16 |
| c. Cheques on hand | - | - | 98.59 | - |
| (B) Other Bank balances | | | | |
| - Margin Money Deposit | - | - | 13.88 | 43.42 |
| - Bank Deposits (with original maturity for < 12 months but > 3 months) | - | - | 88.59 | 157.37 |
| - Bank Deposits for Guarantees © | - | - | - | 18.75 |
| - Unpaid Dividend accounts * | - | - | 15.21 | 13.33 |
| - Bank Deposits (with original maturity for >12 months) © | 5.00 | - | - | - |
| Less: Amount disclosed under Other Non-Current Assets (Refer Note No. 14) | (5.00) | - | - | - |
| | - | - | 317.94 | 637.13 |

© Bank Term Deposits given as security

Bank Term deposits, with a carrying amount of ₹ Nil (31st March 2013: ₹ 98.70 Lacs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

Overdraft in current account carries interest rate @ 9.95 % to 13.50% p.a.

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

(₹ in Lacs)

| 18. OTHER CURRENT ASSETS | As at 31.03.2014 | As at 31.03.2013 |
|------------------------------|---------------------|---------------------|
| Interest accrued on deposits | 13.36 | 11.40 |
| Quantity discount receivable | 125.58 | 142.30 |
| Insurance receivable | 0.44 | 28.42 |
| Other receivable | - | 2.13 |
| | 139.38 | 184.25 |

(₹ in Lacs)

| 19. REVENUE FROM OPERATIONS | Year 2013-14 | Year 2012-13 |
|---|------------------|------------------|
| (A) Revenue from sale of goods and services: | | |
| Sales of goods | | |
| Home Market (Net of Returns) | 49,408.93 | 46,918.76 |
| Exports | 786.77 | 981.71 |
| | 50,195.70 | 47,900.47 |
| Sale of Services | 218.69 | 227.12 |
| TOTAL | 50,414.40 | 48,127.59 |
| (B) Other Operating Revenues : | | |
| - Scrap Sales | 128.29 | 160.30 |
| - Wind Mill Income | 76.16 | 102.66 |
| TOTAL | 204.45 | 262.96 |

(₹ in Lacs)

| 20. OTHER INCOME | Year 2013-14 | Year 2012-13 |
|--|-----------------|-----------------|
| (a) Interest Income on | | |
| - Bank Deposits | 13.95 | 44.49 |
| - Others | 17.60 | 4.90 |
| | 31.55 | 49.39 |
| (b) Insurance claim received | 8.94 | 7.98 |
| (c) Exchange difference (Net) | - | 56.64 |
| (d) Profit on sale of fixed assets (Net) | - | 3.29 |
| (e) Other non-operating income | 6.81 | 87.95 |
| TOTAL | 47.30 | 205.25 |

(₹ in Lacs)

| 21. | Year 2013-14 | Year 2012-13 |
|---|------------------|------------------|
| A. COST OF MATERIALS CONSUMED | | |
| Raw Materials Consumed | | |
| Opening Stock | 1,336.84 | 1,845.44 |
| Add: Purchases | 29,731.17 | 26,020.61 |
| | 31,068.01 | 27,866.05 |
| Less: Closing Stock | 1,839.03 | 1,336.84 |
| | 29,228.98 | 26,529.21 |
| Packing Materials Consumed | | |
| Opening Stock | 79.34 | 101.56 |
| Add: Purchases | 1,788.87 | 1,927.29 |
| | 1,868.21 | 2,028.85 |
| Less: Closing Stock | 74.21 | 79.34 |
| | 1,794.00 | 1,949.51 |
| Total Cost of Materials Consumed | 31,022.98 | 28,478.72 |
| B. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS | | |
| Inventories at the beginning of the year | | |
| Finished Goods | 509.56 | 794.76 |
| Work-in-Progress | 757.86 | 1,061.37 |
| TOTAL | 1267.42 | 1,856.13 |
| Inventories at the end of the year | | |
| Finished Goods | 555.59 | 509.56 |
| Work-in-Progress | 895.53 | 757.86 |
| TOTAL | 1451.12 | 1,267.42 |
| Changes in inventories | (183.70) | 588.71 |
| Increase/ (decrease) in excise duty on Finished Goods | 0.25 | (28.15) |
| Changes In Inventories of Finished Goods and Work-in-Progress | (183.45) | 560.56 |

