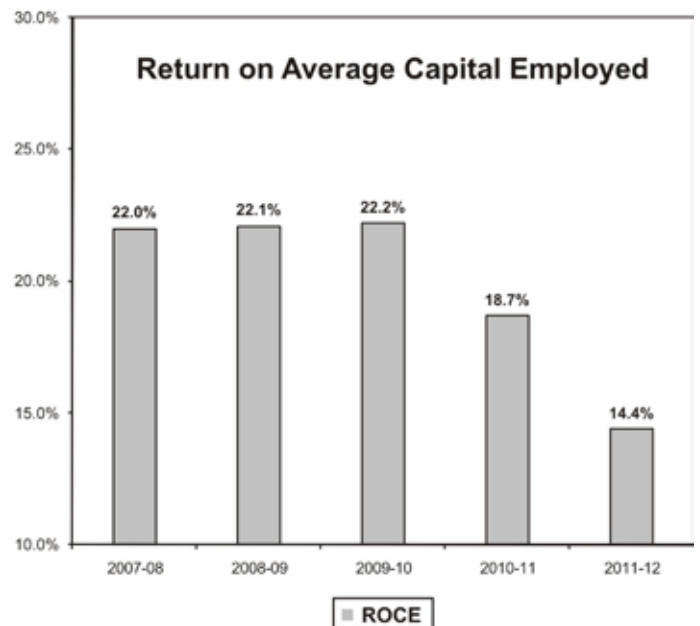
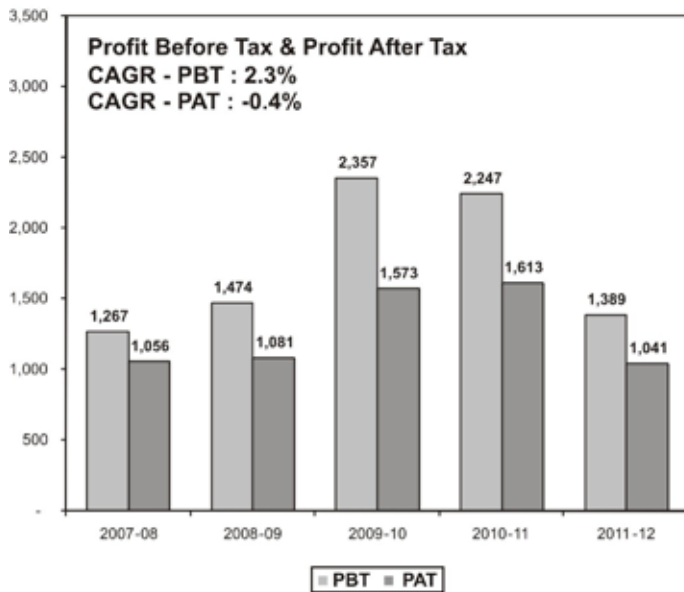
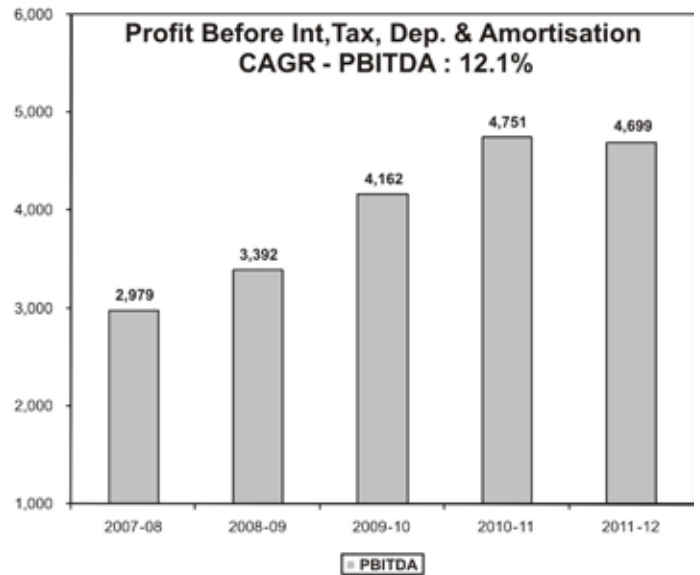
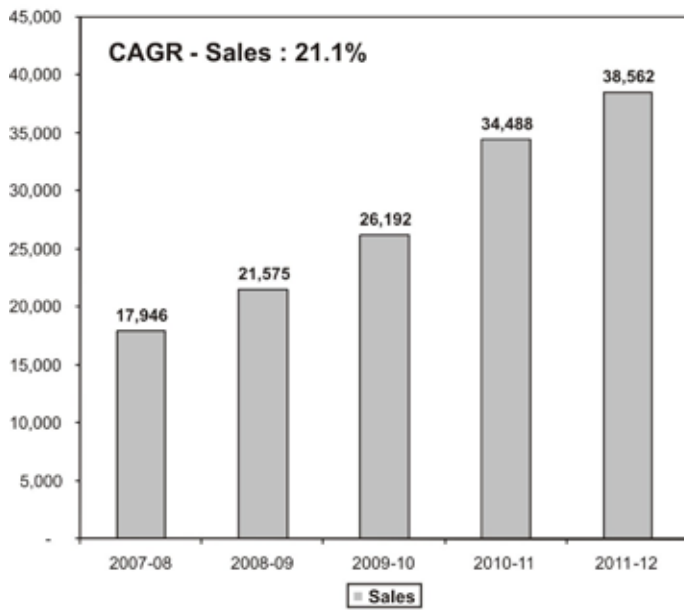




HITECH PLAST LIMITED

21ST ANNUAL REPORT 2011-2012

Hitech Plast - Consolidated (₹ in lakhs)



BOARD OF DIRECTORS :

ASHWIN S. DANI
Chairman
RAJNIKANT B. DESAI
JALAJ A. DANI
HASIT A. DANI
(Resigned w.e.f. 16th April 2012)
HARISH N. MOTIWALLA
RAMESHCHANDRA S. GANDHI
RANJAN M. KAPUR
(Resigned w.e.f. 19th June 2012)
ASHWIN R. NAGARWADIA
INA A. DANI
SOMASEKHAR SUNDARESAN
MALAV A. DANI
Joint Managing Director
(w.e.f. 5th August 2011)
ASHOK K. GOYAL
Managing Director

STATUTORY AUDITORS :

Shah & Co., Chartered Accountants, Mumbai

INTERNAL AUDITORS :

Shashank Patki & Associates, Pune
J. V. Ramanujam & Co., Chennai

REGISTRAR & TRANSFER AGENT :

Link Intime India Pvt. Ltd.
C-13 Pannalal Silk Mills Compound,
L. B. S. Road, Bhandup (W),
Mumbai – 400 078
Tel No.2596 3838 Fax No. 2596 2691
Email : mumbai@linkintime.co.in

REGISTERED OFFICE & CORPORATE OFFICE :

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

WEBSITE :

www.hitechplast.in
www.cmpsl.in

AUDIT COMMITTEE:

RAMESHCHANDRA S. GANDHI
Chairman
HARISH N. MOTIWALLA
RANJAN M. KAPUR
(Resigned w.e.f. 19th June 2012)

COMMITTEE OF DIRECTORS :

ASHWIN S. DANI
Chairman
JALAJ A. DANI
HASIT A. DANI
(Resigned w.e.f. 16th April 2012)
MALAV A. DANI
ASHOK K. GOYAL

REMUNERATION COMMITTEE:

RAMESHCHANDRA S. GANDHI
Chairman
HARISH N. MOTIWALLA
ASHWIN R. NAGARWADIA
RANJAN M. KAPUR
(Appointed w.e.f. 30th August 2011 &
resigned on 19th June 2012)

INVESTOR'S GRIEVANCE & SHARE TRANSFER COMMITTEE :

ASHWIN S. DANI
Chairman
JALAJ A. DANI
HASIT A. DANI
(Resigned w.e.f. 16th April 2012)
MALAV A. DANI
ASHOK K. GOYAL

SUBSIDIARY COMPANIES :

Clear Mipak Packaging Solutions Limited

BANKERS :

State Bank of India
Kotak Mahindra Bank Limited
Standard Chartered Bank

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FIVE YEAR REVIEW - STANDALONE

(₹ in lakhs except for per share data, number of employees and ratio)

Results for the Accounting Year	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
REVENUE ACCOUNT					
Gross Revenue	25,602.45	22,645.85	17,349.52	15,441.99	12,476.59
Net Revenue from Operations	23,146.03	20,444.72	15,879.59	13,437.87	10,629.33
Growth Rate (%)	13.21	28.75	18.17	26.42	13.86
Materials Cost	14,668.74	12,755.74	9,460.18	8,366.67	6,351.87
% to Net Revenue	63.37	62.39	59.57	62.26	59.76
Overheads	5,210.64	4,649.60	3,698.80	3,025.29	2,574.67
% to Net Revenue	22.51	22.74	23.29	22.51	24.22
Operating Profit (EBITDA)	3,370.02	3,099.99	2,856.22	2,220.42	1,794.18
Finance Costs	1,231.09	909.90	504.12	658.95	532.02
Depreciation	678.83	573.02	345.94	317.93	353.83
Profit Before Tax	1,460.10	1,617.07	2,006.16	1,243.54	908.33
% to Net Revenue	6.31	7.91	12.63	9.25	8.55
Profit After Tax	1,098.39	1,185.32	1,374.81	925.79	795.82
CAPITAL ACCOUNT					
Share Capital	1,317.57	1,317.57	1,317.57	1,317.57	1,317.57
Reserves and Surplus	6,429.66	5,576.27	4,635.96	3,491.60	2,418.71
Deferred Tax Liability/Asset (Net)	247.97	256.15	203.40	172.06	1.76
Borrowings	6,961.11	6,218.38	4,046.71	1,859.25	2,722.83
Fixed Assets	6,152.46	5,732.77	4,643.74	2,334.22	1,739.91
Investments	3,408.89	3,408.89	2,805.54	1,911.70	1,911.70
Debt - Equity Ratio	0.90	0.90	0.89	0.59	0.94
Market Capitalisation	7,246.64	10,935.83	11,462.86	4,420.45	8,432.45
PER SHARE DATA					
Earning Per Share (₹)	8.34	9.00	10.43	7.03	6.04
Dividend	1.60 (#)	1.60	1.50	1.10	1.00
Book Value (₹)	58.80	52.32	45.19	36.50	28.36
OTHER INFORMATION					
Number of Employees	370	336	343	299	203

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

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis for the year ended 31st March 2012.

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

ECONOMY / INDUSTRY SCENARIO

GDP growth reached a record low of 5.3 per cent in the 4QFY12, dragging the overall FY12 GDP growth to 6.5 per cent. This is significantly lower than the growth in the two successive previous years which were 8.4% each and is even lower than the 6.7 per cent GDP growth witnessed in FY09 after the global financial crisis. Industry continues to be the most stressed sector as it grew at a mere 3.4 per cent in FY12, mainly due to the de-growth in mining and tepid growth in manufacturing sector. During the year, serious inflationary trends were continued to be felt at consumer price levels. The rupee also depreciated sharply which had an adverse impact across all sections of the economy especially those sections which depended on imports. The interest rates also hardened. The overall impact of all these factors was felt on disposable incomes thus affecting consumer spending especially on white goods, cars, two-wheelers and high value items.

In the backdrop of the above described scenario your Company was not able to keep up its momentum of growth and could grow in volume by about 3% in 2011-12, against volume growth of 20% achieved in the previous year.

The Company's main products are rigid plastic containers and bottles specially catering to customers relating to Paints, Healthcare, Consumer Goods, Lube and Pesticides.

I) PAINT INDUSTRY

The Indian paint sector expects to show reasonable growth rate, which is supported by the rising level of disposable income and increasing demand from infrastructure sectors. Based on these factors, the industry is expected to achieve a CAGR of around approximately 15% from 2012 to 2015. The potential for the Indian paint industry is high given the comparison in terms per capita consumption. India is still low at 0.5 kg against 15 kg in USA and 6.4 kg in China. With large number of residential and commercial projects underway in most cities, the outlook for the Indian paint industry appears bright. It may jump from its current growth rate of 15% to 20% in the next two years.

II) FMCG INDUSTRY

Input cost inflation, persistent rise in raw materials, rising fuel costs, fluctuation in currency, dipping industrial growth, slowing global economy together with an overall moderating consumer sentiment have led to slow volume growth of FMCG segment in 2011-12. Marketers were forced to increase prices and tweak pack sizes to pass on the extra cost to consumers. But frequent price increases have started impacting demand, especially in the rural market as soaring food and fuel costs make several people switch to cheaper brands or unbranded products.

CAPITAL EXPENDITURE & EXPANSION PLANS

Your Company has completed its capital expenditure investments in Rohtak, Haryana Phase I in April 2010 and expanded installed capacities in the year 2011-12. All these expansions have started commercial production.

Your Company has completed most of the formalities relating to the acquisition of land in Khandala, District Satara, in the state of Maharashtra, and the construction of the factory is about to commence. The first phase of this project is expected to be in place in the fourth quarter of the financial year 2012-13.

The overall capital expenditure plan for Phase I is pegged at around ₹ 27.5 crores out of which around ₹ 2.4 crores has been incurred till 31st March 2012. The balance will be incurred during the financial year 2012-13.

OPPORTUNITIES AND STRENGTHS

Despite the industry's high growth spanning over a period of over 2 decades and crossing several milestones, Indian plastics industry is yet to realise its full potential. The per capita consumption of plastics in India, at 5 kgs, is the lowest in the world. The average global per capita consumption is 26 kgs. The low level of per capita plastics consumption in India is indicative of the massive growth potential in this industry.

India has the advantage of high population and is expected to maintain economic growth. This should propel India's plastic consumption to new levels in coming years. The next two decades are expected to offer unprecedented opportunities for the plastic industry in India.

According to CRISIL Report, the world trade in plastics is expected to reach 140 MMT in 2012 and provides a lucrative opportunity for India, but with just a 1.5% share in world export volumes, India is not in a position to capture this opportunity. The Indian Plastic Industry going forward, needs to consolidate and enhance capacity, upgrade facilities and improve productivity and increase utilisation of critical plastic applications.

RISKS AND CONCERNS

The overall inflationary trend and slowdown experienced by some sections of the manufacturing and service sectors are matters of concern. Some escalation in key raw material prices is also seen as the main raw materials are derivative of crude oil, which exposes the Company to the volatility in raw material prices. Your Company was not an exception, but exploring all possibilities on continuously for improving its efficiencies and is hopeful of growing at a healthy pace and maintaining a return on capital employed. Your company will not compromise on the objective of growth and improving market share for the sake of short-term profits.

AUDIT AND INTERNAL CONTROL SYSTEMS

Your Company has further strengthened the internal control and internal audit systems relating to purchase of stores, raw materials including components, by engaging services of internal audit firms who will focus on risk management processes, materials efficiencies for optimum utilization of resources and improved utilization of processes.

HEALTH, SAFETY AND ENVIRONMENT

Your Company promotes and encourages improvement in health and safety standards for providing a safe and healthy work place for employees. Your Company endorses the practice of conserving resources and minimising the environmental and health impacts of plastics and plastic products by supporting the use of environmental and energy efficiency criteria in product design and purchasing decisions, along with product safety.

DEVELOPMENTS IN HUMAN RESOURCES

Given the proposed expansions, the Company requires a more focused approach for HR development. Therefore, your Company has been developing evolved HR strategies specifically covering the organization structure, leadership development and succession planning.

The total number of employees of Group as at 31st March 2012 was 971 (1000 as at 31st March 2011).

FINANCIALS

Net sales for the standalone entity increased to ₹ 231.5 crores from ₹ 204.4 crores in the previous year – a growth of 13.2%. However, standalone volume growth was 3.2%. For the group, net sales increased to ₹ 385 crores from ₹ 344 crores – a growth of 11.9%. Consolidated volume growth was 2.8%. Materials cost – on a standalone basis - as a percentage to sales had gone up from 62.4% in the previous year to 63.4% for the year under review. Materials cost – on a consolidated basis – the relevant percentages were 62.8% in the year 2010-11 to 63.9% in the year 2011-12.

As a result, the Company has been unable to maintain the operating profit (PBIDT) margin. For standalone entity, it went down marginally from 15.2% to 14.6% as well as on consolidated basis it went down from 13.8% to 12.2% in the year 2011-12.

The performance was further impacted by very high interest outflows. Accordingly, the profit after tax for the standalone entity in 2011-12 stands at ₹ 10.98 crores as against ₹ 11.85 crores in the previous year. Net profit after tax and minority interest for the group stands at ₹ 10.64 crores, as compared to ₹ 14.42 crores, in the previous year.

QUALITY

Companies are discovering that it is very important to follow good management practices to realise the organisational goals of excellence and profitability and for winning and retaining customer confidence. Quality is considered as the most powerful factor to capture, retain and enlarge customer base in the modern business scenario. In a business where customer requirements are becoming increasingly diverse and demanding, the most effective sales driver is a consistently high product quality.

In its continuous pursuit for Quality, apart from various steps, your Company has recently completed certification of all the manufacturing units (including Technology Centre at Chinchwad and Corporate with upgraded accreditation to ISO 9001:2008 by Det Norske Veritas, Netherlands).

Analysis of Operating Performance (Consolidated):

		(₹ in lakhs)	
Sr. No.	Particulars	2011-2012	2010-2011
1.	Net Sales / Income from Operations	38,562	34,489
2.	Total Operating Income	38,689	34,605
3.	Total Operating Expenses	33,989	29,854
4.	Operating Profit	4,700	4,751
5.	Operating Profit (%)	12.2%	13.8%
6.	Profit after Tax (PAT) (after minority interest)	1,064	1,442
7.	PAT (after minority interest) to Net Sales (%)	2.8%	4.2%
8.	E.P.S. (₹)	8.07	10.94
9.	ROCE (%)	14.4%	18.7%
10.	Debt : Equity	1.34 : 1	1.21 : 1

Cash Flow Analysis

		(₹ in lakhs)	
Sr. No.	Particulars	2011-2012	2010-2011
Sources of Cash			
1.	Cash Generation	4,608	4,708
2.	Issue of Capital in subsidiary	—	402
3.	Loans	2,193	2,658
4.	Subsidy	30	30
	TOTAL	6,831	7,798
Utilization of Cash			
1.	Purchase of Fixed Assets	3,345	3,756
2.	Tax Payments	490	674
3.	Interest	1,696	1,216
4.	Dividend	243	228
5.	Changes in Working Capital	767	1,959
	TOTAL	6,541	7,833
	Change in Cash and Cash Equivalent	290	(35)

RISK MANAGEMENT

Your Company has a risk identification and management framework appropriate to the size of your Company and the environment under which it operates. Risks are being continuously identified in relation to business strategy, operations and transactions, statutory legal compliance, financial reporting, information technology system and overall internal control framework.

Your Company's internal auditors carry out risk audit on framework appropriate to the size and operations of the Company.

OUTLOOK

As outlined in the earlier part of this report, the general economic scenario is rather complex.

While there is every possibility of the economy growing at over 7%, there do exist uncertainties over the spending power of the consumer in the immediate future on account of inflation and tepid growth achieved in Q4 of 2011-12. Your Company grew by volume 20% in 2010-11 and over and above that grew only by 3% in 2011-12.

Accordingly, the base turnover in value increased by 12% in 2011-12, and hence has increased substantially in the last two years. Your Company expects to maintain a decent rate of growth in the coming years mainly because of the efforts of your Company in broad basing its product range and enlarging the consumer base.

CAUTIONARY STATEMENT

The statements made are based on certain projections, estimates, expectations or outlook may be forward looking. Actual results may differ materially from those stated on accounts 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, product 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.

DIRECTORS' REPORT

Dear Members,
HITECH PLAST LIMITED

Your Directors have pleasure in presenting the Twenty First Annual Report of your Company and the Audited Accounts for the year ended 31st March 2012.

(₹ in lakhs)

	HITECH PLAST LIMITED			HITECH PLAST CONSOLIDATED		
	2011-12	2010-11	Growth %	2011-12	2010-11	Growth %
Gross Sales	25,602	22,646	13.1	41,883	37,503	11.7
Sales (Net of Excise)	23,146	20,445	13.2	38,562	34,489	11.8
Other Income	103	60	71.7	127	116	9.5
Total Income	23,249	20,505	13.4	38,689	34,605	11.8
Total Expenditure	19,879	17,405	14.2	33,989	29,854	13.9
Operating Profit	3,370	3,100	8.7	4,700	4,751	- 1.1
Finance Costs	1,231	910	35.3	1,751	1,241	41.1
Depreciation	679	573	18.5	1,538	1,263	21.8
Profit (Before Tax)	1,460	1,617	- 9.7	1,411	2,247	- 37.2
Less: Provision for Tax	407	379	7.4	407	566	- 28.1
Provision for Deferred Tax	(8)	53	- 115.1	(42)	69	- 160.1
Tax provision for earlier years	(37)	—	~	(17)	—	~
Net Profit (After Tax)	1,098	1,185	- 7.3	1,063	1,612	- 34.1
Exceptional items	—	—		(22)	—	
Minority Interest	—	—		23	(170)	
Net Profit after Minority Interest	1,098	1,185	-7.3	1,064	1,442	- 26.2
Previous year balance brought forward	4,290	3,438		4,702	3,594	
Disposable Profit	5,388	4,623		5,766	5,036	
Appropriations						
Proposed Dividend on Equity shares	211	211		211	211	
Tax on Equity Dividend	34	34		34	34	
Transfer to General Reserve	82	89		82	89	
Balance carried to Balance Sheet	5,061	4,290		5,439	4,702	

OPERATIONS

Net sales and other income for the standalone entity increased to ₹ 232 crores from ₹ 205 crores in the previous year – a growth of 13.2%. The operating profit (PBIDT) increased by 8.7% from ₹ 31.00 crores to ₹ 33.70 crores.

