

55th ANNUAL REPORT 2012-2013

HUNDREDS OF PRODUCTS...

One Can!



HINDUSTAN TIN WORKS LIMITED

A RECOGNISED STAR EXPORT HOUSE

HTW'S CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. DONATION

Towards treatment of TB patients and children suffering from paralyses as a result of poliomyelitis, so that they can walk upright and live their lives with dignity.

2. CANVIRONMENT WEEK

- The underlying theme of our initiative of Canvironment Week was also to uplift the lives of the rag pickers, who are identified as the cog in the recycling wheel.
- HTW has taken up challenge to educate consumers about the benefits of canned food and has brought together Michelin-Starred Chef Vikas Khanna, a global leading icon of the food and culinary industry and Om Books International, a leading Indian publishing house, for one of our most prestigious projects, Everyone Can Cook, which will help consumers to understand the benefits of canned food while enjoying delicious fresh and nutritious recipes made from canned products.
- In India, rag-pickers are considered the main cog in the recycling wheel, they work in underprivileged conditions. For every copy sold of Everyone Can Cook, Hindustan Tin Works Ltd pledges to contribute INR 50 for the upliftment of this underprivileged community.

3. OTHERS

Contributed:

- For helping the needy and poor people who need care and affection



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BOARD OF DIRECTORS

1. Mr. Vijay Kumar Bhatia (Chairman)
2. Mr. Sanajy Bhatia (Managing Director)
3. Mr. Ashok Kumar Bhatia (Whole time Director)
4. Mr. N.P. Sahni (Director)
5. Mr. B.L. Khurana (Director)
6. Mr. Ramesh Kumar Jain (Director)
7. Mr. M.K. Zutshi (Director)
8. Mr. Deepak Pahwa (Director)
9. Mr. P.P. Singh (Whole Time Director)

V.P. (FINANCE) & COMPANY SECRETARY

MR. RAJAT PATHAK

AUDITORS

M/s. M.L. Puri & Company
Chartered Accountants
407, New Delhi House,
Barakhamba Road,
New Delhi-110001

COST AUDITORS

M/s K.S. Bhatnagar & Associates
Cost & Management Consultants
A-12-A, DDA Flats, Munirka
New Delhi - 110067

BANKERS

Punjab National Bank
State Bank of India
Standard Chartered Bank
Kotak Mahindra Bank

SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Complex,
New Delhi-110062
Ph. No. : 011-29961281, 29961282

REGISTERED OFFICE

488, Bartaan Market, Sadar Bazar,
Delhi-110006

CORPORATE OFFICE

426, DLF Tower -A, Jasola,
New Delhi -110025,
Phone : - 4999 8888
Website : www.hindustantin.biz
E- mail : info@hindustantin.co.in

FACTORY

V.& P.O. Bhigan, Dhatoori Road, Tehsil Ganour,
Murthal, Distt. Sonapat (Haryana)

OTHER OFFICES

- A) 816, Tulsiani Chambers,
Nariman Point, Mumbai
- B) KN/B-16, Gali No. 10,
Anand Parbat Indl. Area,
New Delhi

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the **55th Annual General Meeting** of the Members of Hindustan Tin Works Limited will be held at Asha Farms, Palla Gaon Road, Bakhtawarpur, Delhi on Friday, 27th September, 2013 at 10.00 A.M. to transact the following businesses.

ORDINARY BUSINESS

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date and the report of the Board of Directors and Auditors thereon.
- (2) To declare dividend on equity shares for the financial year ended 31st March 2013.
- (3) To appoint a Director in place of Mr. Ramesh Kumar Jain who is retiring by rotation as per the provisions of section 256 of the Companies Act, 1956 and being eligible offers himself for re-appointment.
- (4) To appoint a Director in place of Mr. P.P. Singh who is retiring by rotation as per the provisions of section 256 of the Companies Act, 1956 and being eligible offers himself for re-appointment.
- (5) To appoint Auditors, M/s M.L. Puri & Co. Chartered Accountants, New Delhi to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

By order of the Board

Place : New Delhi
Date : 13th August, 2013

Rajat Pathak
VP (Finance) & Company Secretary

Registered Office :

488, Bartan Market,
Sadar Bazar,
Delhi-110006.

**NOTES :-**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The register of members and share transfer books of the Company will remain closed from Friday, 20th September, 2013 to Friday, 27th September, 2013 (both days inclusive).
3. The dividend, if declared at the meeting, will be paid on or after 27th September, 2013 to those members whose names appear:
 - a. As Beneficial Owners as at the end of the business hours on 19th September, 2013 as per the list to be furnished by the depository in respect of the shares held in electronic form and,
 - b. As members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before 19th September, 2013.
4. The members are requested to notify immediately any change in their address, exclusively on separate letter without clubbing it with any other request, for quicker attention directly to the Company's Share Transfer Agent.