(₹ in Lacs)

| 22. EMPLOYEE BENEFITS EXPENSE | Year 2013-14 | Year 2012-13 |
|--|-------------------------|-------------------------|
| Salaries and wages | 2,143.19 | 2,112.57 |
| Contribution to Provident Fund | 115.03 | 123.15 |
| Defined Benefit Plan – Gratuity (Note No.29) | 41.75 | 10.08 |
| Staff welfare expenses | 200.67 | 190.71 |
| TOTAL | 2,500.64 | 2,436.51 |

(₹ in Lacs)

| 23. OTHER EXPENSES | Year 2013-14 | Year 2012-13 |
|---|-------------------------|-------------------------|
| Consumption of Stores, Spares and Consumables | 198.20 | 160.52 |
| Water, Power and Fuel | 2,288.42 | 2,212.80 |
| Processing Charges | 790.54 | 850.68 |
| Materials Handling Charges | 1,767.02 | 1,624.52 |
| Repairs and Maintenance | | |
| - to Building | 43.62 | 37.32 |
| - to Plant and Machineries | 257.64 | 308.75 |
| - Other Assets | 47.79 | 73.12 |
| | 349.05 | 419.19 |
| Freight and Handling Charges | 857.03 | 1,017.46 |
| Rent | 236.06 | 263.06 |
| Rates and Taxes | 22.03 | 11.43 |
| Insurance | 42.09 | 34.18 |
| Security Charges | 179.95 | 153.58 |
| House-Keeping Expenses | 56.73 | 47.52 |
| Printing and Stationery | 39.16 | 37.22 |
| Postage and Telephone | 66.88 | 65.39 |
| Travelling and Conveyance | 201.00 | 187.19 |
| Directors' sitting fees | 7.57 | 5.25 |
| Payment to Auditors (Refer details below) | 43.71 | 44.11 |
| Commission to non-executive directors | 5.50 | 8.10 |
| Provision for doubtful debts | 68.58 | 188.75 |
| Bad debts written off | 0.05 | 11.17 |
| Loss on Sale of Fixed Assets (Net) | 11.35 | - |
| Management Fees | 201.00 | 201.00 |
| Legal and Professional Expenses | 161.29 | 155.50 |
| Foreign Exchange differences (Net) | 7.15 | - |
| Advertisement and Sales Promotional Expenses | 21.63 | 28.52 |
| Miscellaneous expenses | 133.40 | 124.84 |
| TOTAL | 7,755.39 | 7,851.98 |

Payment to Auditors

(₹ in Lacs)

| | Year 2013-14 | Year 2012-13 |
|---------------------------|-----------------|-----------------|
| As Auditor: | | |
| - Audit Fees | 34.00 | 34.00 |
| - Tax Audit Fees | 5.00 | 5.00 |
| - Corporate Governance | 1.00 | 1.00 |
| - Other services | 1.76 | 1.90 |
| Reimbursement of Expenses | 1.95 | 2.21 |
| TOTAL | 43.71 | 44.11 |

(₹ in Lacs)

| 24. DEPRECIATION AND AMORTIZATION EXPENSE | Year 2013-14 | Year 2012-13 |
|---|-----------------|-----------------|
| Depreciation on tangible assets | 1,815.39 | 1702.73 |
| Amortization of leasehold land | 4.08 | 4.08 |
| Amortization of intangible assets | 23.54 | 22.15 |
| TOTAL | 1,843.01 | 1,728.96 |

(₹ in Lacs)

| 25. FINANCE COSTS | Year 2013-14 | Year 2012-13 |
|--|-----------------|-----------------|
| Interests | | |
| - on term loans | 469.70 | 421.52 |
| - on Cash credit and short term borrowings | 473.94 | 696.86 |
| - on Fixed Deposits | 146.16 | 122.06 |
| Bill Discounting Charges | 611.37 | 545.84 |
| Bank Charges | 46.28 | 44.14 |
| Net (Gain)/Loss on Foreign Currency Transactions and Translations (Buyers' Credit) | (25.60) | 2.44 |
| TOTAL | 1,721.85 | 1,832.86 |

(₹ in Lacs)

| 26. CONTINGENT LIABILITIES AND COMMITMENTS | As at 31.03.2014 | As at 31.03.2013 |
|---|---------------------|---------------------|
| a) Contingent Liabilities: | | |
| 1) Claims against the Group not acknowledged as debts | | |
| - Tax and other matters in dispute under appeal | 1,177.77 | 523.56 |
| 2) Bills of exchange discounted with banks | | |
| (since realized ₹ 3,933.23 Lacs, (31st March, 2013: ₹ 2,874.83 Lacs)) | 5,277.45 | 5,514.08 |