With mere volume growth of 3.2% over the previous year, operating margins were under pressure because of volatility in polymer prices, which are linked to crude oil prices. Polymer prices were 7.1% higher as compared to previous year and the entire increase in the prices of polymers could not be passed on to the customers because of lag effect and due to competition in the market place, resulting in profits after tax reduced to ₹ 10.98 crores from ₹ 11.85 crores.

Commencement of 2nd Phase at Rohtak

Rohtak unit achieved sales of 3700 MT highest among all six units on account of shift of business from major customers in western and southern part of the country to northern part resulting in higher demand. To cope up with the increased demand, civil work for 54,000 square feet at Rohtak had commenced from September 2011 for expansion of manufacturing capacities at an estimated cost of ₹ 14 crores. The project has been completed and is expected to meet the seasonal demand from paint sector.

New manufacturing unit at Satara

The Company has purchased land admeasuring 9.75 acres in Village Dhawadwadi, Taluka Khandala, District Satara. Civil work at the site is in progress and expected to commence commercial production in fourth quarter of FY 2012-13. The unit plans to cater to customers located in Maharashtra and nearby locations, apart from meeting the packaging requirements by one of the major customers, namely Asian Paints Limited.

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

CONSOLIDATED FINANCIALS

The Consolidated Net Revenue from operations increased to ₹ 386.89 crores from ₹ 346.05 crores – growth of 11.8%. Net profit after minority interest for the group for the current year is ₹ 10.64 crores as against ₹ 14.42 crores in the previous year.

CONSOLIDATED FINANCIAL STATEMENTS

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 fulfill conditions mentioned in the said circular. Accordingly, the Board of Directors of your Company at its Meeting held on 18th June 2012, approved the Audited Consolidated Financial Statements for the financial year 2011-12 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreements, which include financial information of its subsidiary, and forms part of this report. The Consolidated Financial Statements of your Company for the financial year 2011-12, have been prepared in compliance with applicable Accounting Standards and where applicable Listing Agreements, as prescribed by the Securities and Exchange Board of India.

The annual accounts and financial statements of the subsidiary company of your Company and related detailed information shall be made available to 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 circular and accordingly has not attached the financial statements of its subsidiary company for the financial year 2011-12. A statement of summarized financials of subsidiary of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by the Ministry of Corporate Affairs, forms part of this report.

DIVIDEND ON EQUITY SHARES

Your Company follows a policy of maintaining a balance between the need to reward the shareholders for their continued faith in the management and its own investment needs to capitalize on various business opportunities through a large proportion of internal accruals which would maximise shareholders value.

In keeping with the stated policy, the Directors are pleased to recommend for approval of the shareholders, dividend of ₹ 1.60 per share (at the rate 16%), (Previous year ₹ 1.60 per share), on the Equity Shares of the Company for the year ended 31st March 2012.

The proposed dividend on Equity share capital will absorb ₹ 2.11 crores for dividend and ₹ 0.34 crores for Dividend Distribution Tax.

TRANSFER TO RESERVES

Your Company proposes to transfer ₹ 0.82 crores to the general reserve. An amount of ₹ 50.60 crores proposed to be retained in the Profit and Loss account.

CORPORATE GOVERNANCE

Your Company continues to be committed to good corporate governance aligned with the best corporate practices. It has also complied with various standards set out by SEBI and the Stock Exchanges, where it is listed.

Management Discussion and Analysis Report for the year under review, as stipulated by Clause 49 of the Listing Agreements with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

A separate report on Corporate Governance forms part of the 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 annexed hereto.

CREDIT RATING

CRISIL has re-affirmed its ratings of your Company on the bank facilities for long term rating to `CRISIL A/Stable` and short term rating `CRISIL A1`.

LIQUIDITY

Your Company believes that the cash management is adequate to meet its capital expenditure and working capital requirements for the near future.

EXTERNAL COMMERCIAL BORROWING

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

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's subsidiary Clear Mipak Packaging Solutions Limited has not reported good performance and incurred loss before tax of ₹ 0.49 crores, for the year ended 31st March 2012 as compared to profit of ₹ 6.30 crores, for the previous year.

The poor off-take by FMCG sector, increased materials cost due to competition, increased interest cost (about 61% over previous year), have contributed for such performance. The management has taken corrective steps to improve the financial performance of your subsidiary company.

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.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is a responsible corporate citizen, and strives to give back to the community it operates in. The Corporate Social initiatives, which the Company has identified and implemented, include cashless medical facilities continued covering the employees of the Company, their spouse and upto two childrens.

LISTING

The Company's securities continue to be listed on two Stock Exchanges viz; Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and 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 ₹ 9.26 crores (including ₹ 4.34 crores payable within 12 months) against ₹ 7.30 crores at the end of previous fiscal year. The Company had paid timely interest payment on all fixed deposits. As on 31st March 2012 there was unclaimed Fixed Deposit of ₹ 90 thousand. But, as on the date of this report, there were no unclaimed fixed deposits.

INSURANCE

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

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

The particulars as prescribed under Sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are provided in the Annexure to the Directors' report section. Details of expenditure and earnings in foreign currencies are given under Note 38 and 41 to the financial statements.

STATUTORY DISCLOSURES

Your Directors have made necessary disclosures as required under various provisions of the Act and Clause 49 of the Listing Agreement. Particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are given in Annexure 'A' forming part of this Report. Information under Section 217(1)(e) of the Companies Act, 1956, 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, with respect to Directors' Responsibility Statement, it is hereby confirmed 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 your Company at the end of the financial year and of the profit of your 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 your Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts for the year ended 31st March 2012 on a going concern basis.

DIRECTORS

- a) Appointment of Mr. Malav A. Dani as the Joint Managing Director

The Board appointed Mr. Malav A. Dani as the Joint Managing Director with effect from 5th August 2011 for a period of five years.

- b) Re-appointment and early retirement of Mr. Ashok K. Goyal as the Managing Director

The Board re-appointed Mr. Ashok K. Goyal as the Managing Director with effect from 2nd April 2012, upto 23rd February 2016.

However, vide letter dated 11th May 2012, Mr. Ashok K. Goyal had sought early retirement effective 15th August 2012 and the same was accepted by the Board, with regret, at its Meeting held on 18th June 2012.

The Board has placed on its record a deep sense of appreciation for the valuable contributions rendered by Mr. Ashok K. Goyal during his long association of 15 years with the Company. The Company made consistent profits under his leadership and consequently the negative net worth, to start with, was turned into sizeable positive net worth.

c) Resignation

Mr. Hasit A. Dani resigned as the Director of the Company with effect from 16th April 2012. Mr. Ranjan Kapur resigned vide his letter dated 15th June 2012, as the Director of the Company effective 19th June 2012.

The Board has placed on its record gratitude and appreciation for the valuable assistance, advice and support rendered by Mr. Hasit A. Dani and Mr. Ranjan Kapur throughout their period of long association with the Company.

d) Directors retire by Rotation

In accordance with the provisions of the Companies Act, 1956 and as per Article 104 of the Articles of Association, Mr. Ashwin Dani, Mr. Jalaj Dani, and Mr. Rajnikant B. Desai, are liable to retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice.

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

e) Group

Pursuant to intimation from the promoters, the names of the Promoters and entities comprising 'group' are disclosed herein below for the purpose of Regulation 3(1)(e)(i) of the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

1. Asian Paints Limited	15. Isis Holding and Trading Company Pvt. Ltd.
2. Ashwin Suryakant Dani	16. Jalaj Ashwin Dani
3. Ashwin Ramanlal Gandhi	17. Malav Ashwin Dani
4. Clear Mipak Packaging Solutions Ltd.	18. Omega Properties Private Ltd.
5. Coatings Specialities (India) Ltd.	19. Rangudyan Insurance Broking Services Ltd.
6. Dani Finlease Ltd.	20. Resins & Plastics Ltd.
7. Geetanjali Trading and Investments Pvt. Ltd.	21. Satyen Ashwin Gandhi
8. Gujarat Organics Ltd.	22. S C Dani Research Foundation Pvt. Ltd.
9. Haish Holding and Trading Co. Pvt. Ltd,	23. Smiti Holdings and Trading Co. Pvt. Ltd.
10. Hasit Ashwin Dani	24. Suprasad Investments & Trading Co. Pvt. Ltd.
11. Hiren Ashwin Gandhi	25. Suryakant Paints and Accessories Pvt. Ltd.
12. Hiren Holdings Private Ltd.	26. Vita Jalaj Dani
13. Ina Ashwin Dani	27. Vijal Holding and Trading Company Pvt. Ltd.
14. Ishwara Holding and Trading Co. Pvt. Ltd.	

AUDITORS

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

The Company has received letter from the auditors to the effect of their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and they are not disqualified for reappointment within meaning of Section 226 of the said Act. The Board of Directors recommends the appointment of M/s. Shah & Co., Chartered Accountants as a Statutory Auditors of the Company.

COST AUDITOR

Pursuant to the Companies (Cost Accounting Records) Rules, 2011 issued by the Ministry of Corporate Affairs for appointment of Cost Auditors, your Board has appointed Mr. Suresh D. Shenoy as the Cost Auditor of your Company for the financial year 2011-12 to issue Compliance Report, after verification of cost records of the Company. The Compliance Report for the year 2011-12 is to be submitted on or before 27th September 2012.

ACKNOWLEDGEMENTS

Your Directors thank all the Company's Shareholders, Customers and Vendors for their continued support throughout the year. We also thank Banks, Government of India, Department of Science and Technology, State Governments and other government agencies for the support extended by them and also look forward to their continued support in future.

Your Directors also wish to place on record their appreciation of the contribution made by the Company's employees at all levels under the leadership of the Managing Director, but for whose hard work, solidarity, cooperation and support, your Company's consistent growth would not have been possible.

FOR AND ON BEHALF OF THE BOARD

Mumbai
18th June 2012

ASHWIN S. DANI
CHAIRMAN

Mission Statement

To be best at satisfying customers' needs with innovative and tailored packaging products. This will be achieved through integrating individual creativity and talent into the process of collective action of our employees.

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 2012. (Pursuant to the Notification dated 31st March 2011, issued by Ministry of Corporate Affairs)

Name	Age (Yrs.)	Designation of Employee	Gross Remuneration (₹ in lakhs)	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
Ashok K. Goyal	61	Managing Director	79.44	As per Notes	As per Notes	B. Tech (Mech.), PGDM, IIM 38 years of experience	31.05.1997	Muscat Cold Stores LLC
Bhupendra P. Dusara	49	Chief Financial Officer & Company Secretary	63.37	As per Notes	As per Notes	B.Com., A.C.A & A.C.S. 26 years of experience	01.04.2003	Coatings Specialities (India) Ltd.

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, they are entitled to Gratuity in accordance with the Company's rules.
- iii) They are not relatives of any Director of the Company nor they hold more than 2% of the paid up equity capital of the Company.
- iv) Nature of duties of employment of Mr. Ashok K. Goyal is contractual, governed by its rules and conditions of service. Nature of duties of employment of Mr. Bhupendra P. Dusara is as per the letter of employment.

FOR AND ON BEHALF OF THE BOARD

Mumbai
18th June 2012

ASHWIN S. DANI
CHAIRMAN

ANNEXURE 'B' TO DIRECTORS' REPORT**Conservation of Energy:**

- a. Your Company continues to emphasize on energy conservation at the early stage of designing manufacturing unit, selection of moulding machines with servo based motors, electrical equipment for optimizing energy consumption by installing required equipment to improve the power factor. Energy conservation continues to receive top priority in the Company.

Specific Energy conservation measures are:

1. Air control units were overhauled to increase the life of compressors;
2. Installation of capacitors.

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

In the month of March 2008, your Company installed Wind Power Generator of 0.6 MW which was operational for the entire year and met the power requirement of unit in Tamil Nadu. We are considering using energy efficient light fittings in the whole plant.

- 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	2011-12	2010-11
a. Purchased -		
Units ('000 Kwh)	13,494	12,940
Total Amount (₹ in lakhs)	670.96	568.94
Rate/Unit (₹)	4.97	4.40
b. Own Generation		
Through Diesel Generator -		
Units ('000 Kwh)	2,220	1,656
Units per ltr. of diesel oil	3.44	3.12
Cost/ Unit (₹)	12.12	12.30
c. Own Generation		
Through Wind Farm -		
Units ('000 Kwh)	1,049	1,105
Total Amount (₹ in lakhs)	42.10	42.36
Rate/Unit (₹)	4.01	3.83

B. Consumption per unit of Production:

UNIT	2011-12	2010-11
KWH / Kg.	1.10	1.08

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

1. Specific areas in which R & D carried out by the Company

Technology Centre of the Company has got its accreditation from the Department of Science and Technology, Government of India. The Company has made concerted efforts to establish a strong performance in the fields of R&D vis-à-vis product and process development. This helped the Company in sustaining and strengthening the competitive position the Company holds in packaging of paints.

The specific areas in which R&D is carried out include:

- a. Initiatives of Technology Centre have resulted in improvement in the areas of reduction of usage of polymers, reduction in cycle time leading to increased productivity.

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

- a. Lower cycle time and hence higher production;
b. Reducing cost of production.

3. Future plan of action:

In order to address the evolving needs of the customers in a rapidly changing market place, the Company will continue to strengthen its defined programs and the skills of its technical personnel.

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

Particulars	(₹ in lakhs)	
	2011-12	2010-11
Capital	5.26	52.25
Recurring	167.09	84.10
Total	172.35	136.35
Total R & D expenditure as a % of turnover	0.75%	0.67%

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 41 and 38 to the financial statements.

FOR AND ON BEHALF OF THE BOARD

Mumbai
18th June 2012

ASHWIN S. DANI
CHAIRMAN

AUDITORS' REPORT TO THE MEMBERS OF HITECH PLAST LIMITED

We have audited the attached Balance Sheet of Hitech Plast Limited ('the Company') as at 31st March 2012, and also the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement referred to in 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 dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Act.
- e) On the basis of the written representations received from the Directors of the Company as at 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2012, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- f) In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Act, in the prescribed manner and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as on 31st March 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date;
 - and
 - (iii) in the case of 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
18th June 2012

Annexure referred in paragraph 3 of the auditors' report to the Members of Hitech Plast Limited for the year ended 31st March 2012

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and location of the fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- 2 (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained.
(b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- 3 The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register required to be maintained under Section 301 of the Act.
- 4 In our opinion, and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of audit.
- 5 (a) According to the information and explanations given to us, the particulars of all contracts and arrangements referred to in section 301 of the Act, have been entered in the register required to be maintained under that section.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ` 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- 9 (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted /accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears as at 31st March, 2012 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 lakhs)	Forum where dispute is pending
Income Tax	IT matters under dispute	A.Y.2008-09	66.02	CIT (A)
		A.Y.2009-10	117.80	CIT (A)
Total			183.82	

- 10 The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 11 The Company has not defaulted during the year in repayment of dues to its bankers or to any financial institutions. The Company did not have any outstanding debentures.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 As the Company is not a chit fund, nidhi, mutual benefit fund or society the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 14 As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 15 The Company has given certain guarantees on behalf of its subsidiary as mentioned in note 31 (a) of Notes to accounts. In our opinion based on the information and explanations received, the terms and conditions of these guarantees are not prejudicial to the interest of the Company.
- 16 The term loans obtained during the year are applied for the purpose for which it was obtained.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that funds raised on short term basis have not been used for long term investment.
- 18 During the year, the Company has not made any preferential allotment of shares to company, firms or parties covered in the register maintained under Section 301 of the Act.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money by way of public issue during the year.
21. As per the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No. 103750

Mumbai
18th June 2012

Balance Sheet as at 31st March 2012

(₹ in lakhs)

	Notes	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	1,317.57	1,317.57
Reserves and Surplus	4	6,429.66	5,576.27
		7,747.23	6,893.84
NON-CURRENT LIABILITIES			
Long Term Borrowings	5	2,425.41	1,666.20
Deferred Tax Liabilities (Net)	6	247.97	256.15
Long Term Provisions	7	52.99	57.40
		2,726.37	1,979.75
CURRENT LIABILITIES			
Short Term Borrowings	8	3,650.65	3,681.10
Trade Payables	9	715.04	736.31
Other Current Liabilities	10	1,267.22	1,396.30
Short Term Provisions	7	271.17	247.32
		5,904.08	6,061.03
Total		16,377.68	14,934.62
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11A	5,645.20	5,544.04
Intangible Assets	11B	26.01	35.49
Capital work-in-progress		481.25	153.24
		6,152.46	5,732.77
Non-current Investments	12	3,408.89	3,408.89
Long Term Loans and Advances	13	787.30	255.02
CURRENT ASSETS			
Inventories	14	1,895.94	2,087.25
Trade Receivables	15	2,907.57	2,696.86
Cash and Bank Balances	16	678.17	234.68
Short Term Loans and Advances	13	457.42	458.19
Other Current Assets	17	89.93	60.96
		6,029.03	5,537.94
Total		16,377.68	14,934.62
Significant Accounting Policies	2		
Notes are an integral part of the financial statements.			

As per our report of even date

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No.103750
Mumbai
18th June 2012

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2012

(₹ in lakhs)

	Notes	Year 2011-12	Year 2010-11
INCOME			
Revenue from Operations (Gross)		25,602.45	22,645.85
Less: Excise Duty		2,456.42	2,201.13
Revenue from Operations (Net)	18	23,146.03	20,444.72
Other Income	19	103.37	60.61
TOTAL REVENUE		23,249.40	20,505.33
EXPENSES			
Cost of Materials Consumed	20	14,649.20	13,236.56
Changes in inventories of finished goods and work in progress	20	19.54	(480.82)
Employee Benefits Expense	21	1,363.98	1,119.24
Manufacturing Expenses	22	2,568.22	2,296.26
Other Expenses	23	1,278.44	1,234.10
TOTAL EXPENSES		19,879.38	17,405.34
PROFIT BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (PBITDA)			
		3,370.02	3,099.99
Depreciation and Amortisation Expense	24	678.83	573.02
PROFIT BEFORE INTEREST AND TAX			
		2,691.19	2,526.97
Finance Costs	25	1,231.09	909.90
PROFIT BEFORE TAX			
		1,460.10	1,617.07
Tax Expense:			
Current Tax		407.00	379.00
Deferred Tax	6	(8.18)	52.75
(Excess) Tax Provision for earlier years		(37.11)	—
PROFIT AFTER TAX			
		1,098.39	1,185.32
Earnings per equity share: Basic & Diluted (Face value of ₹ 10/- each)	26	8.34	9.00
Significant Accounting Policies	2		
Notes are an integral part of the financial statements.			

As per our report of even date

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No.103750

Mumbai
18th June 2012

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Cash Flow Statement for the year ended 31st March 2012

(₹ in lakhs)

	2011-12	2010-11
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax and Extra-ordinary item	1,460.10	1,617.07
Adjustments for :		
Depreciation and Amortisation Expense	678.83	573.02
Loss/(Profit) on Sale of Fixed Assets	—	(0.23)
Finance Costs	1,231.09	909.90
Interest Income	(76.90)	(37.95)
Goodwill Written Off	—	11.57
Operating Profit before working capital changes	3,293.12	3,073.38
Adjustments for :		
Trade Receivables	(210.71)	(819.28)
Other Receivables	31.69	42.79
Inventories	191.31	(806.49)
Trade and Other Payables	(172.57)	172.68
Cash generated from Operations	3,132.84	1,663.08
Income Tax paid (Net of Refund)	(465.56)	(447.95)
Net Cash Flow from Operations	2,667.28	1,215.13
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,588.84)	(1,814.22)
Sale of Fixed Assets	—	28.28
Interest Received	70.74	39.08
Purchase of Investments (Equity Shares of Subsidiary Company)	—	(603.34)
Net Cash used in Investing Activities	(1,518.10)	(2,350.20)
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	1,391.84	66.33
Repayment of Long Term Borrowings	(618.66)	(116.92)
Proceeds from/(Repayment of) Cash Credit	1,179.03	549.79
Proceeds from Short Term Borrowings	—	1,692.48
Repayment of Short Term Borrowings	(1,209.48)	(20.00)
Dividend and Dividend Tax Paid	(242.60)	(227.92)
Finance Costs Paid	(1,205.82)	(899.06)
Net Cash used in Financing Activities	(705.69)	1,044.70
Net (Decrease)/ Increase in Cash and Cash Equivalents	443.49	(90.37)
Cash and Cash Equivalents at the beginning of the year *	234.68	325.05
Cash and Cash Equivalents at the end of the year *	678.17	234.68

* Cash and Cash equivalents are Cash and Bank balances as mentioned in Note 16.

As per our report of even date

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No.103750

Mumbai
18th June 2012

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Notes to Financial Statements for the year ended 31st March 2012

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 BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in the manufacturing of rigid plastic containers specially catering to customers relating to Paints, Lube and other industrial chemicals. The Company caters to only local domestic market.

2. Significant Accounting Policies :

2.1 Basis for preparation of financial statements:

(a) Basis of preparation :

The financial statements have been prepared 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 and with the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates:

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

(c) Presentation and disclosures in financial statements:

For the year ended 31st March, 2012, the Company has reclassified the previous year's figures, presentation and disclosures in financial statements as per the requirement under Revised Schedule VI to the extent possible.