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) Commitments: | | | |
| 1) | Estimated amount of contracts remaining to be executed on capital account and not provided for | 46.37 | 402.23 |
| 2) | Letters of Credit and Bank guarantees issued by bankers and outstanding as on 31st March, 2014. | 7.50 | - |
| 3) | The Group enters into 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, 2014 is as under :

| As at 31.03.2014 | | | | As at 31.03.2013 | | | |
|---------------------|--------------------|--------|--------------------|---------------------|--------------------|----------|--------------------|
| Currency | Number of Contract | Amount | INR (₹ In Lacs) | Currency | Number of Contract | Amount | INR (₹ In Lacs) |
| USD | - | - | - | USD | 5 | 4,17,688 | 235.03 |

27. The foreign currency exposure not hedged as at 31st March, 2014 are as under :

| Currency | Payable (in FC) | | Receivable (in FC) | | Payable (₹ In Lacs) | | Receivable(₹ In Lacs) | |
|----------|-----------------|-------------|--------------------|-------------|---------------------|-------------|-----------------------|------------|
| | FY 2013 -14 | FY 2012 -13 | FY 2013 -14 | FY 2012 -13 | FY 2013 -14 | FY 2012 -13 | FY 2013-14 | FY 2012-13 |
| GBP | 3,712.24 | 5,328.70 | - | - | 3.71 | 4.40 | - | - |
| USD | 10,77,128.00 | 1,64,960.00 | 2,12,176.00 | 1,67,156.00 | 647.33 | 90.58 | 127.49 | 90.86 |

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

Assets taken on operating lease

- The Group Company has taken certain assets such as cars on an operating lease basis, the lease rentals are payable by the Group Company on a monthly basis.
- Future minimum lease rentals payable as at 31st March 2014 as per the lease agreements:

(₹ in Lacs)

| | As at 31.03.2014 | As at 31.03.2013 |
|--|---------------------|---------------------|
| Not later than one year | 33.47 | 31.91 |
| Later than one year but not more than five years | 37.64 | 30.65 |
| Later than five years | - | - |
| TOTAL | 71.11 | 62.56 |

- Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 36.97 Lacs (31st March 2013: ₹ 35.90 Lacs).

29. Employee benefits

(1) Short term employee benefits:

The liability towards short term employee benefits for the year ended 31st March 2014 has been recognised in the Statement of Profit and Loss.

(2) Post employment benefits:

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

(₹ in Lacs)

| Particulars | Gratuity (Funded Plan) 2013-2014 | Gratuity (Funded Plan) 2012-2013 |
|--|--|--|
| Amount recognised in Balance Sheet | | |
| Present value of funded obligations | 284.24 | 283.87 |
| Fair Value of Plan Assets | 162.04 | 198.62 |
| Present value of unfunded obligations | - | - |
| Net Liability/(Asset) | 122.20 | 85.25 |
| Amounts in Balance Sheet | | |
| Liability | 122.20 | 85.25 |
| Assets | - | - |
| Net Liability/(Asset) | 122.20 | 85.25 |
| Expense recognised in the statement of Profit & Loss | | |
| Opening defined benefit obligation less benefit paid | - | - |
| Current service cost | - | - |
| Interest on defined benefit obligation | 28.01 | 31.35 |
| Expected return on plan assets | 22.46 | 28.41 |
| Net actuarial losses/(gains) recognized in year | (8.69) | (4.59) |
| Past Service Cost | 8.69 | 10.80 |
| Total included in 'Employee Benefit Expense' | 50.47 | 65.96 |
| Actual return on plan assets | 11.37 | 1.48 |
| Reconciliation of benefit obligations and plan assets for the period: | | |
| Change in defined benefit obligation : | | |
| Opening defined benefit obligation as at 1st April | 283.87 | 334.25 |
| Current Service Cost | 28.01 | 31.35 |
| Interest Cost | 22.46 | 28.41 |
| Actuarial (Gain)/Loss on obligations | 11.36 | (34.41) |
| Past Service Cost | - | - |
| Acquisition/Business combination | - | - |
| Benefits Paid | (61.47) | (75.73) |
| Closing defined benefit obligation as at 31st March | 284.23 | 283.87 |
| Change in fair value of assets : | | |
| Opening fair value of plan assets as at 1st April | 207.34 | 254.27 |
| Expected return on Plan Assets | 8.69 | 13.15 |
| Actuarial Gain/(Loss) | 2.68 | 1.48 |
| Assets distributed on settlements | - | - |
| Contributions by employer | 4.81 | 5.44 |
| Assets acquired due to acquisition / Business combination | - | - |
| Exchange difference on foreign plans | - | - |
| Benefits Paid | (61.47) | (75.72) |
| Closing Fair Value of Plan Assets as at 31st March | 162.04 | 198.62 |