2.2 Tangible and Intangible Assets :

(a) Tangible assets:

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

(b) Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is reflected at their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

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

(c) Depreciation on tangible assets:

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.

(d) Impairment :

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

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exist the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the statement of profit and loss for the year.

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

2.3 Revenue Recognition:

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns. Sales are stated gross of excise duties as well as net of excise duties; 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 '(Increase)/ Decrease in inventories of Finished Goods and WIP'.

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

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 suitably depreciated.

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

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

2.6 Investments :

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

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.

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

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

(c) Forward exchange contracts:

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

2.8 Trade Receivables :

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

2.9 Employee Benefits :

A. Short Term Employee Benefits :

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

B. Post-employment benefits :

(a) Defined contribution plans

Defined contribution plans are Provident Fund scheme, 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.

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.

2.10 Research and Development :

- a) Capital expenditure is shown separately under respective heads of fixed assets.
- b) Revenue expenses including depreciation are charged to Statement of Profit and Loss under the respective heads of expenses.

2.11 Provision for Taxation:

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

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

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

2.12 Provisions and Contingencies :

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

2.13 Earnings Per Share:

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

2.14 Proposed Dividend:

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

2.15 Borrowing Cost:

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

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

2.16 Measurement of PBITDA:

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has decided to present profit before interest, tax, depreciation and amortization (PBITDA) as a separate line item on the face of the statement of profit and loss.

(₹ in lakhs)

3. SHARE CAPITAL	As at 31.03.2012	As at 31.03.2011
Authorised		
2,00,00,000 (31st March 2011: 2,00,00,000) equity shares of ₹ 10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, Subscribed and Paid-up Capital		
1,31,75,700 (31st March 2011: 1,31,75,700) equity shares of ₹ 10/- each fully paid.	1,317.57	1,317.57
	1,317.57	1,317.57

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	31.03.2012		31.03.2011	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
Equity Shares				
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	—	—	—	—
Outstanding 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 and its fellow subsidiary is as below:

	(₹ in lakhs)	
	31.03.2012	31.03.2011
Geetanjali Trading & Investments Pvt Ltd – the ultimate holding company		
80,29,295 (31st March 2011 : 80,29,295) equity Shares of ₹ 10/- each fully paid	802.93	802.93
	802.93	802.93

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

Name of Shareholders	31.03.2012		31.03.2011	
	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%

d. Terms/rights attached to equity shares :

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

A dividend of ₹ 1.60 (Rupees one and paise sixty only) per share has been recommended by the Board of Directors at its meeting held on 18th June 2012, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2011-12 will be ₹ 1.60 per equity share; ₹ 1.60 per equity share was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2012 amounted to ₹ 245.01 lakhs including corporate dividend tax of ₹ 34.20 lakhs. (Previous year ₹ 245.01 lakhs including corporate dividend tax of ₹ 34.20 lakhs).

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 lakhs)

4 RESERVES AND SURPLUS	As at 31.03.2012	As at 31.03.2011
Capital Subsidy		
Balance as per the last financial statements	25.00	25.00
Less: amount transferred to General Reserve	25.00	—
Closing Balance	—	25.00
Capital Redemption Reserve	251.00	251.00
Securities Premium Account	737.21	737.21
General Reserve		
Balance as per the last financial statements	273.35	184.45
Add: amount transferred from the statement of Profit and Loss	82.40	88.90
Add : amount transferred from Capital Subsidy	25.00	—
Closing Balance	380.75	273.35
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	4,289.72	3,438.30
Add: Net Profit after tax transferred from statement of Profit and Loss	1,098.39	1,185.32
Less: Appropriations :		
- Proposed final equity dividend (amount per share ₹ 1.60 (31st March 2011 : ₹ 1.60))	210.81	210.81
- Tax on proposed equity dividend	34.20	34.20
- Transfer to General reserve	82.40	88.90
- Total appropriations	327.41	333.91
Net Surplus in the statement of Profit and Loss	5,060.70	4,289.72
TOTAL RESERVES AND SURPLUS	6,429.66	5,576.27

(₹ in lakhs)

5 LONG TERM BORROWINGS	Non-Current		Current	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Term Loans @				
I) Secured				
Indian Rupee Loan from Banks	812.50	1,228.86	376.12	578.42
Foreign Currency Loan from Bank	1,121.25	—	74.75	—
	1,933.75	1,228.86	450.87	578.42
II) Unsecured				
Other Loans and Advances				
Deposits				
- Deposits from Shareholders	76.47	59.86	114.44	51.00
- Deposits from Others	415.19	377.48	319.74	241.66
	491.66	437.44	434.18	292.66
TOTAL	2,425.41	1,666.20	885.05	871.08
The above amount includes disclosed under the head "Other Current Liabilities" (Refer Note 10)	—	—	(885.05)	(871.08)
NET AMOUNT	2,425.41	1,666.20	—	—

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

(₹ in lakhs)

	Non-Current	Current
A) State Bank of India Term Loan of ₹ 265 lakhs		
Indian Rupee loan from bank carries interest @ 15.00 % p.a. The loan is repayable in monthly installments of ₹ 5.50 lakhs along with interest. The loan is secured by hypothecation on the assets purchased out of bank finance at Velarasi, Tirupur, Tamilnadu site of Wind Mill Project.		
Out of the total loan of ₹ 265 lakhs, the Company has already repaid ₹ 263.88 lakhs till 31st March 2012 and the balance amount of ₹ 1.12 lakhs is repayable in April 2012.	—	1.12
B) Standard Chartered Bank Term Loan of ₹ 625 lakhs		
Indian Rupee loan from bank carries interest @ 12.85 % p.a. The loan is repayable in 16 quarterly installments of ₹ 39.06 lakhs 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 lakhs, the Company has already repaid ₹ 156.25 lakhs till 31st March 2012 and the balance amount of ₹ 468.75 lakhs is repayable in 12 quarterly installment upto February 2015.	312.50	156.25
C) Standard Chartered Bank Term Loan of ₹ 375 lakhs		
Indian Rupee loan from bank carries interest @ 14.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 23.44 lakhs each along with interest. The loan is secured by :		

	Non-Current	Current
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 lakhs, the Company has already repaid ₹ 93.75 lakhs till 31st March 2012, and the balance amount of ₹ 281.25 lakhs is repayable in 12 quarterly installment upto February 2015.	187.50	93.75
D) Standard Chartered Bank Term Loan of ₹ 250 lakhs		
Indian Rupee loan from bank carries interest @ 14.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 15.625 lakhs 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 lakhs, the Company has already repaid ₹ 62.50 lakhs till 31st March 2012 and the balance amount of ₹ 187.50 lakhs is repayable in 12 quarterly installment upto February 2015.	125.00	62.50
E) Standard Chartered Bank Term Loan of ₹ 250 lakhs		
Indian Rupee loan from bank carries interest @ 13.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 15.625 lakhs 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.		
The above loan amount of ₹ 250 lakhs is repayable in 16 quarterly installments upto February 2016.	187.50	62.50
F) 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 143750 @ 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.		
The above loan amount of ₹ 1196.00 lakhs is repayable in 16 quarterly installments upto November 2016.	1,121.25	74.75
G) Deposits from shareholders, directors, relatives and associate carry interest @ 10.50% to 11 % p.a. and are repayable after 1-3 years from the date of deposit.		
	491.66	434.18

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 2012 are as follows:

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
Deferred tax liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(303.12)	(295.56)
Total deferred tax liabilities	(303.12)	(295.56)
Deferred tax asset		
Impact of expenditure charged to the statement of Profit and Loss in the current year but allowed for tax purpose on payment basis	35.85	27.81
Provision for doubtful debts	19.30	11.60
Total deferred tax assets	55.15	39.41
Net Deferred tax asset/(liability)	(247.97)	(256.15)
Net Deferred Tax Benefit/(Expenses) for the year	8.18	(52.75)

	(₹ in lakhs)			
7. PROVISIONS	Long Term		Short Term	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Provision for Gratuity (Refer Note 27)	—	—	(0.03)	(0.60)
Provision for leave benefits	52.99	57.40	26.19	2.91
Other Provisions				
Proposed equity dividend	—	—	210.81	210.81
Provision for Income tax on proposed dividend	—	—	34.20	34.20
	52.99	57.40	271.17	247.32

	(₹ in lakhs)	
8. SHORT-TERM BORROWINGS	As at 31.03.2012	As at 31.03.2011
a) Loan repayable on demand from Banks ^		
Secured		
Cash Credits from Banks	2,767.65	1,588.62
Loan from banks repayable on demand	883.00	1,400.00
Short term loan from bank	—	692.48
TOTAL	3,650.65	3,681.10

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

Short Term Loan borrowings from banks and Cash Credit Accounts are secured by hypothecation of inventories, book debts and other current assets. Cash Credit is repayable on demand and carries interest @14% to 15% p.a.

(₹ in lakhs)

9. TRADE PAYABLES	As at 31.03.2012	As at 31.03.2011
Trade Payables (Including Acceptances) (Refer Note 34 for details of dues to Micro, Small and Medium Enterprises)	715.04	736.31
	715.04	736.31

(₹ in lakhs)

10. OTHER CURRENT LIABILITIES	As at 31.03.2012	As at 31.03.2011
Other liabilities		
Current maturities of Long term borrowings (Refer Note 5)	885.05	871.08
Interest accrued but not due on borrowings	55.06	29.80
Advance from Customers (Credit Balance in Debtors Accounts)	5.76	36.19
Investor Education and Protection Fund #		
- Unpaid Dividend	10.58	8.17
Others Payables		
Statutory Payable -		
- Payable towards Cst & Vat	22.83	41.01
- Payable towards Excise & Service Tax	22.87	41.68
- Payable towards TDS under Income Tax	21.61	20.44
- Payable towards Provident Fund Payable, Professional Tax & ESIC	1.39	7.84
Payable to Employees	50.19	70.44
Provision for Other Expenses	179.08	263.06
Others	12.80	6.59
	1,267.22	1,396.30

There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March 2012. These amounts shall be paid to the Fund as and when they become due.

11. FIXED ASSETS

(₹ In lakhs)

	Gross Block				Depreciation				Net Block	
	As at 01.04.11	Additions during the Year	Deductions /adjustments	As at 31.03.12	As at 01.04.11	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.12	As at 31.03.12	As at 31.03.11
A. Tangible Assets :										
Freehold Land	1,150.96	—	—	1,150.96	—	—	—	—	1,150.96	1,150.96
Leasehold Land	14.50	—	—	14.50	0.89	0.15	—	1.04	13.46	13.61
Buildings	1,528.88	223.78	—	1,752.66	430.16	125.00	—	555.16	1,197.50	1,098.72
Moulds	646.41	121.76	—	768.17	517.32	62.17	—	579.49	188.68	129.09
Plant & Machinery	4,911.76	389.88	—	5,301.64	2,050.56	407.41	—	2,457.97	2,843.67	2,861.20
Furniture	141.07	2.98	—	144.05	63.24	10.08	—	73.32	70.73	77.83
Leasehold Improvements	64.90	3.15	—	68.05	9.74	14.81	—	24.55	43.50	55.16
Computers	109.26	9.10	—	118.36	62.34	13.31	—	75.65	42.71	46.92
Office Equipment	110.71	5.67	—	116.38	49.42	8.12	—	57.54	58.84	61.29
Vehicles	135.29	0.61	—	135.90	86.03	14.72	—	100.75	35.15	49.26
TOTAL	8,813.74	756.93	—	9,570.67	3,269.70	655.77	—	3,925.47	5,645.20	5,544.04
B. Intangible Assets :										
Software	104.35	13.58	—	117.93	68.86	23.06	—	91.92	26.01	35.49
TOTAL	104.35	13.58	—	117.93	68.86	23.06	—	91.92	26.01	35.49
TOTAL (A+B)	8,918.09	770.51	—	9,688.60	3,338.56	678.83	—	4,017.39	5,671.21	5,579.53
Previous Year	6,119.16	2,954.01	155.08	8,918.09	2,880.99	573.02	115.45	3,338.56	5,579.53	

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March 2012 was ₹ 18.22 lakhs (31st March 2011 : ₹ Nil). The Company capitalized this borrowing cost in the capital work-in-progress (CWIP). The amount of borrowing cost as other adjustments in the above note reflects the amount of borrowing cost transferred to CWIP.

Land includes land held on leasehold basis:

Gross block ₹ 14.50 lakhs (31st March 2011: ₹ 14.50 lakhs) Depreciation charge for the year ₹ 0.15 lakhs (31st March 2011: ₹ 0.15 lakhs) Accumulated depreciation ₹ 1.04 lakhs (31st March 2011: ₹ 0.89 lakhs) Net book value ₹ 13.47 lakhs (31st March 2011: ₹ 13.62 lakhs).

(₹ in lakhs)

12. NON-CURRENT INVESTMENTS	As at 31.03.2012	As at 31.03.2011
Trade Investments (At Cost)		
Unquoted equity investments		
Investment in Subsidiary		
26,83,020 (31st March 2011 : 26,83,020) Equity Shares of ₹ 10/- each fully paid in Clear Mipak Packaging Solutions Limited	3,408.89	3,408.89

(₹ in lakhs)

13. LOANS AND ADVANCES	Non-Current		Current	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Unsecured, considered good				
Capital Advances	602.86	112.52	—	—
Security Deposits	182.72	142.50	—	—
Other Loans and Advances				
Advance Income-tax (net of provision for taxation)	—	—	212.09	116.42
Advances recoverable in cash or kind	—	—	49.68	90.54
Prepaid Expenses	—	—	18.40	34.21
Loans to Employees	—	—	3.89	3.97
Balances with Government authorities	1.72	—	173.36	213.05
	787.30	255.02	457.42	458.19

(₹ in lakhs)

14. INVENTORIES (Valued at Lower of Cost and Net realizable value)	As at 31.03.2012	As at 31.03.2011
Raw materials	828.06	965.20
Raw materials-in-transit	—	15.92
	828.06	981.12
Packing Materials	31.82	40.64
Finished Goods	207.65	445.29
Work-in-progress	813.99	614.63
Consumables, Stores and spares	14.42	5.57
	1,895.94	2,087.25

(₹ in lakhs)

15. TRADE RECEIVABLES	As at 31.03.2012	As at 31.03.2011
Unsecured		
(a) Overdue for more than six months from the due date of bills		
Considered good	41.24	1,007.69
Considered doubtful	59.47	35.73
	100.71	1,043.42
(b) Others		
Considered good	2,866.33	1,689.17
Considered doubtful	—	—
	2,866.33	1,689.17
	2,967.04	2,732.59
Less : Provision for doubtful trade receivables	59.47	35.73
	2,907.57	2,696.86

(₹ in lakhs)

16. CASH AND BANK BALANCES	As at 31.03.2012	As at 31.03.2011
A. Cash and Cash Equivalents		
a. Balances with banks		
-On current accounts	88.13	126.84
-Bank Deposits (with original maturity for < 12 months but > 3 months)	544.00	45.40
-Bank Deposits for Guarantees ©	22.36	18.61
-Bank Deposits (with original maturity for >12 months) ©	7.50	11.25
b. Cash on hand	5.60	3.62
B. Other Bank balances		
-Margin Money Deposit	—	20.79
-Unpaid Dividend accounts	10.58	8.17
	678.17	234.68

© Bank Term Deposits given as security

Bank Term deposits, with a carrying amount of ₹ 29.86 lakhs (31st March 2011: ₹ 29.86 lakhs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

(₹ in lakhs)

17. OTHER CURRENT ASSETS	As at 31.03.2012	As at 31.03.2011
Interest accrued on loans but not due	13.70	7.53
Period end quantity discount receivable	76.23	53.43
	89.93	60.96

(₹ in lakhs)

18. REVENUE FROM OPERATIONS	Year 2011-12	Year 2010-11
Sale of Products	25,529.83	22,593.61
Sale of Services	6.27	0.15
Other operating revenue		
- Scrap Sales	22.14	9.73
- Others	44.21	42.36
Revenue from Operations (Gross)	25,602.45	22,645.85
Less: excise duty (#)	2,456.42	2,201.13
Revenue from Operations (Net)	23,146.03	20,444.72

Excise duty on sales amounting to ₹ 2,456.42 lakhs (31 March 2011: ₹ 2,201.11 lakhs) has been reduced from sales in statement of profit and loss and excise duty on increase/decrease in stock amounting to ₹ (18.74) lakhs (31 March 2011: ₹ 29.82 lakhs) has been considered (income)/expense in Note 20 of financial statements.

19. OTHER INCOME	Year 2011-12	Year 2010-11
Interest Income on		
- Bank Deposits	0.76	0.78
- Income Tax Refund	0.14	—
- Others	76.00	37.17
	76.90	37.95
Exchange difference (Net)	2.41	2.11
Sundry Balance (Net) Written Back	23.31	15.84
Profit on sales of Tangible/Intangible Assets	—	0.23
Miscellaneous Income	0.75	4.48
	103.37	60.61

20. COST OF MATERIALS CONSUMED	Year 2011-12	Year 2010-11
Raw Materials Consumed		
Opening Stock	981.12	696.37
Add: Purchases	13,940.21	13,005.42
	14,921.33	13,701.79
Less: Closing Stock	828.06	981.12
	14,093.27	12,720.67
Packing Materials Consumed		
Opening Stock	40.64	30.49
Add: Purchases	547.11	526.04
	587.75	556.53
Less: Closing Stock	31.82	40.64
	555.93	515.89
Total Cost of Materials Consumed	14,649.20	13,236.56
Changes in inventories of finished goods and work in progress		
Inventories at the beginning of the year		
Finished Goods	445.29	125.92
Work-in-Progress	614.63	423.34
	1,059.92	549.26
Inventories at the end of the year		
Finished Goods	207.65	445.29
Work-in-Progress	813.99	614.63
	1,021.64	1,059.92
Changes in inventories	38.28	(510.64)
(Increase)/decrease in excise duty on Finished Goods	(18.74)	29.82
Changes in Inventories of Finished Goods and Work-in-Progress	19.54	(480.82)

(₹ in lakhs)

21. EMPLOYEE BENEFITS EXPENSE	Year 2011-12	Year 2010-11
Salaries, wages and benefits	1,091.65	923.86
Contribution to Provident Fund	68.41	55.17
Defined Benefit Plan – Gratuity (Note 27)	59.53	23.40
Staff welfare expenses	144.39	116.81
	1,363.98	1,119.24

(₹ in lakhs)

22. MANUFACTURING EXPENSES	Year 2011-12	Year 2010-11
Processing Charges	663.10	770.68
Water, Power and Fuel	950.63	782.45
Materials Handling Charges	658.15	469.43
Stores and Spares consumed	77.68	102.19
Repairs and Maintenance		
- to Building	27.85	20.98
- to Plant and Machineries	152.38	109.22
- Other Assets	38.43	41.31
	2,568.22	2,296.26

(₹ in lakhs)

23. OTHER EXPENSES	Year 2011-12	Year 2010-11
Freight and Handling Charges	517.39	503.35
Rent	207.17	181.15
Rates and Taxes	7.29	15.00
Insurance	7.26	6.10
Security Charges	58.59	54.73
House-Keeping Expenses	24.66	25.97
Printing and Stationery	22.19	19.61
Travelling and Conveyance	108.83	90.70
Postage and Telephone	43.50	39.00
Directors' sitting fees	3.62	3.79
Payment to Auditors (Refer details below)	21.63	23.29
Commission to non-executive directors	7.10	7.10
Provision for doubtful debts	23.75	2.08
Bad debts written off	1.53	—
Management Fees	82.50	93.00
Legal and Professional Fees	68.01	91.38
Foreign Exchange Difference (Net)	3.86	0.03
Advertising and Sales Promotion	25.90	33.61
Miscellaneous expenses	43.66	44.21
	1,278.44	1,234.10

Payment to Auditors

(₹ in lakhs)

	Year 2011-12	Year 2010-11
As Auditor:		
- Audit Fees	13.00	13.00
- Tax Audit Fees	2.00	2.00
- Corporate Governance	1.00	0.50
- Other services	5.63	7.07
Reimbursement of Expenses	—	0.72
	21.63	23.29

(₹ in lakhs)

24. DEPRECIATION AND AMORTIZATION EXPENSE	Year 2011-12	Year 2010-11
Depreciation on tangible assets	655.62	549.30
Amortization of leasehold land	0.15	0.15
Amortization of intangible assets	23.06	23.57
	678.83	573.02

(₹ in lakhs)

25. FINANCE COSTS	Year 2011-12	Year 2010-11
Interest		
- on term loans	203.03	194.84
- on Cash Credit and short term borrowings	460.21	265.16
- on Fixed Deposits	93.59	73.84
Bill Discounting Charges	430.13	308.13
Bank Charges	44.13	67.93
	1,231.09	909.90

26. EARNINGS PER SHARE (EPS)

EPS reflects the profit and share data used in the basic and diluted EPS computations:

	Year 2011-12	Year 2010-11
Total operations for the year		
Profit after tax (₹ in lakhs)	1,098.39	1,185.32
Weighted average number of equity shares outstanding (Nos.)	1,31,75,700	1,31,75,700
Basic and Diluted Earning Per Share (face value ₹ 10/- per share)	8.34	9.00

27. GRATUITY AND OTHER EMPLOYEE BENEFITS**(1) Short term employee benefits:**

The liability towards short term employee benefits for the year ended 31st March 2012 has been recognised in the statement of Profit and Loss.

(2) Post employee benefits:

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

(₹ in lakhs)

Particulars	Gratuity (Funded Plan) 2011-2012	Gratuity (Funded Plan) 2010-2011
Amount recognised in Balance Sheet		
Present value of funded obligations	151.08	84.54
Fair Value of Plan Assets	151.11	85.14
Present value of unfunded obligations	—	—
Unrecognised past service cost	—	—
Amount not recognised as an asset, because of the limit in Para 50(b) of AS -15	—	—
Net Liability/(Asset)	(0.03)	(0.60)
Amounts in Balance Sheet		
Liability	(0.03)	(0.60)
Assets	—	—
Net Liability/(Asset)	(0.03)	(0.60)
Amount recognised in the statement of Profit & Loss		
Opening defined benefit obligation less benefit paid	—	—
Current service cost	15.99	12.37
Interest on defined benefit obligation	6.97	5.66
Expected return on plan assets	(6.81)	(6.55)
Net actuarial losses/(gains) recognized in year	43.38	4.93
Past Service Cost	—	6.50
Effect of the limit in Para 59(b) of AS 15 (Revised)	—	—
Losses / (gains) on 'Curtailements and Settlements'	—	—
Total, included in 'Employee Benefit Expense'	59.53	22.91
Actual return on plan assets	0.82	3.60
Reconciliation of benefit obligations and plan assets for the period:		
Change in defined benefit obligation :		
Opening defined benefit obligation as at 1st April	84.54	58.11
Current Service Cost	15.99	12.37
Interest Cost	6.97	5.66
Actuarial (Gain)/Loss on obligations	44.21	2.51
Liabilities extinguished on curtailment	—	6.50
Liabilities extinguished on settlement	—	—
Liabilities assumed on acquisition	—	—
Exchange difference on foreign plans	—	—
Benefits Paid	(0.63)	(0.61)
Closing defined benefit obligation as at 31st March	151.08	84.54

Particulars	Gratuity (Funded Plan) 2011-2012	Gratuity (Funded Plan) 2010-2011
Change in fair value of assets :		
Opening fair value of plan assets as at 1st April	85.14	57.05
Expected return on Plan Assets	6.81	6.55
Actuarial Gain/(Loss)	0.82	(2.86)
Assets distributed on settlements	—	—
Contributions by employer	58.97	25.01
Assets acquired due to acquisition	—	—
Exchange difference on foreign plans	—	—
Benefits Paid	(0.63)	(0.61)
Closing Fair Value of Plan Assets as at 31st March	151.11	85.14
Investment Details (Assets information) :		
Government of India 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)	8.25%	8.25%
Estimated Rate of return on Plan Assets (per annum)	8.00%	8.00%
Rate of Escalation in Salary (per annum)	8.00%	6.00%

Notes:—

- a) 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.
- b) The Company estimates that the amount to be contributed to the Gratuity fund for the financial year 2011-2012 will be ₹ Nil.
- 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) 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 2012, based on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to ₹ 21.85 lakhs (31st March 2011: ₹ 17.85 lakhs) has been recognised in the statement of Profit and Loss.

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

- The Company has taken certain assets such as cars on an operating lease basis, the lease rentals are payable by the Company on a monthly basis.
- Future minimum lease rentals payable as at 31st March 2012 as per the lease agreements:

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
Not later than one year	28.27	25.05
Later than one year but not more than five years	44.28	42.16
Later than five years	—	—
Total	72.55	67.21

Lease payments recognised in the statement of profit and loss for the year are ₹ 32.63 lakhs (31st March 2011: ₹ 29.58 lakhs).

29. Segment information:

As the Company's business activity falls within a single primary business segment viz., "Plastic Containers", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", as prescribed in the Companies (Accounting Standards) Rules, 2006, is not applicable. As on 31st March 2012, the capital employed in the reportable segment was ₹ 14,708.34 lakhs (31st March 2011: ₹ 13,112.22 lakhs).

30. Related Party disclosures:

Information on related party transactions as required by Accounting Standard – 18 on Related Party Disclosures for the year ended 31st March 2012.

- Key manager person who is under the employment of the Company is entitled to post employment benefits and other long term employee benefits recognised as per AS – 15 (Revised) Employee benefits in the financial statements. As this employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.
- As at 31st March 2012, corporate guarantee issued by the Company on behalf of its subsidiary amounting to ₹ 4,803 lakhs (31st March 2011: ₹ 4,803.00 lakhs).

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 lakhs)	
	Year 2011-12	Year 2010-11
Sale of Goods		
Asian Paints Limited	15,616.15	13,979.79
Purchase of Goods	Nil	Nil
Service provided	Nil	Nil
Services received	Nil	Nil

1. Relationship:

- | | |
|---|---|
| (i) Holding Company:
Geetanjali Trading and Investments Pvt. Ltd. | (ii) Fellow Subsidiaries:
Coatings Specialities (India) Ltd.
Rangudyan Insurance Broking Services Ltd. |
| (iii) Subsidiary of the Company:
Clear Mipak Packaging Solutions Ltd. | (iv) Key Management Person:
Mr. Ashok K. Goyal (Managing Director)
Mr. Malav A. Dani (Promotor Director)
(Joint Managing Director w.e.f.05.08.2011) |
| (v) Promoter Directors:
Mr. Ashwin S. Dani
Mr. Jalaj A. Dani
Mr. Hasit A. Dani
Mrs. Ina A. Dani | (vi) Companies controlled by Directors /
Relatives of Directors:
Gujarat Organics Ltd.
SC Dani Research Foundation Pvt. Ltd.
Suryakant Paint Accessories Pvt. Ltd.
Asian Paints Ltd.
Resins & Plastics Ltd.
Pragati Chemicals Ltd. |
| (vii) Employee Benefit fund where control exists :
Hitech Plast Employee's Gratuity Trust | |

2. Related Party Transactions for the years 2011-12 and 2010-11:

(₹ in lakhs)

Particulars	Fellow subsidiary		Subsidiary of the Company		Key Management Personnel	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Sale of Fixed Assets			1.43	1.55		
Sale of Raw Materials			—	15.00		
Interest Received			63.83	32.49		
Purchase of Goods/Services			58.23	97.66		
Sale of Goods			8.17	—		
Purchase of Raw Materials			—	0.68		
Services Received *	82.50	93.00				
Services Received			0.30	5.00		
Services Provided			—	0.15		
Interest Paid #	—	0.13				
Commission			2.92	6.86		
Rent Paid *	26.30	26.30				
Managerial Remuneration – (a)					79.44	80.52
Investment in Equity Share			—	603.34		
Inter Corporate Deposits – Received			2,806.02	2,783.63		
Inter Corporate Deposits – Paid	—	20.00	2,806.02	2,783.63		
Balance Payable Goods and Services			18.19	—		

* Coatings Specialities (I) Ltd. # Rangudyan Insurance Broking Services Ltd.

(a) Amount paid to Mr. Ashok K. Goyal - Managing Director.

(₹ in lakhs)

Particulars	Promoter Directors of the Company		Companies over which Directors have controlling interest		Employee benefit plans where control exists	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Sales to Asian Paints			15,616.15	13,979.79		
Balance Receivable			659.69	712.72		
Sitting Fees	1.96	2.05				
Commission	3.00	3.00				
Reimbursement of Expenses to Advisor	5.00	5.67				
Managerial Remuneration – (b)	20.84	—				
Inter Corporate Deposit Received #			500.00	—		
Inter Corporate Deposit Paid #			500.00	—		
Interest Paid #			14.49	—		
Contribution During the year					58.97	25.01
Amount Payable					(0.04)	(0.60)

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

Geetanjali Trading and Investments Pvt. Ltd., Holding Company

31. Contingent Liabilities and Commitments

(₹ in lakhs)

	As at 31.03.2012	As at 31.03.2011
a) Contingent Liabilities:		
1) Claims against the Company not acknowledged as debts:		
- Tax matters in dispute under appeal	183.82	66.02
2) Corporate guarantee issued by the Company to certain bank on behalf of its subsidiary	4,803.00	4,803.00
3) Bills of exchange discounted with banks (since realized ₹ 3,138.31 lakhs, (31st March 2011: ₹ 2,260.77 lakhs))	3,514.86	3,694.21

The claims against the Company comprise:

Income tax demand comprises of demand from the tax authorities for payment of additional tax of ₹ 117.80 lakhs (31 March 2011: ₹ 66.02 lakhs), upon completion of their tax review for the financial years 2007-08 and 2008-09. 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 lakhs)

b) Commitments:	As at 31.03.2012	As at 31.03.2011
1) Estimated amount of contracts remaining to be executed on capital account and not provided for	318.35	134.97
2) Letters of Credit and Bank guarantees issued by bankers and outstanding as on 31st March 2012.	—	50.65

3) For commitments relating to lease arrangements, please refer to Note 28.

4) The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. The following is the position on foreign currency exposure:

The forward exchange contract outstanding as at 31st March 2012 is as under :

As at 31.03.2012				As at 31.03.2011			
Currency	Number of Contracts	Amount	INR (₹ in lakhs)	Currency	Number of Contracts	Amount	INR (₹ in lakhs)
USD	1	79,695	40.45	USD	12	12,49,050	581.41

32. The foreign currency exposure not hedged as at 31st March 2012 are as under :

As at 31.03.2012			As at 31.03.2011		
Currency	Amount	INR (₹ in lakhs)	Currency	Amount	INR (₹ in lakhs)
GBP	-	-	GBP	2,167	1.61
USD	-	-	USD	2,43,540	111.07

33. Disclosure as per Clause 32 of the Listing Agreement entered into with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiary - Clear Mipak Packaging Solutions Limited

Balance as at 31st March 2012 ₹ Nil (31st March 2011: ₹ Nil)

Maximum amount outstanding during the year ₹ 1,285.84 lakhs (31st March 2011: ₹ 824.00 lakhs)

Repayment schedule – on call loan

(₹ in lakhs)

No.	Particulars	31.03.2012	31.03.2011
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

34. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in lakhs)

	31.03.2012	31.03.2011
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year	53.57	43.39
(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

35. RAW MATERIALS CONSUMED

(₹ in lakhs)

	2011-12	2010-11
PPCP, LLDPE and Master Batch	12,634.32	11,653.80
Printing Ink and Materials	772.41	403.99
Boughtout Components	673.56	652.20
Others	12.98	10.68
Total	14,093.27	12,720.67

36. STOCK AND TURNOVER

(₹ in lakhs)

Products	Unit	Opening Stock		Closing Stock		Turnover	
		Qty.	Value	Qty.	Value	Qty.	Value
Containers	MT	335	445.29	144	207.65	15,481	23,073.41
		(110)	(125.92)	(335)	(445.29)	(15,069)	(20,392.48)

i) Figures in brackets are for the previous year.

ii) Pursuant to notification no S:O 301 (E) dated 8th February 2011 issued by the Ministry of Company Affairs, disclosure of stock and turnover is provided for item which are greater than 10% of the total value of turnover.

37. VALUE OF IMPORTS CALCULATED ON CIF BASIS

	(₹ in lakhs)	
	2011-12	2010-11
Raw Materials	2,543.93	3,265.09
Capital goods	-	0.11
Others	20.74	15.71
	2,564.67	3,280.91

38. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

	(₹ in lakhs)	
	2011-12	2010-11
Travelling Expenses	—	0.65

39. Value of Imported and Indigeneous Raw Material and Spares Consumed and percentage of each to Total Consumption

	2011-12		2010-11	
	(₹ in lakhs)	% to Total	(₹ in lakhs)	% to Total
a) Raw Materials				
- Imported	2,543.93	18.05	3,265.09	25.67
- Indigenously obtained	11,549.34	81.95	9,455.58	74.33
Total	14,093.27	100.00	12,720.67	100.00
b) Stores and Spares				
- Imported	20.74	26.70	15.71	15.37
- Indigenously obtained	56.94	73.30	86.48	84.63
Total	77.68	100.00	102.19	100.00

40. NET DIVIDEND REMITTED IN FOREIGN CURRENCY

	2011-12			2010-11		
	Number of non-resident shareholders	Number of equity shares held	Dividend Remitted (₹ in lakhs)	Number of non-resident shareholders	Number of equity shares held	Dividend Remitted (₹ in lakhs)
Final Dividend 2009-10	—	—	—	14	3,18,500	4.78
Final Dividend 2010-11	14	3,18,500	5.10	—	—	—

41. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

	(₹ in lakhs)	
	2011-12	2010-11
Export at FOB Value	Nil	Nil
Other Receipts	Nil	Nil

42. 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 lakhs)	
a) Revenue Expenditure	2011-12	Period (Jan - Mar 2011)
Employee Cost	103.72	13.59
Travelling Expenditure	6.28	0.62
Testing and Laboratory Expenditure	19.31	1.69
Power and fuel	4.42	0.69
Stores and Spares	5.53	1.59
Repairs and Maintenance	1.97	0.43
Depreciation on Equipment	2.74	1.73
Rent	12.02	2.50
Others	11.10	2.40
Total	167.09	25.24

	(₹ in lakhs)	
b) Capital Expenditure	2011-12	2010-11
Mould Research and Development facility	5.26	52.25
Total	5.26	52.25

43. The previous year's figures have been re-grouped / re-classified to conform to this year's classification which is as per Revised Schedule VI. This adoption does not impact recognition and measurement principles followed for preparation of financial statements as at 31st March 2011.

Signatures to Notes to Financial Statement

As per our report of even date

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No.103750
Mumbai
18th June 2012

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

**CONSOLIDATED
FINANCIAL STATEMENTS**

FIVE YEAR REVIEW - CONSOLIDATED

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

Results for the Accounting Year	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
REVENUE ACCOUNT					
Gross Revenue	41,883.44	37,502.83	28,232.88	24,297.61	20,620.84
Net Revenue from Operations	38,562.00	34,488.47	26,192.17	21,575.27	17,945.65
Growth Rates (%)	11.81	31.67	21.40	20.23	16.34
Materials Cost	24,592.56	21,606.98	15,690.94	12,987.60	10,682.11
% to Net Revenue	63.77	62.65	59.91	60.20	59.52
Overheads	9,396.60	8,246.77	6,558.49	5,428.30	4,647.79
% to Net Revenue	24.37	23.91	25.04	25.16	25.90
Operating Profit (EBITDA)	4,699.38	4,750.78	4,161.56	3,391.93	2,978.83
Finance Costs	1,751.13	1,240.85	855.54	1,030.38	800.50
Depreciation	1,537.57	1,262.53	948.74	887.22	911.50
Profit Before Tax and Exceptional Item	1,410.68	2,247.40	2,357.28	1,474.33	1,266.83
% to Net Revenue	3.66	6.52	9.00	6.83	7.06
Exceptional Item	21.97	—	—	—	—
Profit Before Tax and After Exceptional Item	1,388.71	2,247.40	2,357.28	1,474.33	1,266.83
% to Net Revenue	3.60	6.52	9.00	6.83	7.06
Profit After Tax	1,040.71	1,612.50	1,573.18	1,081.09	1,055.63
Minority Interest	23.07	(170.87)	(79.35)	(62.12)	(103.92)
Profit After Tax (After Minority Interest)	1,063.78	1,441.63	1,493.83	1,018.97	951.71
CAPITAL ACCOUNT					
Share Capital	1,317.57	1,317.57	1,317.57	1,317.57	1,317.57
Reserves and Surplus	7,486.20	6,649.43	5,440.88	4,100.64	2,436.35
Deferred Tax Liability/Asset (Net)	519.30	561.14	492.34	398.63	88.85
Borrowings	11,821.19	9,628.58	6,970.35	4,976.58	5,442.42
Minority Interest	2,784.23	2,795.30	2,214.24	1,487.73	1,060.26
Fixed Assets	13,016.21	11,664.77	9,461.62	6,801.31	5,226.30
Investments	11.00	11.00	11.00	11.00	12.50
Debt - Equity Ratio	1.34	1.21	1.40	1.23	1.85
PER SHARE DATA					
Earning Per Share (₹)	8.07	10.94	11.34	7.73	7.22
Book Value (₹)	66.82	60.47	51.29	41.12	28.49

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

We have audited the attached Consolidated Balance Sheet of Hitech Plast Ltd ('the Company') and its subsidiary (collectively referred to as 'the Group') as at 31st March 2012, and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended (refer Note 32 of Notes to Consolidated Financial Statements) on that date annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with and identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that 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-23) Accounting for Investments in Associates in Consolidated Financial Statements and (AS-27) Financial reporting of interests in Joint Ventures issued by the Institute of Chartered Accountants of India.

Based on our audit of financial statements of the Company and its subsidiary, included in the consolidated financial statements read with Note 32 and 33 of Notes to Consolidated Financial Statements and to the best of our information and according to explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

1. In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2012;
2. In the case of Consolidated Statement of Profit and Loss, of the consolidated profit for the Group for the year ended on that date; and
3. In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No. 103750

Mumbai
18th June 2012

Consolidated Balance Sheet as at 31st March 2012

(₹ in lakhs)

	Notes	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	1,317.57	1,317.57
Reserves and Surplus	4	7,486.20	6,649.43
		8,803.77	7,967.00
Minority Interest		2,784.23	2,795.30
NON-CURRENT LIABILITIES			
Long Term Borrowings	5	3,516.53	2,155.75
Deferred Tax Liabilities (Net)	6	519.30	561.14
Long Term Provisions	7	78.12	69.03
		4,113.95	2,785.92
CURRENT LIABILITIES			
Short Term Borrowings	8	6,835.18	6,022.71
Trade Payables	9	1,430.48	1,742.58
Other Current Liabilities	10	2,192.96	2,601.53
Short Term Provisions	7	359.36	262.58
		10,817.98	10,629.40
Total		26,519.93	24,177.62
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11A	12,419.59	10,925.41
Intangible Assets	11B	29.11	39.69
Capital work-in-progress		567.51	699.67
		13,016.21	11,664.77
Goodwill on Consolidation		293.95	293.95
Non-current Investments	12	11.00	11.00
Long Term Loans and Advances	13	1,094.94	564.62
CURRENT ASSETS			
Inventories	14	3,819.24	4,240.33
Trade Receivables	15	6,237.07	5,779.66
Cash and Bank Balances	16	858.84	569.08
Short Term Loans and Advances	13	1,024.74	940.83
Other Current Assets	17	163.94	113.38
		12,103.83	11,643.28
Total		26,519.93	24,177.62

Significant Accounting Policies

2

Notes are an integral part of the financial statements.

As per our report of even date

On behalf of the Board of Directors

For Shah & Co.

Chartered Accountants
FRN: 109430W

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah

Partner
Membership No.103750

Ashok K. Goyal
Managing Director

Malav A. Dani
Joint Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Mumbai
18th June 2012

Consolidated Statement of Profit and Loss for the year ended 31st March 2012

(₹ in lakhs)

	Notes	Year 2011-12	Year 2010-11
INCOME			
Revenue from Operations (Gross)		41,883.44	37,502.83
Less: Excise Duty		3,321.44	3,014.36
Revenue from Operations (Net)	18	38,562.00	34,488.47
Other Income	19	126.54	116.06
TOTAL REVENUE		38,688.54	34,604.53
EXPENSES			
Cost of Materials Consumed	20	24,664.62	22,252.39
Changes in Inventories of finished goods and work-in-progress	20	(72.06)	(645.41)
Employee Benefits Expense	21	2,457.73	1,967.73
Manufacturing Expenses	22	4,766.96	4,289.25
Other Expenses	23	2,171.91	1,989.79
TOTAL EXPENSES		33,989.16	29,853.75
PROFIT BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (PBITDA)			
Depreciation and Amortisation Expense	24	1,537.57	1,262.53
PROFIT BEFORE INTEREST AND TAX		3,161.81	3,488.25
Finance Costs	25	1,751.13	1,240.85
Profit Before Exceptional and Extraordinary Items and Tax		1,410.68	2,247.40
Exceptional Items		21.97	—
PROFIT BEFORE TAX		1,388.71	2,247.40
Tax Expense:			
Current Tax		407.00	566.10
Deferred Tax	6	(41.84)	68.80
(Excess) Tax Provision for earlier years		(17.16)	—
PROFIT AFTER TAX		1,040.71	1,612.50
Less : Minority Interest		(23.07)	170.87
Net Profit		1,063.78	1,441.63
Earnings per equity share: Basic & Diluted (Face value of ₹ 10/- each)	26	8.07	10.94

Significant Accounting Policies 2
Notes are an integral part of the financial statements.

As per our report of even date

On behalf of the Board of Directors

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah
Partner
Membership No.103750

Ashok K. Goyal
Managing Director

Malav A. Dani
Joint Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Mumbai
18th June 2012

Consolidated Cash Flow Statement for the year ended 31st March 2012

(₹ in lakhs)

	2011-12	2010-11
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax and Extra-ordinary item	1,388.71	2,247.40
Adjustments for :		
Depreciation and Amortisation Expense	1,537.57	1,262.53
Loss/(Profit) on Sale of Fixed Assets	(34.04)	(26.22)
Finance Costs	1,751.13	1,240.85
Interest Income	(35.18)	(21.49)
Goodwill Written Off	-	11.57
Operating Profit before working capital changes	4,608.19	4,714.64
Adjustments for :		
Trade Receivables	(457.40)	(1,168.29)
Other Receivables	(86.96)	74.86
Inventories	421.09	(1,509.70)
Trade and Other Payables	(659.78)	644.34
Cash generated from Operations	3,825.14	2,755.85
Income Tax paid (Net of Refund)	(490.37)	(674.46)
Net Cash Flow from Operations	3,334.77	2,081.39
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(3,421.94)	(4,308.86)
Sale of Fixed Assets	92.56	553.29
Interest Received	32.28	19.70
Net Cash used in Investing Activities	(3,297.10)	(3,735.87)
C. Cash Flow from Financing Activities		
Capital Subsidy received	30.00	30.00
Proceeds from Issue of Shares to Minority	-	402.24
Stamp Duty paid on Amalgamation	-	(10.11)
Proceeds from Long Term Borrowings	1,380.14	5.48
Repayment of Long Term Borrowings	-	(55.86)
Proceeds from/(Repayment of) Cash Credit	830.45	1,036.13
Proceeds from Short Term Borrowings	1,191.50	1,692.48
Repayment of Short Term Borrowings	(1,209.48)	(20.00)
Dividend and Dividend Tax Paid	(242.60)	(227.92)
Finance Costs Paid	(1,727.92)	(1,233.06)
Net Cash used in Financing Activities	252.09	1,619.38
Net (Decrease)/ Increase in Cash and Cash Equivalents	289.76	(35.10)
Cash and Cash Equivalents at the beginning of the year *	569.08	604.18
Cash and Cash Equivalents at the end of the year *	858.84	569.08

* Cash and Cash equivalents are Cash and Bank balances as mentioned in Note 16.