(₹ in Lacs)

| Particulars | Gratuity (Funded Plan) 2013-2014 | Gratuity (Funded Plan) 2012-2013 |
|---|--|--|
| Investment Details (Assets information) : | | |
| 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 |
| Assumptions : | | |
| Discounted Rate (per annum) | 8.75% to 9.14% | 8.00% |
| Estimated Rate of return on Plan Assets (per annum) | 8.00% to 8.70% | 8.00% to 8.70% |
| Rate of Escalation in Salary (per annum) | 8.00% | 8.00% |

Experience Adjustments for the current and previous four periods

(₹ in Lacs)

| Gratuity Funded | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 | 31-Mar-11 | 31-Mar-10 |
|---|-----------|-----------|-----------|-----------|-----------|
| Defined Benefit Obligation | 284.24 | 283.87 | 334.25 | 197.60 | 153.89 |
| Plan Assets | 162.04 | 207.34 | 254.26 | 197.38 | 149.30 |
| Surplus / (Deficit) | (122.20) | (76.53) | (79.99) | (0.22) | (4.59) |
| Experience Adjustment on plan liabilities | 11.36 | (34.41) | 125.27 | 2.91 | 29.44 |
| Experience Adjustment on plan assets | 2.68 | 1.48 | 3.65 | (3.89) | (8.08) |

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 2013-14 will be ₹ 122.20 Lacs (31st March 2013: ₹ 85.25Lacs)
- 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 2014, based on actuarial valuation carried out by using the Projected Accrued Benefit Method amounting to ₹ 2.00 Lacs (31st March 2013: ₹ 63.33 Lacs) has been recognised in the Statement of Profit and Loss.

30. EARNINGS PER SHARE (EPS)

| | 2013-14 | 2012-13 |
|---|-------------|-------------|
| a) Basic and diluted earnings per share in rupees (face value - ₹ 10/- per share) | 4.82 | 6.86 |
| b) Profit after tax as per Statement of Profit and Loss (₹ in Lacs) | 635.11 | 903.72 |
| c) Weighted average number of equity shares outstanding | 1,31,75,700 | 1,31,75,700 |

31. Information on related party transactions as required by Accounting Standard (AS)- 18 for the year ended 31st March 2014.

1. Relationship:

(i) Holding Company

Geetanjali Trading and Investments Private Limited

(ii) Fellow Subsidiaries

Coatings Specialities (India) Limited

Rangudyan Insurance Broking Services Ltd.

Vijal Holding and Trading Company Pvt. Ltd.

Smiti Holding and Trading Company Pvt. Ltd.

Isis Holding and Trading Company Pvt. Ltd.

Raytirth Holding and Trading Company Pvt. Ltd.

(iii) Key Management Person:

Malav A. Dani

(iv) Promoter Directors

Mr. Ashwin S. Dani

Mr. Jalaj A. Dani

Mrs. Ina A. Dani

(v) Employee Benefit funds where control exists:

Hitech Plast Employee's Gratuity Trust

Clear Plastics Employee's Gratuity Trust

Mipak Polymers Ltd Employee's Group Gratuity Assurance Scheme

Mipak Industries Employee's Group Gratuity Assurance Scheme

Plast-Kul Industries Employee's Group Gratuity Assurance Scheme

(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.

Pragati Chemicals Ltd.

Resins and Plastics Ltd.

Suryakant Paint Accessories Pvt. Ltd.

Asian Paints Ltd.

Isis Skills Development Pvt. Ltd.