As per our report of even date

On behalf of the Board of Directors

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah
Partner
Membership No.103750

Ashok K. Goyal
Managing Director

Malav A. Dani
Joint Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Mumbai
18th June 2012

Notes to Consolidated Financial Statements for the year ended 31st March 2012

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 BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in the manufacturing of rigid plastic containers specially catering to customers relating to Paints, Lube and other industrial chemicals. The Company caters to only local domestic market.

2. Significant Accounting Policies :

2.1 Basis for preparation of financial statements:

(a) Basis of preparation :

The financial statements have been prepared 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 and with the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates:

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

(c) Presentation and disclosures in financial statements:

For the year ended 31st March, 2012, the Company has reclassified the previous year's figures, presentation and disclosures in financial statements as per the requirement under Revised Schedule VI to the extent possible.

2.2 Tangible and Intangible Assets :

(a) Tangible assets:

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

(b) Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is reflected at their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

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

(c) Depreciation on tangible assets:

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.

(d) Impairment :

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

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exist the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the statement of profit and loss for the year.

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

2.3 Revenue Recognition:

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns. Sales are stated gross of excise duties as well as net of excise duties; 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 '(Increase)/ Decrease in inventories of Finished Goods and WIP'.

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

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 suitably depreciated.

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

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

2.6 Investments :

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

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.

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

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

(c) Forward exchange contracts:

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

2.8 Trade Receivables :

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

2.9 Employee Benefits :

A. Short Term Employee Benefits :

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

B. Post-employment benefits :

(a) Defined contribution plans

Defined contribution plans are Provident Fund scheme, 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.

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.

2.10 Research and Development :

- a) Capital expenditure is shown separately under respective heads of fixed assets.
- b) Revenue expenses including depreciation are charged to Statement of Profit and Loss under the respective heads of expenses.

2.11 Provision for Taxation:

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

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

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

2.12 Provisions and Contingencies :

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

2.13 Earnings Per Share:

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

2.14 Proposed Dividend:

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

2.15 Borrowing Cost:

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

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

2.16 Measurement of PBITDA:

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has decided to present profit before interest, tax, depreciation and amortization (PBITDA) as a separate line item on the face of the statement of profit and loss.

(₹ in lakhs)

3. SHARE CAPITAL	As at 31.03.2012	As at 31.03.2011
Authorised		
2,00,00,000 (31st March 2011: 2,00,00,000) equity shares of ₹ 10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, Subscribed and Paid-up Capital		
1,31,75,700 (31st March 2011: 1,31,75,700) equity shares of ₹ 10/- each fully paid.	1,317.57	1,317.57
	1,317.57	1,317.57

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	31.03.2012		31.03.2011	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
Equity Shares				
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	—	—	—	—
Outstanding 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 and its fellow subsidiary is as below:

	(₹ in lakhs)	
	31.03.2012	31.03.2011
Geetanjali Trading & Investments Pvt Ltd – the ultimate holding company		
80,29,295 (31st March 2011 : 80,29,295) equity Shares of ₹ 10/- each fully paid	802.93	802.93
	802.93	802.93

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

Name of Shareholders	31.03.2012		31.03.2011	
	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%

d. Terms/rights attached to equity shares :

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

A dividend of ₹ 1.60 (Rupees one and paise sixty only) per share has been recommended by the Board of Directors at its meeting held on 18th June 2012, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the financial year 2011-12 will be ₹ 1.60 per equity share; ₹ 1.60 per equity share was paid as dividend for the previous year. The total dividend appropriation for the year ended 31st March, 2012 amounted to ₹ 245.01 lakhs including corporate dividend tax of ₹ 34.20 lakhs. (Previous year ₹ 245.01 lakhs including corporate dividend tax of ₹ 34.20 lakhs).

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 lakhs)		
4 RESERVES AND SURPLUS	As at 31.03.2012	As at 31.03.2011
Capital Reserve	432.57	432.57
Capital Redemption Reserve	461.20	461.20
Capital Subsidy		
Balance as per the last financial statements	43.00	25.00
Add : Received during the year	30.00	30.00
Less: amount transferred to General Reserve	61.00	—
Less: Minority Interest	12.00	12.00
Closing Balance	—	43.00
Securities Premium Account	737.21	737.21
General Reserve		
Balance as per the last financial statements	273.35	184.45
Add: amount transferred from the statement of Profit and Loss	82.40	88.90
Add : amount transferred from Capital Subsidy	61.00	—
Closing Balance	416.75	273.35
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	4,702.10	3,594.39
Add: Net Profit after tax transferred from statement of Profit and Loss	1,063.78	1,441.62
Less: Appropriations :		
- Proposed final equity dividend (amount per share ₹ 1.60 (31st March 2011 : ₹ 1.60))	210.81	210.81
- Tax on proposed equity dividend	34.20	34.20
- Transfer to General reserve	82.40	88.90
- Total appropriations	327.41	333.91
Net Surplus in the statement of Profit and Loss	5,438.47	4,702.10
TOTAL RESERVES AND SURPLUS	7,486.20	6,649.43

(₹ in lakhs)

5 LONG TERM BORROWINGS	Non-Current		Current	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Term Loans @				
I) Secured				
Indian Rupee Loan from Banks	1,812.50	1,644.30	791.56	933.86
Foreign Currency Loan from Bank	1,121.25	—	74.75	—
	2,933.75	1,644.30	866.31	933.86
II) Unsecured				
Other Loans and Advances				
Deposits				
- Deposits from Shareholders	76.47	59.86	114.44	51.00
- Deposits from Others	506.31	451.59	488.73	465.26
	582.78	511.45	603.17	516.26
TOTAL	3,516.53	2,155.75	1,469.48	1,450.12
The above amount includes disclosed under the head "Other Current Liabilities" (Refer Note 10)	—	—	(1,469.48)	(1,450.12)
NET AMOUNT	3,516.53	2,155.75	—	—

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

(₹ in lakhs)

	Non-Current	Current
A) State Bank of India Term Loan of ₹ 265 lakhs		
Indian Rupee loan from bank carries interest @ 15.00 % p.a. The loan is repayable in monthly installments of ₹ 5.50 lakhs along with interest. The loan is secured by hypothecation on the assets purchased out of bank finance at Velarasi, Tirupur, Tamilnadu site of Wind Mill Project.		
Out of the total loan of ₹ 265 lakhs, the Company has already repaid ₹ 263.88 lakhs till 31st March 2012 and the balance amount of ₹ 1.12 lakhs is repayable in April 2012.	—	1.12
B) Standard Chartered Bank Term Loan of ₹ 625 lakhs		
Indian Rupee loan from bank carries interest @ 12.85 % p.a. The loan is repayable in 16 quarterly installments of ₹ 39.06 lakhs 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 lakhs, the Company has already repaid ₹ 156.25 lakhs till 31st March 2012 and the balance amount of ₹ 468.75 lakhs is repayable in 12 quarterly installment upto February 2015.	312.50	156.25

C) Standard Chartered Bank Term Loan of ₹ 375 lakhs

Indian Rupee loan from bank carries interest @ 14.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 23.44 lakhs each along with interest. The loan is secured by :

(₹ in lakhs)

	Non-Current	Current
<p>a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.</p> <p>b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.</p> <p>Out of the total loan of ₹ 375 lakhs, the Company has already repaid ₹ 93.75 lakhs till 31st March 2012, and the balance amount of ₹ 281.25 lakhs is repayable in 12 quarterly installment upto February 2015.</p>	187.50	93.75
<p>D) Standard Chartered Bank Term Loan of ₹ 250 lakhs</p> <p>Indian Rupee loan from bank carries interest @ 14.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 15.625 lakhs each along with interest. The loan is secured by :</p> <p>a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.</p> <p>b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.</p> <p>Out of the total loan of ₹ 250 lakhs, the Company has already repaid ₹ 62.50 lakhs till 31st March 2012 and the balance amount of ₹ 187.50 lakhs is repayable in 12 quarterly installment upto February 2015.</p>		
	125.00	62.50
<p>E) Standard Chartered Bank Term Loan of ₹ 250 lakhs</p> <p>Indian Rupee loan from bank carries interest @ 13.50 % p.a. The loan is repayable in 16 quarterly installments of ₹ 15.625 lakhs each along with interest. The loan is secured by</p> <p>a) First & Exclusive charge on Plant and Machinery situated at Rohtak, Haryana.</p> <p>b) First and Exclusive charge on Factory Land & Building located at Rohtak, Haryana.</p> <p>The above loan amount of ₹ 250 lakhs is repayable in 16 quarterly installments upto February 2016.</p>		
	187.50	62.50
<p>F) Standard Chartered Bank (ECB) of ₹ 11.96 Crores (USD 2.30 Million)</p> <p>Foreign currency loan carries interest @ LIBOR plus 300 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly installment of USD 143750 @ 52 i.e. ₹ 74,75,000/- 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.</p> <p>The above loan amount of ₹ 1196.00 lakhs is repayable in 16 quarterly installments upto November 2016.</p>		
	1,121.25	74.75
<p>G) Deposits from shareholders, directors, relatives and associate carry interest @ 10.50% to 11 % p.a. and are repayable after 1-3 years from the date of deposit.</p>		
	582.78	603.17
<p>H) Kotak Mahindra Bank Ltd. Loan of ₹ 371 lakhs</p> <p>Indian Rupee loan from bank carries interest @ 11.50 % p.a. The loan is repayable in monthly installments of ₹ 9.51 lakhs along with interest. The loan is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.</p> <p>Out of the total loan of ₹ 371 lakhs the Company has already repaid ₹ 57.08 lakhs till 31st March 2012 and the balance amount of ₹ 313.92 lakhs is repayable in 33 monthly installments up to December 2014.</p>		
	199.77	114.15

(₹ in lakhs)

	Non-Current	Current
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 first and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower.		
d) Corporate Guarantee of Hitech Plast Limited.		
I) Kotak Mahindra Bank Ltd. Loan of ₹ 129 lakhs		
Indian Rupee loan from bank carries interest @ 11.50 % p.a. The loan is repayable in monthly installments of ₹ 3.31 lakhs along with interest. The loan is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
Out of the total loan of ₹ 129 lakhs the Company has already repaid ₹ 19.85 lakhs till 31st March 2012 and the balance amount of ₹ 109.15 lakhs is repayable in 33 monthly installments up to December 2014.	69.46	39.69
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 first and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower.		
d) Corporate Guarantee of Hitech Plast Limited.		
J) Kotak Mahindra Bank Ltd. loan of ₹ 500 lakhs		
Indian Rupee loan from bank carries interest @ 12.50 % p.a. The loan is repayable in monthly installments of ₹ 12.82 lakhs along with interest. The loan is secured by first and exclusive hypothecation charge on all existing and future current assets of the Borrower.		
Out of the total loan of ₹ 500 lakhs the Company has already repaid ₹ 76.92 lakhs till 31st March 2012 and the balance amount of ₹ 423.08 lakhs is repayable in 33 monthly installments up to December 2014.	269.23	153.85
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 first and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower.		
d) Corporate Guarantee of Hitech Plast Limited.		

	Non-Current	Current
K) Kotak Mahindra Bank Ltd. Loan of ₹ 277 lakhs		
Indian Rupee loan from bank carries interest @ 13.75 % p.a. The loan is repayable in monthly installments ₹ 5.77 lakhs along with interest. The loan is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.		
Out of the total loan of ₹ 277 lakhs the Company has already repaid ₹ 207.72 lakhs till 31st March 2012 and the balance amount of ₹ 69.28 lakhs is repayable in 12 monthly installments up to March 2013.	—	69.28
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 first and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower.		
d) Corporate Guarantee of Hitech Plast Limited.		

L) Kotak Mahindra Bank Ltd. loan of ₹ 500 lakhs

Indian Rupee loan from bank carries interest @ 12.50 % p.a. The loan is repayable in monthly installments of ₹ 12.82 lakhs along with interest. The loan is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets of the borrower.

Out of the total loan of ₹ 500 lakhs the Company has already repaid ₹ Nil till 31st March 2012 and the balance amount of ₹ 500 lakhs is repayable in 39 monthly installments up to March 2016.

- | | | |
|---|--------|-------|
| | 461.54 | 38.46 |
| 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 first and exclusive charge on the immovable properties being land and building situated at Sitarganj and Naroли (new unit) belonging to the Borrower. | | |
| d) Corporate Guarantee of Hitech Plast Limited. | | |

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 2012 are as follows:

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
Deferred tax liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(711.69)	(630.19)
Total deferred tax liabilities	(711.69)	(630.19)
Deferred tax asset		
Carry forward business losses and unabsorbed depreciation	83.33	—
Impact of expenditure charged to the statement of Profit and Loss in the current year but allowed for tax purpose on payment basis	85.14	48.39
Provision for doubtful debts	23.92	20.66
Total deferred tax assets	192.39	69.05
Net Deferred tax asset/(liability)	(519.30)	(561.14)
Net Deferred Tax Benefit/(Expenses) for the year	41.84	(68.80)

	(₹ in lakhs)			
7. PROVISIONS	Long Term		Short Term	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Provision for Gratuity (Refer Note 27)	—	—	79.99	0.21
Provision for leave benefits	78.12	69.03	34.36	17.36
Other Provisions				
Proposed equity dividend	—	—	210.81	210.81
Provision for Income tax on proposed dividend	—	—	34.20	34.20
	78.12	69.03	359.36	262.58

	(₹ in lakhs)	
8. SHORT-TERM BORROWINGS	As at 31.03.2012	As at 31.03.2011
a) Loan repayable on demand from Banks ^		
Secured		
Cash credits from Banks	4,760.68	3,930.23
Loan from banks repayable on demand	883.00	1,400.00
Short term loan from bank	—	692.48
Unsecured		
Short term loan from bank	191.50	—
b) Loans and Advances from related parties	1,000.00	—
TOTAL	6,835.18	6,022.71

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

Short Term Loan borrowings from banks and Cash Credit Accounts are secured by hypothecation of inventories, book debts and other current assets. Cash Credit is repayable on demand and carries interest @10.50% to 15%p.a.

(₹ in lakhs)

9. TRADE PAYABLES	As at 31.03.2012	As at 31.03.2011
Trade Payables (Including Acceptances) (Refer Note 34 for details of dues to Micro, Small and Medium Enterprises)	1,430.48	1,742.58
	1,430.48	1,742.58

(₹ in lakhs)

10. OTHER CURRENT LIABILITIES	As at 31.03.2012	As at 31.03.2011
Other liabilities		
Current maturities of Long term borrowings (Refer Note 5)	1,469.48	1,450.12
Interest accrued but not due on borrowings	76.66	53.46
Advance from Customers (Credit Balance in Debtors Accounts)	56.82	298.05
Investor Education and Protection Fund #		
- Unpaid Dividend	10.58	8.17
Others Payables		
Statutory Payable -		
- Payable towards Cst & Vat	44.01	52.98
- Payable towards Excise & Service Tax	70.05	86.97
- Payable towards TDS under Income Tax	35.62	30.01
- Payable towards Provident Fund Payable, Professional Tax & ESIC	2.03	8.43
Payable to Employees	121.77	144.03
Provision for Other Expenses	283.13	454.42
Others	22.81	14.89
	2,192.96	2,601.53

There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March 2012. These amounts shall be paid to the Fund as and when they become due.

11. FIXED ASSETS

(₹ In lakhs)

	Gross Block				Depreciation				Net Block	
	As at 01.04.11	Additions during the Year	Deductions /adjustments	As at 31.03.12	As at 01.04.11	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.12	As at 31.03.12	As at 31.03.11
A. Tangible Assets :										
Freehold Land	1,666.95	55.64	—	1,722.59	—	—	—	—	1,722.59	1,666.95
Leasehold Land	358.02	4.78	18.58	344.22	10.62	4.02	0.41	14.23	329.99	347.40
Buildings	3,696.31	1,083.27	32.80	4,746.78	1,314.62	290.85	8.45	1,597.02	3,149.76	2,381.69
Moulds	1,897.00	304.64	12.92	2,188.72	1,479.38	211.60	34.83	1,656.15	532.57	417.62
Plant & Machinery	9,772.32	1,567.39	17.70	11,322.01	4,101.95	913.06	(18.92)	5,033.93	6,288.08	5,670.37
Furniture	281.32	14.22	—	295.54	127.12	22.63	—	149.75	145.79	154.20
Leasehold Improvements	65.87	3.15	—	69.02	9.78	15.00	—	24.78	44.24	56.09
Computers	170.35	12.76	—	183.11	101.02	20.37	—	121.39	61.72	69.33
Office Equipment	162.65	17.35	—	180.00	75.45	12.75	—	88.20	91.80	87.20
Vehicles	211.70	0.61	1.60	210.71	137.14	20.84	0.32	157.66	53.05	74.56
TOTAL	18,282.49	3,063.81	83.60	21,262.70	7,357.08	1,511.12	25.09	8,843.11	12,419.59	10,925.41
B. Intangible Assets :										
Software	121.83	15.87	—	137.70	83.13	25.71	—	108.84	28.86	38.70
Patent	3.37	—	—	3.37	2.38	0.74	—	3.12	0.25	0.99
TOTAL	125.20	15.87	—	141.07	85.51	26.45	—	111.96	29.11	39.69
TOTAL (A+B)	18,407.69	3,079.68	83.60	21,403.77	7,442.59	1,537.57	25.09	8,955.07	12,448.70	10,965.10
Previous Year	13,898.93	5,180.87	672.11	18,407.69	6,313.53	1,262.53	133.47	7,442.59	10,965.10	

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March 2012 was ₹ 18.83 lakhs (31st March 2011 : ₹ Nil). The Company capitalized this borrowing cost in the capital work-in-progress (CWIP). The amount of borrowing cost as other adjustments in the above note reflects the amount of borrowing cost transferred to CWIP.

Land includes land held on leasehold basis:

Gross block ₹ 344.22 lakhs (31st March 2011: ₹ 358.02 lakhs) Depreciation charge for the year ₹ 4.03 lakhs (31st March 2011: ₹ 3.41 lakhs) Accumulated depreciation ₹ 14.23 lakhs (31st March 2011: ₹ 10.62 lakhs) Net book value ₹ 329.99 lakhs (31st March 2011: ₹ 347.40 lakhs).

(₹ in lakhs)

12. NON-CURRENT INVESTMENTS	As at 31.03.2012	As at 31.03.2011
Trade Investments (At Cost)		
Unquoted equity investments		
11,000 (31st March 2011 : 11,000) Equity Shares of ₹ 100/- each fully paid in HO Plast Pvt Ltd	11.00	11.00

(₹ in lakhs)

13. LOANS AND ADVANCES	Non-Current		Current	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Unsecured, considered good				
Capital Advances	767.12	292.74	—	—
Security Deposits	326.10	271.88	—	—
Other Loans and Advances				
Advance Income-tax (net of provision for taxation)	—	—	399.65	299.11
Advances recoverable in cash or kind	—	—	104.55	137.70
Prepaid Expenses	—	—	36.19	55.27
Loans to Employees	—	—	8.09	9.68
Balances with Government authorities	1.72	—	476.26	439.07
	1,094.94	564.62	1,024.74	940.83

(₹ in lakhs)

14. INVENTORIES (Valued at Lower of Cost and Net realizable value)	As at 31.03.2012	As at 31.03.2011
Raw materials	1,841.93	2,288.18
Raw materials-in-transit	3.51	15.95
	1,845.44	2,304.13
Packing Materials	101.56	125.15
Finished Goods	794.76	992.94
Work-in-progress	1,061.37	811.24
Consumables, Stores and spares	16.11	6.87
	3,819.24	4,240.33

(₹ in lakhs)

15. TRADE RECEIVABLES	As at 31.03.2012	As at 31.03.2011
Unsecured		
(a) Overdue for more than six months from the due date of bills		
Considered good	284.37	1,315.55
Considered doubtful	73.72	63.66
	358.09	1,379.21
(b) Others		
Considered good	5,952.70	4,464.11
Considered doubtful	—	—
	5,952.70	4,464.11
	6,310.79	5,843.32
Less : Provision for doubtful trade receivables	73.72	63.66
	6,237.07	5,779.66

(₹ in lakhs)

16. CASH AND BANK BALANCES	As at 31.03.2012	As at 31.03.2011
A. Cash and Cash Equivalents		
a. Balances with banks		
-On current accounts	135.21	242.56
-Bank Deposits (with original maturity for < 12 months but > 3 months)	544.00	45.40
-Bank Deposits for Guarantees ©	22.36	18.61
-Bank Deposits (with original maturity for >12 months) ©	125.70	226.85
b. Cash on hand	8.72	6.70
B. Other Bank balances		
-Margin Money Deposit	12.27	20.79
-Unpaid Dividend accounts	10.58	8.17
	858.84	569.08

© Bank Term Deposits given as security

Bank Term deposits, with a carrying amount of ₹ 93.80 lakhs (31st March 2011: ₹ 85.04 lakhs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

(₹ in lakhs)

17. OTHER CURRENT ASSETS	As at 31.03.2012	As at 31.03.2011
Interest accrued on loans but not due	25.42	22.52
Period end quantity discount receivable	110.15	89.51
Insurance receivable	28.36	1.35
	163.93	113.38

(₹ in lakhs)

18. REVENUE FROM OPERATIONS	Year 2011-12	Year 2010-11
Sale of Products	41,575.79	37,244.47
Sale of Services	200.58	159.02
Other operating revenue		
- Scrap Sales	41.29	43.26
- Others	65.78	56.08
Revenue from Operations (Gross)	41,883.44	37,502.83
Less: excise duty (#)	3,321.44	3,014.36
Revenue from Operations (Net)	38,562.00	34,488.47

Excise duty on sales amounting to ₹ 3,321.44 lakhs (31 March 2011: ₹ 3,014.36 lakhs) has been reduced from sales in statement of profit and loss and excise duty on increase/decrease in stock amounting to ₹ (20.11) lakhs (31 March 2011: ₹ 40.04 lakhs) has been considered (income)/expense in Note 20 of financial statements.

(₹ in lakhs)

19. OTHER INCOME	Year 2011-12	Year 2010-11
Interest Income on		
- Bank Deposits	22.87	16.81
- Income Tax Refund	0.14	3.18
- Others	12.18	1.50
	35.19	21.49
Insurance Claim Received	21.70	—
Exchange difference (Net)	—	14.14
Sundry Balance (Net) Written Back	27.33	25.01
Profit on sales of Tangible/Intangible Assets	34.04	26.22
Miscellaneous Income	8.28	29.20
	126.54	116.06

(₹ in lakhs)

20. COST OF MATERIALS CONSUMED	Year 2011-12	Year 2010-11
Raw Materials Consumed		
Opening Stock	2,304.13	1,505.40
Add: Purchases	22,459.20	21,545.06
	24,763.33	23,050.45
Less: Closing Stock	1,845.44	2,304.13
	22,917.89	20,746.32
Packing Materials Consumed		
Opening Stock	125.15	101.76
Add: Purchases	1,723.14	1,529.46
	1,848.29	1,639.22
Less: Closing Stock	101.56	125.15
	1,746.73	1,506.07
Total Cost of Materials Consumed	24,664.62	22,252.39
Changes in Inventories of Finished Goods and Work-in-Progress		
Inventories at the beginning of the year		
Finished Goods	992.94	563.33
Work-in-Progress	811.25	555.40
	1,804.18	1,118.73
Inventories at the end of the year		
Finished Goods	794.76	992.94
Work-in-Progress	1061.37	811.24
	1,856.13	1,804.18
Changes in Inventories	(51.95)	(685.45)
(Increase)/decrease in excise duty on Finished Goods	(20.11)	40.04
Changes in Inventories of Finished Goods and Work-in-Progress	(72.06)	(645.41)

(₹ in lakhs)

21. EMPLOYEE BENEFITS EXPENSE	Year 2011-12	Year 2010-11
Salaries, wages and benefits	1,990.11	1,672.26
Contribution to Provident Fund	125.17	102.07
Defined Benefit Plan – Gratuity (Note 27)	150.51	41.49
Staff welfare expenses	191.94	151.91
	2,457.73	1,967.73

(₹ in lakhs)

22. MANUFACTURING EXPENSES	Year 2011-12	Year 2010-11
Processing Charges	864.53	1,017.99
Water, Power and Fuel	1,917.41	1,619.85
Materials Handling Charges	1,434.98	1,084.50
Stores and Spares consumed	159.47	205.20
Repairs and Maintenance		
- to Building	42.62	46.56
- to Plant and Machineries	278.33	242.33
- Other Assets	69.62	72.81
	4,766.96	4,289.25

(₹ in lakhs)

23. OTHER EXPENSES	Year 2011-12	Year 2010-11
Freight and Handling Charges	854.57	808.97
Rent	277.97	241.46
Rates and Taxes	15.54	29.39
Insurance	24.28	18.07
Security Charges	125.98	106.17
House-Keeping Expenses	24.65	25.97
Printing and Stationery	39.51	39.16
Postage and Telephone	65.96	65.20
Travelling and Conveyance	179.14	151.90
Directors' sitting fees	5.11	6.28
Payment to Auditors (Refer details below)	35.40	34.19
Commission to non-executive directors	7.10	8.15
Provision for doubtful debts	24.00	12.36
Bad debts written off	1.53	1.86
Rebate & Discount	4.80	13.75
Management Fees	169.50	135.00
Legal and Professional Fees	111.75	129.29
Foreign Exchange Difference (Net)	41.58	—
Advertising and Sales Promotion	41.48	48.17
Miscellaneous expenses	122.06	114.44
	2,171.91	1,989.79

Payment to Auditors

(₹ in lakhs)

	Year 2011-12	Year 2010-11
As Auditor:		
- Audit Fees	21.00	21.00
- Tax Audit Fees	3.00	3.00
- Corporate Governance	1.00	0.50
- Other services	10.15	8.25
Reimbursement of Expenses	0.25	1.44
	35.40	34.19

(₹ in lakhs)

24. DEPRECIATION AND AMORTIZATION EXPENSE	Year 2011-12	Year 2010-11
Depreciation on tangible assets	1,507.10	1,229.16
Amortization of leasehold land	4.03	3.41
Amortization of intangible assets	26.45	29.96
	1,537.57	1,262.53

(₹ in lakhs)

25. FINANCE COSTS	Year 2011-12	Year 2010-11
Interest		
- on term loans	323.50	267.11
- on Cash credit and short term borrowings	786.74	438.42
- on Fixed Deposits	121.95	111.98
Bill Discounting Charges	439.30	314.72
Bank Charges	75.72	108.62
Net loss on foreign currency transaction (Buyers credit)	3.92	—
	1,751.13	1,240.85

26. EARNINGS PER SHARE (EPS)

EPS reflects the profit and share data used in the basic and diluted EPS computations:

	Year 2011-12	Year 2010-11
Total operations for the year		
Profit after tax (₹ in lakhs)	1,063.78	1,441.63
Weighted average number of equity shares outstanding (Nos.)	1,31,75,700	1,31,75,700
Basic and Diluted Earning Per Share (face value ₹ 10/- per share)	8.07	10.94

27. GRATUITY AND OTHER EMPLOYEE BENEFITS**(1) Short term employee benefits:**

The liability towards short term employee benefits for the year ended 31st March 2012 has been recognised in the statement of Profit and Loss.

(2) Post employee benefits:

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

(₹ in lakhs)

Particulars	Gratuity (Funded Plan) 2011-2012	Gratuity (Funded Plan) 2010-2011
Amount recognised in Balance Sheet		
Present value of funded obligations	334.25	197.60
Fair Value of Plan Assets	254.26	197.38
Present value of unfunded obligations	—	—
Unrecognised past service cost	—	—
Amount not recognised as an asset, because of the limit in Para 50(b) of AS -15	—	—
Net Liability/(Asset)	79.99	0.21
Amounts in Balance Sheet		
Liability	79.99	0.21
Assets	—	—
Net Liability/(Asset)	79.99	0.21
Amount recognised in the statement of Profit & Loss		
Opening defined benefit obligation less benefit paid	—	—
Current service cost	28.67	24.41
Interest on defined benefit obligation	16.30	13.98
Expected return on plan assets	(16.07)	(14.74)
Net actuarial losses/(gains) recognized in year	121.71	6.36
Past Service Cost	—	10.68
Effect of the limit in Para 59(b) of AS 15 (Revised)	—	—
Losses / (gains) on 'Curtailements and Settlements'	—	—
Total, included in 'Employee Benefit Expense'	150.61	40.69
Actual return on plan assets	3.65	10.76
Reconciliation of benefit obligations and plan assets for the period:		
Change in defined benefit obligation :		
Opening defined benefit obligation as at 1st April	197.60	153.89
Current Service Cost	28.67	24.41
Interest Cost	16.30	13.98
Actuarial (Gain)/Loss on obligations	125.27	2.92
Past Service Cost	—	10.68
Liabilities extinguished on curtailment	—	—
Liabilities extinguished on settlement	—	—
Liabilities assumed on acquisition	—	—
Exchange difference on foreign plans	—	—
Benefits Paid	(33.59)	(8.27)
Closing defined benefit obligation as at 31st March	334.25	197.61

(₹ in lakhs)

Particulars	Gratuity (Funded Plan) 2011-2012	Gratuity (Funded Plan) 2010-2011
Change in fair value of assets :		
Opening fair value of plan assets as at 1st April	197.39	149.21
Expected return on Plan Assets	16.07	14.74
Actuarial Gain/(Loss)	3.65	(3.88)
Assets distributed on settlements	—	—
Contributions by employer	70.75	45.59
Assets acquired due to acquisition	—	—
Exchange difference on foreign plans	—	—
Benefits Paid	(33.59)	7.05
Closing Fair Value of Plan Assets as at 31st March	254.27	212.71
Investment Details (Assets information) :		
Government of India 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)	8.38%	8.25%
Estimated Rate of return on Plan Assets (per annum)	8.30%	8.13%
Rate of Escalation in Salary (per annum)	8.00%	5.75%

Notes:—

- a) 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.
- b) The Company estimates that the amount to be contributed to the Gratuity fund for the financial year 2011-2012 will be ₹ 79.99 lakhs (31st March 2011: ₹ 0.21 lakhs)
- 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) 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 2012, based on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to ₹ 44.02 lakhs (31st March 2011: ₹ 30.34 lakhs) has been recognised in the statement of Profit and Loss.

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

- The Company has taken certain assets such as cars on an operating lease basis, the lease rentals are payable by the Company on a monthly basis.
- Future minimum lease rentals payable as at 31st March 2012 as per the lease agreements:

	(₹ in lakhs)	
	As at 31.03.2012	As at 31.03.2011
Not later than one year	36.14	26.12
Later than one year but not more than five years	63.38	45.27
Later than five years	—	—
Total	99.52	71.39

Lease payments recognised in the statement of profit and loss for the year are ₹ 37.16 lakhs (31st March 2011: ₹ 29.58 lakhs).

29. Segment information:

As the Company's business activity falls within a single primary business segment viz., "Plastic Containers", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", as prescribed in the Companies (Accounting Standards) Rules, 2006, is not applicable. As on 31st March 2012, the capital employed in the reportable segment was ₹ 23,409.19 lakhs (31st March 2011: ₹ 20,390.88 lakhs).

30. Related Party disclosures:

Information on related party transactions as required by Accounting Standard – 18 on Related Party Disclosures for the year ended 31st March 2012.

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

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 lakhs)	
	Year 2011-12	Year 2010-11
Sale of Goods		
Asian Paints Limited	16,417.51	14,729.54
Purchase of Goods	Nil	Nil
Service provided	Nil	Nil
Services received	Nil	Nil

1. Relationship:

- | | |
|--|--|
| <p>(i) Holding Company:
Geetanjali Trading and Investments Pvt. Ltd.</p> | <p>(ii) Fellow Subsidiaries:
Coatings Specialities (India) Ltd.
Rangudyan Insurance Broking Services Ltd.</p> |
| <p>(iii) Key Management Person:
Mr. Ashok K. Goyal (Managing Director)
Mr. Malav A. Dani (Promotor Director)
(Joint Managing Director w.e.f.05.08.2011)
Mr. Harshad B. Desai (Up to 31.01.2012) *
Mr. Neeraj Munjal (Up to 31.07.2011) *
Mr. Rajiv Gandhe (w.e.f. 01.08.2011) *
* Executive Director</p> | <p>(iv) Promoter Directors
Mr. Ashwin S. Dani
Mr. Jalaj A. Dani
Mr. Hasit A. Dani
Mrs. Ina A. Dani</p> |
| <p>(v) Companies controlled by Directors /
Relatives of Directors:
Gujarat Organics Ltd.
SC Dani Research Foundation Pvt. Ltd.
Suryakant Paint Accessories Pvt. Ltd.
Asian Paints Ltd.
Resins & Plastics Ltd.
Pragati Chemicals Ltd.</p> | <p>(vi) Employee Benefit fund where control exists :
Hitech Plast Employee's Gratuity Trust
Clear Plastics Employee's Gratuity Trust</p> |

2. Related Party Transactions for the years 2011-12 and 2010-11:

(₹ in lakhs)

Particulars	Fellow subsidiary		Key Management Personnel	
	2011-12	2010-11	2011-12	2010-11
Services Received - Coatings Specialities (I) Ltd.	169.50	135.00		
Services Provided - Coatings Specialities (I) Ltd.	—	0.03		
Interest Paid - Rangudyan Insurance Broking Services Ltd.	—	0.13		
Rent Paid - Coatings Specialities (I) Ltd.	26.30	26.30		
Managerial Remuneration - (a)			174.43	151.03
Inter Corporate Deposits Paid - Rangudyan Insurance Broking Services Ltd.	—	20.00		

- (a) Amount paid to Mr. Ashok K. Goyal - Managing Director, Mr. Harshad B. Desai, Mr. Neeraj Munjal & Mr. Rajiv Gandhe - Executive Directors

(₹ in lakhs)

Particulars	Promoter Directors of the Company		Companies over which Directors have controlling interest		Employee benefit plans where control exists	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Sales to Asian Paints			16,417.51	14,729.54		
Balance Receivable			701.32	727.78		
Sitting Fees	1.96	2.05				
Commission	3.00	3.00				
Reimbursement of Expenses to Advisor	5.00	5.67				
Managerial Remuneration – (b)	20.84	—				
Inter Corporate Deposit Received #			1,500.00	—		
Inter Corporate Deposit Paid #			500.00	—		
Inter Corporate Deposit Balance #			1,000.00	—		
Interest Paid #			43.34	—		
Contribution During the year					70.75	45.92
Amount Payable					79.99	0.21

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

Geetanjali Trading and Investments Pvt. Ltd., Holding Company

31. Contingent Liabilities and Commitments

(₹ in lakhs)

a) Contingent Liabilities:	As at 31.03.2012	As at 31.03.2011
1) Claims against the Company not acknowledged as debts:		
- Tax matters in dispute under appeal	386.59	266.76
2) Corporate guarantee issued by the Company to certain bank on behalf of its subsidiary	4,803.00	4,803.00
3) Bills of exchange discounted with banks (since realized ₹ 3,244.92 lakhs, (31st March 2011: ₹ 2,339.99 lakhs))	3,621.47	3,773.43

The claims against the Company comprise:

Income tax demand comprises of demand from the tax authorities for payment of additional tax of ₹ 320.55 lakhs (31 March 2011: ₹ 266.76 lakhs), upon completion of their tax review for the financial years 2002-03 to 2003-04, 2007-08 to 2009-10. 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 lakhs)

b) Commitments:	As at 31.03.2012	As at 31.03.2011
1) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,429.31	891.86
2) Letters of Credit and Bank guarantees issued by bankers and outstanding as on 31st March 2012.	372.60	638.38
3) For commitments relating to lease arrangements, please refer to Note 28.		

- 4) The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. The following is the position on foreign currency exposure:

The forward exchange contract outstanding as at 31st March 2012 is as under :

As at 31.03.2012				As at 31.03.2011			
Currency	Number of Contracts	Amount	INR (₹ in lakhs)	Currency	Number of Contracts	Amount	INR (₹ in lakhs)
USD	3	4,37,545	231.95	USD	16	16,92,750	787.61

The foreign currency exposure not hedged as at 31st March 2012 are as under :

As at 31.03.2012			As at 31.03.2011		
Currency	Amount	INR (₹ in lakhs)	Currency	Amount	INR (₹ in lakhs)
GBP	-	-	GBP	2,167	1.61
USD	-	-	USD	8,98,060	406.13

The foreign currency receivables as at 31st March 2012 is as under:

As at 31.03.2012			As at 31.03.2011		
Currency	Amount	INR (₹ in lakhs)	Currency	Amount	INR (₹ in lakhs)
USD	3,78,407	196.20	USD	86,599	38.97

32. Subsidiaries

Name of the Subsidiaries	% of Voting power	Financial Year
Clear Mipak Packaging Solutions Limited	60%	31st March 2012

33. Principles of Consolidation:

- a. The consolidated financial statements are based on audited financial statements of subsidiaries.
- b. The financial statements of the parent company and its subsidiary have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All significant intra group balances and transactions have been eliminated in consolidation.
- c. Goodwill is tested for impairment every year.
- d. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and over events in similar transactions and are presented to the extent possible, in the same manner as the parent company's financial statement.
- e. Minority Interest in the net income and net assets of the consolidated financial statements are computed and shown separately.

34. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

	(₹ in lakhs)	
	31.03.2012	31.03.2011
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year	146.50	221.70
(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

35. Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956

(₹ in lakhs)

1	Name of the subsidiary	Clear Mipak Packaging Solutions Limited
2	Financial year of the subsidiary	31st March 2012
3	Shares of the subsidiary held by Hitech Plast Limited on the above date	
	a) Number of shares and face value	26,83,020 Equity Shares of Rs.10/- each
	b) Extent of holding	60%
4	Net aggregate amount of profit/(loss) of the Subsidiary so far as they concern the members of Hitech Plast Limited	
	a) Dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2012	Nil
	b) Not dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2012	(34.61)
5	Net aggregate amount of profit/(loss) for previous financial years of the subsidiary since it became a subsidiary so far as they concern the members of Hitech Plast Limited	
	a) Dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2012	Nil
	b) Not dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2012	770.31

36. The previous year's figures have been re-grouped / re-classified to conform to this year's classification which is as per Revised Schedule VI. This adoption does not impact recognition and measurement principles followed for preparation of financial statements as at 31st March 2011.

Signatures to Notes to Consolidated Financial Statement

As per our report of even date

On behalf of the Board of Directors

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashwin S. Dani
Chairman

Rameshchandra S. Gandhi
Director &
Chairman of Audit Committee

Ashish Shah
Partner
Membership No.103750
Mumbai
18th June 2012

Ashok K. Goyal
Managing Director

Malav A. Dani
Joint Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

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

Name of the Subsidiary Company : Clear Mipak Packaging Solutions Limited

(₹ in lakhs)

Sr. No	Particulars	Year 2011-12	Year 2010-11
1	Capital	447.17	447.17
2	Reserves	6,513.36	6,541.04
3	Total Liabilities	13,280.22	12,362.75
4	Total Assets	13,280.22	12,362.75
5	Investment (other than Subsidiaries)	11.00	11.00
6	Turnover	15,474.51	14,146.55
7	PBT	(71.39)	630.33
8	Tax Provision	(13.71)	203.16
9	PAT	(57.68)	427.17

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

AGM NOTICE

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 endeavours to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance.

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

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

Board of Directors (Board):

A. Composition:

As on 31st March 2012, the Board comprised of Twelve (12) members, One (1) of whom is the Managing Director, One (1) Joint Managing Director, Four (4) Promoter Directors (including Non-Executive Chairman) and Six (6) Independent Directors, of which Two (2) are Non-Resident. The Chairman of the Company is also Promoter of the Company and hence, the Company meets the stipulated requirement of having at least one-half of the Board as Independent Directors. All the Directors, except the Managing Director and the Joint Managing Director, are liable to retire by rotation and at least one third of the Directors are liable to retire by rotation, and are also eligible for re-election. On 16th April 2012, one of the Promoter Directors has resigned. The details of the Directors being appointed and re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Clause 49(IV)(G) of the Listing Agreement, are mentioned in the Notice to the Annual General Meeting, forming part of the Report.

Number of Board Meetings:

During the financial year ended 31st March 2012, Six (6) 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 were as follows:

Date(s) on which the meeting(s) were held:

28th May 2011 (10.00 a.m.)	4th August 2011
28th May 2011 (4.00 p.m.)	5th November 2011
30th July 2011	4th February 2012

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

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

Composition, nature of Directorship, the number of meetings attended and the Directorships in other Companies, of the Board of Directors as on 31st March 2012:

Name of the Director	Category	Nature of Directorship	Date of joining the Board	Attendance		Directorships in other companies #	Membership and Chairmanship of the Committee of the Board of other companies ##	
				At the Board Meetings	At the last AGM		Committee Member	Committee Chairman
Mr. Ashwin Dani	PD	Chairman	13.01.1992	6	Yes	7	2	1
Mr. R. B. Desai	NED (2)	Director	31.03.1994	—	No	—	—	—
Mr. R S. Gandhi	NED (1)	Director	31.01.2005	4	Yes	1	—	—
Mr. Ranjan Kapur	NED (1)	Director	29.07.2006	6	Yes	4	3	2
Mr. Harish Motiwalla	NED (1)	Director	10.12.2004	6	Yes	6	4	3
Mr. Jalaj Dani	PD	Director	12.09.1994	6	Yes	4	—	—
Mr. Hasit Dani ~	PD	Director	27.05.2000	6	Yes	2	—	—
Mr. Malav Dani @	PD	Joint Managing Director	01.02.2008	4	Yes	2	—	—
Mrs. Ina Dani	PD	Director	30.01.2010	6	Yes	3	—	—
Mr. Ashwin Nagarwadia	NED (2)	Director	31.01.2009	4	Yes	3	—	—
Mr. Somasekhar Sundaresan	NED (1)	Director	28.09.2010	—	No	—	—	—
Mr. Ashok K. Goyal*	MD	Managing Director	31.05.1997	4	Yes	2	—	—

NOTE: PD – Promoter Director, NED - Non-Executive Director, NED (1) - Non-Executive Director - Independent, NED (2) – Non-Executive Director – Independent – Non-Resident, MD – Managing Director.