2. Related Party Transactions for Year - 2013-14 and 2012-13:

(₹ in Lacs)

| Particulars | Fellow subsidiary | | Key Management Personnel | | Holding Company | |
|---|-------------------|---------|--------------------------|---------|-----------------|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Services Received- (Coatings Specialities (I) Ltd.) | 201.00 | 201.00 | - | - | - | - |
| Interest Paid- (Rangudyan Insurance Broking Services Ltd.) | 0.77 | 0.03 | - | - | - | - |
| Rent Paid-(Coatings Specialities (I) Ltd.) | 24.00 | 24.00 | - | - | - | - |
| Managerial Remuneration -(a) | - | - | - | 58.26 | - | - |
| Managerial Remuneration -(b) | - | - | 35.60 | 37.11 | - | - |
| Deposits Received | - | - | 100.00 | 85.00 | - | - |
| Deposits Repaid | - | - | - | 25.00 | - | - |
| Deposits Balance | - | - | 185.00 | 85.00 | - | - |
| Interest paid on deposits | - | - | 12.93 | 3.09 | - | - |
| Inter Corporate Deposits-Received - (Rangudyan Insurance Broking Services Ltd.) | 27.20 | 1.50 | - | - | - | - |
| Inter Corporate Deposits - Paid -(Rangudyan Insurance Broking Services Ltd.) | 27.20 | 1.50 | - | - | - | - |
| Inter Corporate Deposits - Given - (Coatings Specialities (I) Limited) | - | 50 | - | - | - | - |
| Inter Corporate Deposits - (Received Back - Coatings Specialities (I) Limited) | - | 50 | - | - | - | - |
| Interest Received-(Coatings Specialities(I)Limited) | - | 0.59 | - | - | - | - |
| Balance Payable for Goods and services (Coatings Specialities (I) Limited) | 0.10 | - | - | - | - | - |
| Inter Corporate Deposits Received | - | - | - | - | - | 500.00 |
| Inter Corporate Deposits Paid | - | - | - | - | - | 250.00 |
| Inter Corporate Deposits Balance | - | - | - | - | 1250.00 | 1250.00 |
| Interest Paid | - | - | - | - | 150.00 | 171.22 |

(a) Amount paid to Managing Director Mr. Ashok K. Goyal (Up to 15/08/12)

(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 | |
|--|-----------------------------------|---------|--|-----------|---|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Sales to Asian Paints | - | - | 20,666.18 | 18,329.56 | - | - |
| Balance Receivable-Asian Paints | - | - | 1,241.17 | 478.08 | - | - |
| Sitting Fees | 1.82 | 1.47 | - | - | - | - |
| Commission | 0.75 | 1.62 | - | - | - | - |
| Reimbursement of Expenses to advisor | 4.22 | 4.97 | - | - | - | - |
| Deposits Received (Mr. Ashwin S. Dani) | 250.00 | - | - | - | - | - |
| Interest paid on deposits (Mr. Ashwin S. Dani) | 7.77 | - | - | - | - | - |
| Contribution During the year | - | - | - | - | 4.81 | 4.85 |
| Amount Payable | - | - | - | - | 122.20 | 85.25 |

- 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 these employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.
- 4 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) | |
|----------------------|-------------|-----------|
| | 2013-14 | 2012-13 |
| Sale of Goods | | |
| Asian Paints Limited | 20,666.18 | 18,329.56 |
| Sitting Fees | | |
| Mr.Ashwin S. Dani | 0.56 | 0.42 |
| Mr.Jalaj A. Dani | 0.26 | 0.38 |
| Mrs.Ina A. Dani | 0.50 | 0.30 |
| Mr.Hasit A. Dani | - | 0.02 |
| Mr. Malav Dani | 0.50 | 0.35 |
| | 1.82 | 1.47 |
| Commission | | |
| Mr.Ashwin S. Dani | 0.25 | 0.54 |
| Mr.Jalaj A. Dani | 0.25 | 0.54 |
| Mrs.Ina A. Dani | 0.25 | 0.54 |
| | 0.75 | 1.62 |

| 32. Name of the Subsidiary | % of Holding as on 31-03-2014 | Accounting Period |
|---|----------------------------------|----------------------|
| Clear Mipak Packaging Solutions Limited | 60 | 01-04-13 to 31-03-14 |

33 Segment Reporting.

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 2014, the capital employed in the reportable segment was ₹ 22,776.84 Lacs (31st March 2013: ₹ 22,850.36 Lacs).