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

* - 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. Malav A. Dani was appointed as the Joint Managing Director with effect from 5th August 2011.

Excludes Directorship in Hitech Plast Limited, Alternate Directorships, Section 25 Company and Directorship of Foreign Companies and Private Companies. As per the disclosure(s) received from the Directors, the Directors do not hold directorships in more than 15 Companies.

- For the purpose of considering the limit of the Committee Membership and Chairmanships of a Director, the Membership and Chairmanship of the Committee of Hitech Plast Limited has been excluded and only the Audit Committee and the Shareholders'/Investors Grievance Committee of public limited companies alone has been considered.

B. Board Procedures:

Before each meeting, the Company sends to the Board of Directors, Agenda for the meeting, alongwith comprehensive notes and information which are material for facilitating effective discussion and decision making at their meetings. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Senior Management of the Company, which includes Managing Director, Joint Managing Director & CFO 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 Board has access to all the information of the Company including the following information as specified in IA to the Clause 49 of the Listing Agreements. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions promptly.

Following information *inter-alia* is supplied to the Board on a periodical basis:

- 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 problems;
- h) Any materially relevant defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- i) Any issue which involves possible public or product liability claims of a substantial nature;
- j) Details of any joint venture or collaboration agreement;
- k) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- l) Significant labour problems and their proposed solutions;
- m) Significant initiatives and developments on the human resource and industrial relations fronts;
- n) Sale of a material nature of investments, subsidiaries and assets, which are not in the normal course of business;
- o) Investment of funds of the Company;
- p) Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement;
- q) Status on legal cases, proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- r) Approval 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.

C. Committees of the Board:

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

1. Audit Committee:

Composition and terms of reference:

The Audit Committee comprises of Three (3) Independent Directors. The members of the Audit Committee are Mr. Rameshchandra Gandhi (Chairman), Mr. Harish Motiwalla and Mr. Ranjan Kapur, all of whom are financially literate, and two members, viz; Mr. Rameshchandra S. Gandhi and Mr. Harish N. Motiwalla have accounting or related financial management expertise.

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

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 2012 are as follows:

Date (s) on which the meeting(s) were held.

27th May 2011	5th November 2011
29th July 2011	4th February 2012

Attendance details of the members during the financial year 2011-2012

Name	Meeting Details	
	Held during the year	Attended
Mr. Rameshchandra S. Gandhi	4	3
Mr. Harish N. Motiwalla	4	4
Mr. Ranjan M. Kapur	4	4

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
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, the quarterly financial statements, standalone as well as consolidated before submission to the Board for approval.
5. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or 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 auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. Reviewing reports furnished by the internal auditors and statutory auditors and ensuring suitable follow up thereon.
13. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
15. Reviewing with the Management and the Statutory Auditors anticipated changes in the Accounting Standards.
16. Reviewing the statements of significant related party transactions, the financial statements and investments made by the unlisted subsidiary companies; and
17. Any other matter referred to by the Board of Directors.

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

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

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

2. Remuneration Committee:

Composition and terms of reference:

The Remuneration Committee comprises of four (4) Independent Directors, which is responsible for determining and recommending to the Board, the remuneration payable to the Managing Director and Joint Managing Director of the Company.

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

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

The Members of the Committee are Mr. Rameshchandra S. Gandhi (Chairman), Mr. Harish N. Motiwalla, Mr. Ashwin R. Nagarwadia and Mr. Ranjan M. Kapur. The Committee was reconstituted on 30th August 2011 with the appointment of Mr. Ranjan M. Kapur as an additional Member to the existing Committee.

The details as to the date(s) on which the meetings were held and the attendance details of the members of the Remuneration Committee during the financial year ended 31st March 2012 are as follows:

Date (s) on which the meeting(s) were held.

27th May 2011

2nd September 2011

4th February 2012

Attendance details of the members during the financial year 2011-2012

Name	Meeting Details	
	Held during the year	Attended
Mr. Rameshchandra S. Gandhi	3	2
Mr. Harish N. Motiwalla	3	3
Mr. Ashwin R. Nagarwadia	3	1
Mr. Ranjan M. Kapur	3	2

Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary acts as the Secretary to the Committee.

Remuneration Policy:

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

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

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

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

Managing Director:

The remuneration payable to the Managing Director of the Company is recommended by the Remuneration Committee to the Board. The criteria adopted by the Committee to determine the remuneration of the Managing Director is the performance of the Company and the industry benchmarks. The Company has entered into agreements with the Managing Director of the Company, which are approved by the Board of Directors as well as the Shareholders of the Company, detailing the terms of the employment and his remuneration. The agreement with the Managing Director is for a period of five years and renewed thereafter, on mutually accepted terms and conditions. The Managing Director was re-appointed on 20th July 2002. By entering into a supplemental agreement, effective 1st October 2006, the Company started payment of remuneration to Mr. Ashok K. Goyal. The Company terminated the said contract with Mr. Ashok K. Goyal on 1st April 2007 to enter into a new contract with effect from 2nd April 2007, for a period of five (5) years, so as to vary the payment of remuneration amount depending upon the performance of the Company. After the shareholders approval at the 19th Annual General Meeting held on 4th September 2010, supplemental agreement was entered into, for revising managerial remuneration, with effect from 1st April 2010. At the Board Meeting held on 4th August 2011 the contract of Mr. Ashok K. Goyal, Managing Director was extended from 2nd April 2012 till 23rd February 2016 till he reaches the age of 65 years subject to the approval of shareholders at the ensuing Annual General Meeting. At the Board Meeting held on 4th February 2012, the Company reappointed Mr. Ashok K. Goyal as the Managing Director of the Company for the period 2nd April 2012 to 23rd February 2016 on the remuneration recommended by the Remuneration Committee subject to Shareholders approval at the ensuing Annual General Meeting. The Company has executed the contract with Mr. Ashok K. Goyal as the Managing Director regarding his terms and conditions of appointment on 2nd April 2012.

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

Joint Managing Director:

At the Board Meeting held on 4th August 2011, Mr. Malav A. Dani, Director was appointed as the Joint Managing Director of the Company with effect from 5th August 2011 for a period of five (5) years subject to the approval of the shareholders at the ensuing Annual General Meeting. Primary responsibility of Mr. Malav A. Dani would be to look after the operations of the subsidiary company Clear Mipak Packaging Solutions Limited and later on get involved in all aspects of the Company's operations to improve the performance of the Company. Mr. Malav A. Dani will train under the guidance of Mr. Ashok K. Goyal to get himself acquainted with the operations of the Company so as to shoulder the responsibility effectively in future. At the Board Meeting held on 5th November 2011, the remuneration payable to Mr. Malav A. Dani was finalized subject to the approval of the Shareholders at the ensuing Annual General Meeting.

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 Joint Managing Director.

Advisor:

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

Accordingly, the Chairman is entitled to the following:

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

The amount of expenses reimbursed and value of perquisites for the year was ₹ 5.00 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 of the Companies Act, 1956 and the limits approved by the Shareholders at their meeting held on 26th September 2009. The commission payable is determined as a percentage to the profits (as determined under Section 349 and 350 of the Companies Act, 1956) of the Company.

Apart from commission, the Non-Executive Directors are also paid sitting fees of ₹ 5,000/- (Rupees five thousand only) per meeting, for attending the meeting(s) of the Board of Directors and Audit Committees and ₹ 2,000/- (Rupees two thousand only) per meeting for Remuneration Committee and the Committee of Directors. The Company has not granted any Stock Options to any of its Directors.

The table below signifies the relationship of the Directors with each other as required to be disclosed in terms of the amendment to Clause 49 of the Listing Agreements vide a circular of the Securities Exchange Board of India (SEBI) dated 8th April 2008.

Details of Remuneration paid to the Directors in 2011-12 and their relationship with each other:

(Figures in ₹)

Name of the Director	Relationship with each other	Salary	Perquisites @	Sitting Fees	Performance Linked Bonus	Commission	Total
Ashok K. Goyal	##	60,00,000	9,18,864	—	10,25,000	—	79,43,864
Ashwin Dani	Husband of Mrs. Ina Dani and Father of Mr. Jalaj Dani, Mr. Hasit Dani and Mr. Malav Dani	—	4,99,571	50,000	—	60,000	6,09,571
Ina Dani	Wife of Mr. Ashwin Dani and Mother of Mr. Jalaj Dani, Mr. Hasit Dani and Mr. Malav Dani	—	—	30,000	—	60,000	90,000
R. B. Desai	##	—	—	—	—	—	—
Rameshchandra Gandhi	##	—	—	34,000	—	1,60,000	1,94,000
Ranjan Kapur	##	—	—	54,000	—	90,000	1,44,000
Harish Motiwalla	##	—	—	56,000	—	1,00,000	1,56,000
Jalaj Dani	Son of Mr. Ashwin Dani and Mrs. Ina A Dani, Brother of Mr. Hasit Dani and Mr. Malav Dani	—	—	50,000	—	60,000	1,10,000
Hasit Dani *	Son of Mr. Ashwin Dani and Mrs. Ina A Dani, Brother of Mr. Jalaj Dani and Mr. Malav Dani	—	—	50,000	—	60,000	1,10,000
Malav Dani	Son of Mr. Ashwin Dani and Mrs. Ina A Dani, Brother of Mr. Jalaj Dani and Mr. Hasit Dani	19,22,481	1,61,664	16,000 #	—	—	27,09,716
Ashwin Nagarwadia	##	—	—	22,000	—	90,000	1,12,000
Somasekhar Sundaresan	##	—	—	—	—	30,000	30,000

Paid prior to joining as Joint Managing Director.

There is no relationship with any of the Directors.

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

* Resigned with effect from 16th April 2012.

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

The transactions with related parties are furnished under note no. 31 of the financial statements as stipulated under Accounting Standard 18 (AS-18). There are no transactions of material nature with the Promoter Directors or their relatives etc., which may have a potential conflict with the interest of the Company. Disclosures have also been received from the Directors and the Senior Managerial Personnel relating to the financial transactions in which they or their relatives may have a personal interest.

However, none of these transactions have a potential conflict with the interest of the Company. The Register of Contracts required to be maintained under Section 301 of the Companies Act, 1956, containing the contracts in which the Directors are concerned and interested is placed at the meeting of Board of Directors of the Company for their approval, noting and signature, on a periodical basis.

No pecuniary or business relationship exists between the Non-Executive Directors and the Company, except for the commission payable and sitting fees payable to the Non-Executive Directors.

Shareholding of the Executive and Non-Executive/Independent Directors of the Company as on 31st March 2012:

Name of the Director	Nature of Directorship	Number of Shares held *	Percentage to the paid-up capital *
Ashok K. Goyal	Managing Director	1,08,000	0.82
Ashwin Dani	Non-Executive Chairman – Promoter Director	1,50,095	1.14
Rajnikant Desai	Non-Executive/ Independent/ Non-Resident	—	—
Rameshchandra Gandhi	Non-Executive/ Independent	3,880	0.03
Ranjan Kapur	Non-Executive/ Independent	—	—
Harish Motiwalla	Non-Executive/ Independent	3,300	0.03
Jalaj Dani	Non-Executive/ Promoter Director	25,100	0.18
Hasit Dani #	Non-Executive/ Promoter Director	30,000	0.23
Malav Dani	Non-Executive/ 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
Somasekhar Sundaresan	Non-Executive/Independent	—	—
TOTAL		3,90,575	2.98

Resigned with effect from 16th April 2012.

* 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. Investor's Grievance and Share Transfer Committee:

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

During the financial year ended 31st March 2012, the Investor Grievance and Share Transfer Committee met 22 times.

The terms of reference of the Committee include the following:

1. power to redress the shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
2. power to delegate share transfer to an officer or a committee or to the registrar and share transfer agents to expedite the process of share transfers;
3. power to affix the Common Seal of the Company on Share Certificates;
4. power to approve share transfer, transmission, transposition, sub-division, split-up, consolidation, issue of duplicate share certificates and to do all such related matters as may be necessary in accordance with the Company's Articles of Association;
5. to approve the register of members as on the record date(s) and/or book closure dates for receiving dividends and other corporate benefits;
6. to review correspondence with the shareholders and take appropriate decisions in that regard;
7. to recommend measures for overall improvement in the quality of services to investors;
8. any other matter as may be delegated by the Board from time to time.

Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary is the Compliance Officer of the Company as per the Listing Agreements.

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31st March 2012 are given as follows:

Nature of Complaints	Received	Replied
Non receipt of dividend warrants	17	17
Non receipt of demat credit / Remat Credit	1	1
Non receipt of Share Certificate	5	5
Total	23	23

All the complaints as at the end of the financial year 31st March 2012 stand resolved and no complaints are pending for redressal.

4. Committee of Directors:

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

During the financial year ended 31st March 2012, the Committee met 10 times.

The terms of reference of the Committee include the following:

1. power to open and/or close cash credit accounts, current accounts and collection accounts with scheduled banks and authorising officials of the Company for operating the various bank accounts, from time to time. Power also to make addition and/or deletion of names of authorised signatories for operating the various bank accounts, from time to time;
2. power to appoint staff, technical or professional, at a salary exceeding ₹ 25,00,000/- (Rupees Twenty Five Lakhs only) but not exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs only) per annum per employee;
3. power to appoint advisors, retainers, consultants;

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);
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 of the Company be and is hereby 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);
10. any other matters as may be delegated by the Board from time to time.

D. Subsidiary Company:

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

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

E. CEO/CFO Certification:

As required by Clause 49 (V) of the Listing Agreements, the CEO/CFO Certificate signed by Mr. Ashok Goyal, Managing Director and Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary was placed before the Board of Directors at their meeting held on 18th June 2012.

General Body Meetings:

Venue and the time of the last three Annual General Meetings of the Company :

Year	Location	Meeting Date	Time	No. of Special Resolutions set out at the AGM
2010-11	Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, IMC Bldg., Churchgate, Mumbai – 400 020	30th July 2011	11.30 a.m.	Nil
2009-10	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Bldg., Churchgate, Mumbai – 400 020	4th September 2010	11.30 a.m.	Nil
2008-09	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Bldg., Churchgate, Mumbai – 400 020	26th September 2009	11.30 a.m.	2

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 is proposed to be passed by postal ballot.

DISCLOSURES:

1. Disclosures on materially significant related party transactions:

The Company has not entered into any transaction of a material nature except transactions with related parties which are furnished under note no. 31 of the financial statements as stipulated under Accounting Standard 18 (AS-18) with the Promoters, Directors or the Management, their subsidiaries or relatives etc. All transactions were carried out on an arms length basis and were not prejudicial to the interest of the Company.

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

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

3. Disclosure of Accounting Treatment:

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

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 your Company is a Non-Executive Director and hence, in compliance with this requirement.

b. Remuneration Committee :

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

c. Shareholder's Rights :

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

d. Audit Qualifications :

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

e. Training of Board Members :

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

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

f. Mechanism for evaluating Non-Executive Board Members :

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

g. Whistle Blower Policy :

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

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

The Board of Directors at their meeting held on 31st January 2005, had adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company in consonance with the requirement under Clause 49(I) (D) of the Listing Agreements. The Code of Conduct has been posted on the website of the Company. All the Board members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March 2012. The declaration to this effect signed by Mr. Ashok Goyal, Managing Director of the Company forms part of the report.

6. 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. Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary is the Compliance Officer. 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.

7. Management Discussion and Analysis:

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

8. 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.

Means of communication:

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

GENERAL SHAREHOLDER INFORMATION**21st Annual General Meeting of the Company:**

Date	Saturday, 11th August 2012
Venue	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020.
Time	11.30 a.m.

Financial Calendar:

Financial year : 1st April to 31st March

For the year ended 31st March 2012 results were announced on:

30th July 2011	First Quarter
5th November 2011	Second Quarter
4th February 2012	Third Quarter
14th May 2012	Fourth Quarter (Unaudited)
18th June 2012	Audited Annual Accounts

For the financial year ending on 31st March 2013 results will be announced as per the tentative schedule below :

On or before 15th August 2012	First Quarter
On or before 15th November 2012	Second Quarter
On or before 15th February 2013	Third Quarter
On or before 31st May 2013	Fourth Quarter and Annual

Book Closure Date:

The dates of book closure are from 2nd August 2012 to 11th August 2012, inclusive of both days.

Dividend Payment Date:

A final dividend of ₹ 1.60 (16 per cent) per share has been recommended in the Board of Directors meeting held on 18th June 2012 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be credited/ dispatched between 13th August 2012 and 20th August 2012:

- 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 1st August 2012.
- 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 1st August 2012.

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

Year	Percentage (%)	In ₹ per share	Proportion to capital (₹ in lakhs)
2006-2007	8%	0.80	105.41
2007-2008	10%	1.00	131.76
2008-2009	11%	1.10	144.93
2009-2010	15%	1.50	197.64
2010-2011	16%	1.60	210.81

Listing:

The Company's shares are listed on:

- BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001.
- National Stock Exchange of India Limited (NSE)
Exchange Plaza, 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 2012-2013 to the Stock Exchange(s) on which Company's shares are listed. The Company has also paid custodial fees for the year 2012-2013 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 shares are as follows:

Stock Exchange	Codes
BSE	526217
NSE	HITECHPLAS

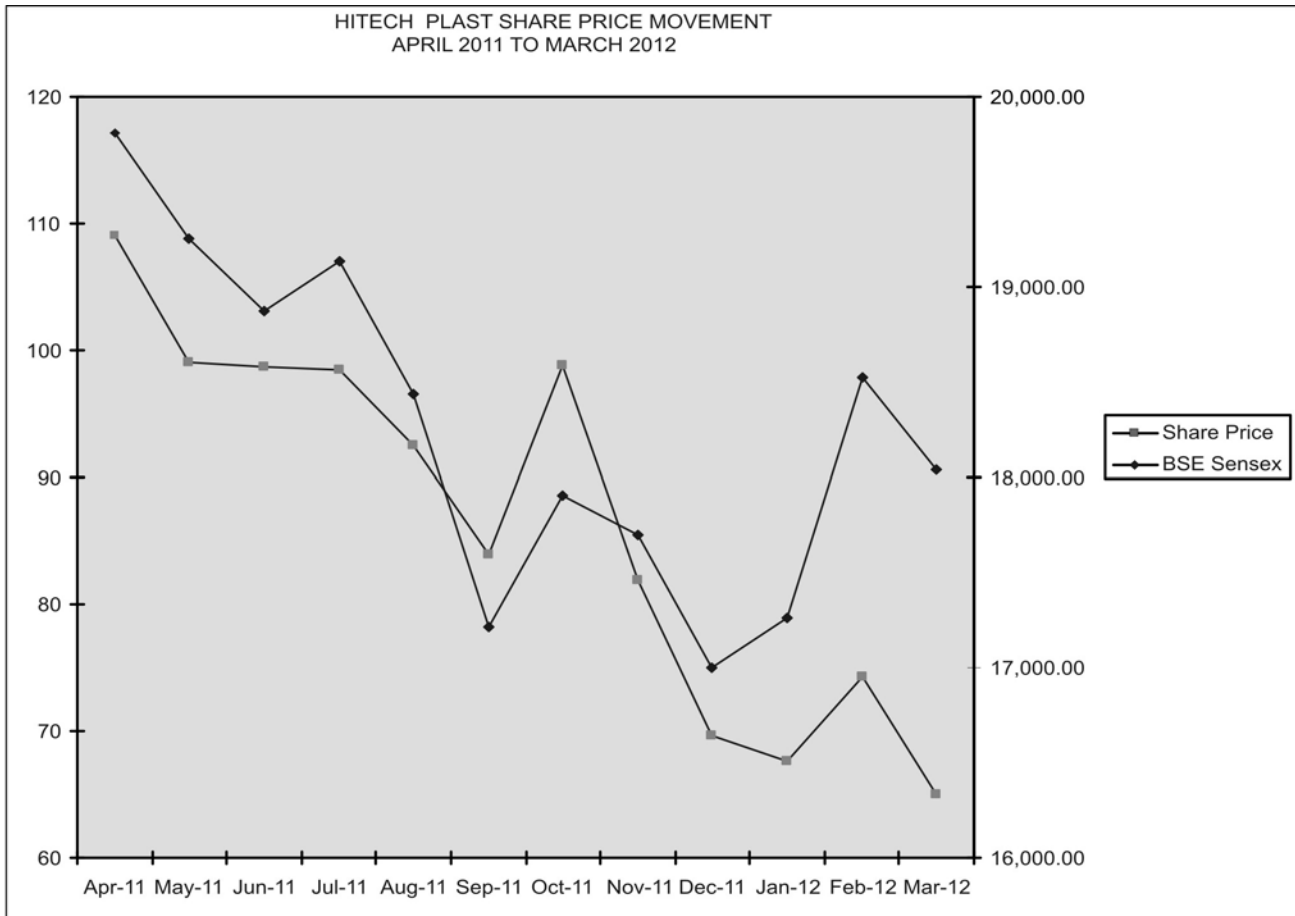
Stock Price Data:

The monthly high and low prices and volumes of your Company's shares at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March 2012 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	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
2011-12										
April	109.10	114.00	84.00	82.00	33,652	56,398	15.04.2011	18.04.2011	01.04.2011	01.04.2011
May	99.00	105.00	87.00	86.30	31,004	20,654	17.05.2011	25.05.2011	30.05.2011	25.05.2011
June	98.65	98.90	83.05	83.00	48,561	27,533	17.06.2011	16.06.2011	23.06.2011	23.06.2011
July	98.50	97.70	87.30	87.40	24,731	13,704	20.07.2011	15.07.2011	01.07.2011	29.07.2011
August	92.50	93.40	74.25	72.15	17,873	14,576	01.08.2011	03.08.2011	19.08.2011	22.08.2011
September	83.95	87.00	75.65	75.30	15,110	11,071	14.09.2011	09.09.2011	12.09.2011	07.09.2011
October	98.85	86.00	75.60	75.35	9,189	4,639	26.10.2011	12.10.2011	03.10.2011	03.10.2011
November	81.95	83.95	65.10	65.00	39,880	24,528	08.11.2011	08.11.2011	21.11.2011	30.11.2011
December	69.70	69.70	54.15	51.60	12,131	11,427	01.12.2011	01.12.2011	27.12.2011	22.12.2011
January	67.65	66.75	56.30	54.10	39,836	21,975	11.01.2012	17.01.2012	04.01.2012	05.01.2012
February	74.25	75.00	61.80	60.75	45,729	27,029	21.02.2012	17.02.2012	06.02.2012	09.02.2012
March	65.00	66.15	53.05	50.55	94,673	1,08,979	01.03.2012 02.03.2012 03.03.2012	01.03.2012	23.03.2012	23.03.2012

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 2011-2012:



The performance of the Company's share price as at the beginning and end of the financial year 2011-12 is given as follows:

Name of Stock Exchange	BSE	NSE
Price as on 1st April 2011	84.95	82.00
Price as on 31st March 2012	55.00	55.00
Change in Value	-29.95	-27.00
% Change	-35.26%	-32.93%

Share Transfer System:

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 the Companies Act, 1956 and the Listing Agreements. A summary of all the transfers, transmissions, deletion requests, etc., approved by the Investor's 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 Shareholders' holdings:

The distribution pattern of shareholding of your Company as on 31st March 2012 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	3,17,595	2.41
(b)	Bodies Corporate	84,67,295	64.26
	Total Shareholding of Promoter and Promoter Group (A)	87,84,890	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	5,26,584	4.00
(b)	Individuals		
	(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	14,32,568	10.87
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	14,03,256	10.65
(c)	Individual (Non-Resident Individuals)	5,34,302	4.06
	Sub-Total (B) (2)	38,96,710	29.58
	Total Public shareholding (B)=(B)(1) +(B)(2)	43,90,810	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 2012:

	Shareholders		Amount in (₹)	% to Total
	Number	% to Total		
Upto - 500	5,648	91.495	68,73,390	5.217
501 - 1000	198	3.208	16,13,540	1.225
1001 - 2000	107	1.733	16,27,760	1.235
2001 - 3000	43	0.697	11,23,510	0.853
3001 - 4000	32	0.518	11,30,130	0.858
4001 - 5000	40	0.648	19,67,230	1.493
5001 - 10000	38	0.616	27,06,770	2.054
10001 & above	67	1.085	11,47,14,670	87.065
Total	6,173	100.000	13,17,57,000	100.000

Details about Company's dematerialised shares as on 31st March 2012:

Number of shares	% to total shares	Number of shareholders	% to total shareholders
1,24,37,674	94.40	3,192	51.71

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 2012 is as follows:

	No. of Shares	% of Shares
Physical Segment	7,38,026	5.60
Demat Segment		
NSDL	1,20,53,041	91.48
CDSL	3,84,633	2.92
TOTAL	<u>1,31,75,700</u>	<u>100.00</u>

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 2012.

Details of public funding obtained in the last three years:

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

External Commercial Borrowing:

In the month of November 2011, the Company had availed External Commercial Borrowing of USD 2.3 million for the purpose of purchase of capital goods for setting up of new expansion project at Rohtak. The period of borrowing was for 5 years, with repayments in 16 quarterly installments after a 15 month moratorium. The loan was at floating interest rate of 3-month LIBOR + 300 basis points. The overall cost was 10.75% per annum for a period of 5 years. On account of hedge, the Company has no further financial risk and would be protected from both exchange rate and interest rate volatility. The Company has also taken separate POS (Principal Only Swap) to cover the exchange rate risk on the principal amount and COS (Coupon Only Swap) to cover the interest rate risk as well as the Exchange rate risk on the interest payment.

Other Information:

Corporate Identification Number (CIN No.):

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

Reconciliation of Share Capital Audit Certificate:

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

National Electronic Clearing System (NECS) for dividend:

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

This service not only provides instantaneous credit to the shareholders account and protects against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and 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 109A of the Companies Act, 1956, 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 in Form 2B to the Registrar and Transfer Agent of the Company. The Nomination Form with instructions will be available at the Registered Office 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.

Unpaid/Unclaimed dividend:

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

Financial Year	Type	Unclaimed dividend amount as on 31.03.2012 (in ₹)	Due Date for transfer to IEPF
2005-2006	Final	128,196	22.10.2013
2006-2007	Final	123,134	21.10.2014
2007-2008	Final	151,119	19.10.2015
2008-2009	Final	168,290	25.10.2016
2009-2010	Final	232,304	03.10.2017
2010-2011	Final	254,899	05.09.2018

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

Equity Shares in the Suspense Account:

Pursuant to the amended Clause 5A of the Listing Agreements, the Company has 1100 shares (8 Shareholders) in physical form as on 31st March 2012 which is lying unclaimed with Registrar & Transfer Agent of the Company. The Company has initiated steps to send at least three reminders to the shareholders. After due course the shares lying in Unclaimed account will be transferred into one folio in the name of "Unclaimed Suspense Account" as per Clause 5A I and Clause 5A II of Listing Agreements.

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 2012			<u>1,31,75,700</u>

General Do's and Don'ts:

- Shareholders/Beneficial holders should quote their Folio No./DP Id, as the case may be, in all the correspondence with the Company.
- Shareholders/Beneficial holders should mention their contact nos. fax nos. and email Id. Such e-mail ID shall be registered in the records of the Company.
- 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.
- 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/ correspondence 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.co.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.co.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.

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

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

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

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

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

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

NEW SITE AT KHANDALA : Gut No. 272/7, Village Dhawadwadi, Taluka Khandala, Dist Satara, Pune 412 802.

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

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

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

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

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

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

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

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

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

Important Communications to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, in respect of electronic holding with the Depository, should register through their concerned Depository Participants. Members holding shares in physical form are requested to register their email Id with RTA agent of your Company.

Address for correspondence:**Registered Office:**

HITECH PLAST LIMITED

C/130, Solaris, Building No. 1,

Opp. L&T Gate No. 6,

Powai, Mumbai 400 072

Tel. +91 22- 4001 6500

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

Annexure to Report on Corporate Governance for the year ended 31st March 2012**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that the Company had adopted 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 had been posted on the website of the Company. I further hereby confirm that the Company has obtained from all the Board Members and the Senior Management Personnel, an affirmation of compliance with the Code of Conduct, for the financial year ended 31st March 2012.

Mumbai
18th June 2012

Ashok K. Goyal
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 2012 as stipulated in Clause 49 of the Listing Agreement of the Company entered into with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

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

Mumbai
18th June 2012

For Shah & Co.
Chartered Accountants
FRN: 109430W

Ashish Shah
Partner
Membership No. 103750

NOTICE

NOTICE is hereby given that the TWENTY FIRST ANNUAL GENERAL MEETING of HITECH PLAST LIMITED will be held at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020, on Saturday, the 11th day of August 2012, at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Accounts for the year ended 31st March 2012 together with the Report 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 2012.
3. To appoint a Director in place of Mr. Ashwin Dani, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jalaj Dani, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rajnikant B. Desai, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint M/s. Shah & Co., Chartered Accountants as Auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

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

SPECIAL BUSINESS:

7. 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 198, 269, 309 and Schedule XIII and subject to other provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendment or any substitution or any re-enactment thereof for the time being in force, pursuant to recommendation of the Remuneration Committee and approval of the Board of Directors in their meeting held on 4th February 2012 and 14th May 2012 respectively, approval of the Members be and is hereby accorded for the re-appointment of Mr. Ashok Kumar Goyal as the Managing Director of the Company with effect from 2nd April 2012 for a period upto 23rd February 2016, on terms and conditions as set out in the Agreement executed between the Company and Mr. Ashok Kumar Goyal.

RESOLVED FURTHER THAT in event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Ashok Kumar Goyal remuneration and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956 as may be decided by the Board of Directors.

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

8. 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 198, 269, 309 and Schedule XIII and subject to other provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendment or any substitution or any re-enactment thereof for the time being in force, pursuant to recommendation of the Remuneration Committee and approval of the Board of Directors in their Meeting held on 4th February 2012 and 14th May 2012 respectively, approval of the Members be and is hereby accorded for the appointment of Mr. Malav A. Dani as the Joint Managing Director of the Company with effect from 5th August 2011 for a period of five (5) years, on terms and conditions as set out in draft agreement proposed to be entered into between the Company and Mr. Malav A. Dani.

RESOLVED FURTHER THAT the Joint Managing Director shall perform such duties and services as shall from time to time be entrusted to him in accordance with the provisions of the Companies Act, 1956, in addition to managing the operations of the Company’s subsidiary namely Clear Mipak Packaging Solutions Limited, and shall undertake to use his best endeavours to promote the interests of the Company and comply with orders and regulations of the Company.

RESOLVED FURTHER THAT no sitting fee shall be paid to the Joint Managing Director, for attending the Meetings of the Board of Directors of the Company and Committees thereof.

RESOLVED FURTHER THAT in event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Malav A. Dani remuneration and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956 as may be decided by the Board of Directors.

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

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses as set out in the Notice is annexed hereto.
3. All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturday and Public Holidays, between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 2nd August 2012 to 11th August 2012 (both days inclusive).
5. The dividend on Equity Shares, if declared at the Meeting, will be credited/dispatched between 13th August 2012 and 20th August 2012 to those Members whose names shall appear on the Company’s Register of Members on 1st August 2012 in respect of dematerialized form, the dividend will be paid to Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

6. Members holding shares in physical form are requested to lodge Share Transfer documents and all other correspondence and queries relating to Share Transfer, Share Certificates, Change of Address etc., to the Company's Registrar & Transfer Agent i.e. Link Intime India Private Limited (earlier known as Intime Spectrum Registry 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 Securities and Exchange Board of India (SEBI), vide its Circular No. SEBI/Cir/ISD/1/2010 has made mandatory to achieve at least 50% of non-promoters holding in dematerialized form by 31st October 2010 to encourage better price discovery and to increase transparency in securities market for all companies traded in normal segment of exchange. Your Company had already complied with the circular. 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 Reserve Bank of India (RBI) has provided an Electronic Clearing Scheme (ECS) to the investors as an option to receive dividend through their 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 ECS Mandate Form, dully 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 ECS 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 ECS 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 the 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 CFO & 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. 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 re-appointment is as under :

Name of the Director	: Mr. Ashwin S. Dani
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. Member – Share Transfer Committee• Asian PPG Industries Ltd. Member Audit Committee• Gujarat Organics Ltd.• Resins & Plastics Ltd. Chairman – Investor Grievance & Share Transfer Committee• Sun Pharmaceutical Industries Ltd.• ACC Ltd.• Rangudyan Insurance Broking Services Ltd.
No. of shares held in the Company	: 1,50,095

Name of the Director	: Mr. Jalaj A. Dani
Profile	: Mr. Jalaj A. Dani holds Masters Degree in Chemical Engineering from Massachusetts 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">• Coatings Specialities (India) Ltd• Dani Finlease Ltd.• Gujarat Organics Ltd• Maxbhumi Developers Ltd.
No. of shares held in the Company	: 25,100

Name of the Director	: Mr. Rajnikant B. Desai
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

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

The Board of Directors recommends the re-appointment of Mr. Ashwin S. Dani, Mr. Jalaj A. Dani and Mr. Rajnikant B. Desai. Except, Mr. Ashwin S. Dani, Mrs. Ina A. Dani, Mr. Jalaj A. Dani and Mr. Malav A. Dani, none of the Directors of the Company may be deemed to be concerned or interested in Mr. Ashwin S. Dani's re-appointment as a Director of the Company. Except, Mr. Ashwin S. Dani, Mrs. Ina A. Dani, Mr. Jalaj A. Dani and Mr. Malav A. Dani, none of the Directors of the Company may be deemed to be concerned or interested in Mr. Jalaj A. Dani's re-appointment as a Director of the Company.

Registered Office:

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

By Order of the Board

Mumbai
18th June 2012

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

ANNEXURE TO THE NOTICE**I Explanatory Statement**

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

The following explanatory statement sets out all material facts relating to Special Businesses of the accompanying Notice of the Annual General Meeting to be held on 11th August 2012.

Item No. 7:

Mr. Ashok K. Goyal is a graduate in Mechanical Engineering from IIT, Kanpur, followed by Post Graduation in Business Management from I.I.M., Calcutta. He has wide and varied work experience in the industry for 38 years which includes 20 years at Asian Paints Limited and a stint abroad in the field of trading & distribution.

The Company, at its 16th Annual General Meeting held on 22nd September 2007, approved re-appointment of Mr. Ashok K. Goyal as a Managing Director for period of 5 years with effect from 2nd April 2007. The terms and conditions of his appointment were detailed in the Agreement dated 24th September 2007. The roles and responsibilities of Mr. Ashok K Goyal had expanded substantially taking into account size of the business and increase in number of units of the Company.

Pursuant to the recommendation of Remuneration Committee at its Meeting held on 4th February 2012, the Board of Directors at its Meeting held on 4th February 2012, approved, subject to the approval of shareholders at the ensuing Annual General Meeting, the re-appointment of Mr. Ashok Kumar Goyal as the Managing Director with effect from 2nd April 2012 to a period upto 23rd February 2016 on the terms and conditions as set out in the Agreement entered into between the Company and Mr. Ashok Kumar Goyal dated 2nd April 2012.

The terms and conditions of re-appointment of Mr. Ashok Kumar Goyal are as under:

1. Tenure of Appointment: From 2nd April 2012 to 23rd February 2016
2. Salary & Perquisites: Mr. Ashok K. Goyal would be paid salary as detailed below:

Basic Salary	:	₹ 2,62,500/- per month
Discretionary Allowance	:	₹ 1,00,000/- per month
Special Allowance	:	₹ 1,37,500/- per month
Provident Fund	:	12% of Basic Salary per month
Leave Travel Allowance	:	₹ 1,03,000/- per annum
Performance Linked Bonus	:	Such percentage of the net profits of the Company or such amounts as may be decided by the Board of Directors for the Financial year or part thereof.
Medical Reimbursement	:	₹ 15,000/- per annum

Proviso: Provided however that the aggregate amount of Salary and Performance Linked Bonus shall be subject to such limits as may be fixed by the Board of Directors for each of the financial year or part thereof.

Car	:	Provision of a car and driver for both official and personal purposes.
Telephone	:	Provision of telephone at his residence. Personal Long distance calls on telephone shall be billed by the Company.
Others	:	Such other benefits and amenities as are provided to senior officers of the Company, from time to time.
Gratuity	:	As per rules of the Company.

An abstract of the terms of appointment pursuant to Section 302 of the Companies Act, 1956 dated 2nd April 2012 has already been circulated to the shareholders of the Company.

The Board recommend the Special Resolution at item no. 7 of the Notice for your approval.

Except Mr. Ashok Kumar Goyal, no other Director of the Company may be deemed to be concerned or interested in the Resolution at item no. 7 of this Notice.

Item No. 8:

Mr. Malav A. Dani, has completed his B.S. in Business Management, with concentration in information systems, from Purdue University in USA. He later completed his MBA from Columbia University in USA. In 1999, Mr. Malav A. Dani won the coveted Burton D. Morgan Business Plan Competition, considered the second largest in this field in USA. He worked with GE for last six years, during which he completed the Information Management Leadership (MLP) program as well as Quality Six Sigma Black belt program of GE. He worked with GE's Corporate Treasury Department and the project during which he completed the Information Management Leadership (MLP) programme as well as the Quality Six Sigma Black Belt of GE. He had won the Alexander Hamilton Corporate Treasury Award.

Mr. Malav A Dani, returned to India in 2005, and undertook training with Asian Paints Limited for about two years, and thereafter, in April 2007, he became the Executive Director of Coatings Specialities (India) Limited (CSIL). CSIL was mainly focusing on chemical trading, which consisted of importing chemicals used in paints, plastics, cosmetics, etc. Currently, top multinational companies such as Elementis Specialties, Cognis, THOR Biocides and Samsung Fine Chemicals, amongst others, are the principals whose products are being marketed in India. Mr. Malav A. Dani left CSIL on 2nd August 2011.

Mr. Malav A. Dani was the Chairman of the Young Leaders' Forum of the Indian Merchants' Chamber in Mumbai, an organisation that provides a platform for the India's future leaders to network with each other, develop their skills, and give back to society. In 2010, Mr. Malav A. Dani received both the NDTV Profit & British Trade Council Business Game Award and a 2010 YUVA Icon Award, presented by Dr. Abdul Kalam, Ex-President of India.

Pursuant to recommendation of Remuneration Committee, the Board of Directors in its meeting held on 4th August 2011, had appointed Mr. Malav A. Dani as the Joint Managing Director of the Company with effect from 5th August 2011 for a period of 5 (five) years, on terms and conditions as set out in draft agreement proposed to be entered into between the Company and Mr. Malav A. Dani.

The terms and conditions of his appointment were as follows:

- | | | | |
|----|-----------------------------|---|--|
| a. | Tenure of Appointment | : | Five (5) years with effect from 5th August 2011. |
| b. | Role and responsibilities | : | The primary responsibility to manage the operations of Clear Mipak Packaging Solutions Limited. |
| c. | Salary & Perquisites | : | Mr. Malav A. Dani will be paid salary as detailed below: |
| | 1. Salary | : | ₹ 1,50,000 per month |
| | 2. Allowances | : | ₹ 75,000 per month |
| | 3. Performance Linked Bonus | : | Such percentage of the net profits of the Company or such amounts as may be decided by the Directors for financial year or part thereof. |

Proviso: Provided however that the aggregate amount of Salary and Performance Linked Bonus shall be subject to such limits as may be fixed by the Board of Directors for each of the financial years or part thereof.

4. Perquisites : Not exceeding ₹ 1,15,000 per annum in the following form:
- a . Medical Reimbursement : ₹ 15,000 per annum
 - b . Leave Travel Allowance : ₹ 1,00,000 per annum
 - c . Provident Fund : As per the existing rules of the Company, 12 % of the salary.
 - d. Car : Provision of car and driver for both official and personal purposes.
 - e. Telephone : Provision of telephone at his residence. Personal long distance calls on telephone shall be billed by the Company.
 - f. Others : Such others benefits and amenities as are provided to senior officers of the Company, from time to time.
5. Benefits and Amenities :
- a. Gratuity : As per rules of the Company.
- d. The appointment will be terminable by either side by giving 3 months' notice in writing.
- e. If said appointment ceases before the agreement period of 5 years, no compensation would be payable to Mr. Malav A. Dani, for the unexpired period.

The payment of the remuneration, perquisites and amenities will be subject to the provisions of Section 198, 269, 309 and Schedule XIII and such other applicable provisions, if any, of the Companies Act, 1956 and also subject to the approval of shareholders at the ensuing General Meeting of the Company.

Notwithstanding anything to contrary contained herein, where in any financial year during the currency of tenure of the Joint Managing Director, the Company has no profits or inadequate profits, the Company will pay Mr. Malav A. Dani remuneration, perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956, and the same will be decided by the Board of Directors.

This statement should be treated as an abstract of the terms and conditions of the remuneration, perquisites, benefits and amenities as required by Section 302 of the Companies Act, 1956.

The Board recommend the Special Resolution at item No. 8 of the Notice for your approval.

Except Mr. Ashwin S. Dani, Mrs. Ina A. Dani, Mr. Jalaj A. Dani, and Mr. Malav A. Dani, no other Director of the Company may be deemed to be concerned or interested in the Resolution at Item No. 8 of this Notice.

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

By Order of the Board

Mumbai
18th June 2012

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

HITECH PLAST LIMITED

REGISTERED OFFICE:

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

ATTENDANCE SLIP

Regd. Folio No.....

DP ID / Client ID No.

No. of Shares held.....

(To be filled by the shareholder)

I/We hereby record my / our presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company being held on Saturday, the 11th day of August 2012, at 11.30 a.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:

- 1. A Member/Proxy attending the Meeting must complete this Attendance Slip and hand it over at the entrance.

HITECH PLAST LIMITED

REGISTERED OFFICE:

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

PROXY FORM

I/We.....
.....of..... in the district of being a member(s) of the above
named Company hereby appointof
in the district ofor failing himof.....
.....in the district of as my/our Proxy to vote for me/our behalf at the Twenty
First Annual General Meeting of the Company to be held on Saturday, the 11th day of August 2012, and at any
adjournment thereof.

Signed this day of 2012.

Signature.....

Affix a
Re. 1/-
Revenue
Stamp

.....

Regd. Folio No.....

DP ID / Client ID No.

NOTE:

- 1. The Proxy need not be a Member of the Company.
- 2. Member intending to appoint a Proxy should complete the Proxy Form and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the Meeting.

HITECH PLAST LIMITED

REGISTERED OFFICE

C/130, Solaris - 1,

Opp. L & T Gate No. 6,

Powai, Mumbai - 400 072.

www.hitechplast.in