- 34 During the year, the manufacturing unit of the parent Company situated at Masat in Silvassa was shifted and merged with Company's existing unit at Galonda in Silvassa and the manufacturing unit of the Company situated at Pondicherry was shifted and merged with Company's existing unit at Sriperumbudur as part of restructuring plan.
- 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

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
26th May, 2014

**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 31.03.2014 | As at 31.03.2013 |
|------------|---|---------------------|---------------------|
| 1 | Capital | 447.17 | 447.17 |
| 2 | Reserves | 7,283.97 | 6,849.26 |
| 3 | Total Liabilities | 4,434.42 | 5,228.08 |
| 4 | Total Assets | 12,165.56 | 12,524.51 |
| 5 | Investment (other than in subsidiaries) | - | - |
| 6 | Turnover | 18,869.08 | 18,364.57 |
| 7 | PBT | 790.03 | 413.32 |
| 8 | Tax Provision | 355.32 | 77.43 |
| 9 | PAT | 434.71 | 335.90 |
| 10 | Dividends Proposed/Paid | - | - |



HITECH PLAST LIMITED

CIN:L28992MH 1991PLC168235

Registered Office: Unit No. 201, 2nd Floor Welspun House,
Kamala City, Senapati Bapat Marg, Lower Parel(W), Mumbai-400013.

Phone: +91 2240016500/24816500, Fax: +91 22 24955659

Email: investors.help@hitechplast.in, www.hitechplast.in

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 THIRD ANNUAL GENERAL MEETING of the Company being held on Saturday, 13th September, 2014 at 12.00 p.m. at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020.

Member's Name (in Block Letters)

Member's/Proxy's Signature

NOTE:

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

HITECH PLAST LIMITED

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Phone: +91 2240016500/24816500, Fax: +91 22 24955659

Email: investors.help@hitechplast.in, www.hitechplast.in

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of Hitech Plast Limited, hereby appoint

1. Name : Address :

E-mail Id : Signature : or failing him

2. Name : Address :

E-mail Id : Signature : or failing him

3. Name : Address :

E-mail Id : Signature : or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Saturday, the 13th day of September, 2014 At 12.00 p.m. at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020, and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions: | FOR | AGAINST |
|---|------------|----------------|
| 1. Adoption of the Audited Balance Sheet as at and the Statement of Profit and Loss for the financial year ended on March 31, 2014 and the Reports of the Directors and Auditors thereon. | | |
| 2. Declaration of Dividend | | |
| 3. Reappointment of Mr. Ashwin S. Dani, who retires by rotation. | | |
| 4. Reappointment of Mr. Jalaj A. Dani, who retires by rotation. | | |
| 5. Appointment of Auditors and fixing their remuneration | | |

| Resolutions: | FOR | AGAINST |
|---|------------|----------------|
| 6. Appointment of Mr. Jayendra R. Shah as an Independent Director. | | |
| 7. Appointment of Mr. Rameshchandra S. Gandhi as an Independent Director. | | |
| 8. Appointment of Mr. Harish N. Motiwall as an Independent Director. | | |
| 9. Appointment of Mr. Rajnikant B. Desai as an Independent Director. | | |
| 10. Payment of remuneration to Non-Executive Directors. | | |
| 11. To avail Borrowings/Financial Assistance. | | |
| 12. Creation of Charge for Borrowings/Financial Assistance availed. | | |

Signed this..... day of..... 2014

Signature of Shareholder

Affix
Revenue
Stamp

.....
Signature of the First Proxy Holder

.....
Signature of the Second Proxy Holder

.....
Signature of the Third Proxy Holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

HITECH PLAST LIMITED

Registered Office:

Unit No. 201, 2nd Floor,
Welspun House, Kamala City,
Senapati Bapat Marg,
Lower Parel (W), Mumbai - 400 013.


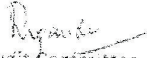


CIN : L28992MH 1991PLC168235

Email: investors.help@hitechplast.in

www.hitechplast.in

FORM A

Pursuant to amended 'Clause 31a' of the Listing Agreement

| | | |
|----|--|------------------------------|
| 1. | Name of the Company | Hitech Plast Limited |
| 2. | Annual Financial Statements for the year ended | 31 st March, 2014 |
| 3. | Type of Audit observation | Unqualified |
| 4. | Frequency of observation | Not Applicable |
| 5. | Signed by :  Managing Director (Malav A. Dani)  Chairman, Audit Committee (Rameshchandra S. Gandhi)  Chief Financial Officer (Satish B. Samant)  Statutory Auditor (Ashish Shah) | |