M/s Beetal Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Complex,
 New Delhi - 110062.
5. The Shareholders are requested to update their Contact address and e mail address.
6. Shareholders are requested to get their shares converted from physical form to DEMAT form.
7. Claim of Unclaimed Dividend, if any, for the financial years 2006-07, 2007-08, 2008-09, 2009-10 (Interim & Final), 2010-11 and 2011-12 shall be made to the Company or Share Transfer Agent. The shareholders may kindly note that the amount in unpaid dividend account relating to the financial year 2005-06 is due for transfer during October, 2013 to "Investors Education and Protection Fund" established by the Central Government under section 205C of the Companies Act, 1956.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Beetal Financial & Computer Services (P) Ltd.
9. The members/proxies are requested to bring their copy of Annual Report while attending the 55th Annual General Meeting of the Company.
10. Members desirous of asking any question at the Annual General Meeting are requested to send in their question so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably addressed.



11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. Appointment of Directors: At the ensuing Annual General Meeting, Mr. Ramesh Kumar Jain and Mr. P.P. Singh retire by rotation and seek reappointment. Details pertaining to these directors required to be provided pursuant to clause 49 of the Listing Agreement are furnished in the statement on corporate governance.
13. As a part of "Green Initiative in the Corporate Governance", the Ministry of Corporate Affairs vide its circular no.'s 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, profit & Loss Account, Auditors' Report, Directors' Report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agent by sending duly signed request letter quoting their Folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

By order of the Board

Place : New Delhi
Date : 13th August, 2013

Registered Office :

488, Bartan Market,
Sadar Bazar,
Delhi-110006

Rajat Pathak
VP (Finance) & Company Secretary

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have great pleasure in presenting the 55th Annual Report together with the Audited Annual Accounts of the Company for the financial year ending 31st March 2013.

FINANCIAL RESULTS

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

	(Rupees in Lacs)	
	2012-2013	2011-2012
Profit before Interest, Depreciation, & Tax	2527.21	2183.05
Less:		
Financial Charges	1004.85	914.15
Depreciation	419.33	433.61
Provision for Tax (including Wealth Tax)	310.59	235.07
Deferred Tax	57.55	31.02
Profit after Tax	734.89	569.20
Add: Balance brought forward	4163.84	3739.25
Balance available for appropriation	4898.73	4308.45
Less: Appropriations:		
Dividend (Incl. Div. Tax)	60.83	84.61
Transfer to General Reserve	75.00	60.00
Balance carried forward	4762.90	4163.84

DIVIDEND

Your Directors are pleased to recommend a dividend @ Rs. 0.50 per Equity Share (5%) on the paid up capital of the Company for the year 2012-13, which if approved at the forthcoming AGM, will be paid to all those Equity Shareholders whose names appear (i) As Beneficial Owners as at the end of the business hours on 19th September, 2013 as per the list to be furnished by the depository in respect of the shares held in electronic form and, (ii) As member in the Register of Members of the Company after giving effect to all valid shares transfers in physical form lodged with the Company on or before 19th September, 2013.

OPERATIONS

Your Company could achieve turnover of Rs. 27281.73 lacs as against the previous year's turnover of Rs. 24664.41 lacs i.e. an increase of Rs. 2617.32 lacs (10.6%). The Company has been successful in increasing its export sales from Rs. 4118.47 lacs in previous year to Rs. 4860.42 lacs in current year i.e. an increase of Rs. 741.95 lacs (18%).

Your Company has achieved PAT of Rs. 734.89 lacs as against the previous year of Rs. 569.20 lacs i.e. an increase of Rs. 165.69 lacs (29.1%)

TRADE MARK AND DESIGN

During the year, your Company was granted Trade Mark registration of symbol and word "CANVIRONMENT" under Trade Marks Act, 1999, by the Trade Marks Registry, Delhi. Your Company was also granted Design registration of "JAR" and "CAN OVERCAP WITH DIMPLES" under the Design Act, 2000, by the controller General of Patents, Designs and Trade Marks, Kolkata.

JOINT VENTURE

As you are aware of that your Company entered into a joint venture Agreement (JV) on 01st August, 2006 with Rexam Beverage Can (India Holdings) Limited, U.K. a Rexam PLC, UK Group Company, the world leader in two



piece Beverage Cans. The JV, under the name and style of Rexam HTW Beverage Can (India) Limited, is first of its kind in India and it would benefit from the synergies of the JV Partners especially the technical and global best practices brought in by Rexam and the established capabilities of Hindustan Tin Works Limited in the domestic market. The JV is established to manufacture, distribute and market two piece cans and this would provide a strategic advantage to the JV and its Partners. The JV Company has received very good response from the market.

During the financial year 2012-13, the JV had built a new high speed aluminum beverage can manufacturing line with capacity of 850 million cans p.a. and involving capital outlay of approx. Rs. 200 crores at its current site in Taloja. This new line had started commercial production in Sep, 2012.

DIRECTORS

In terms of the provisions of Section 255 & 256 of the Companies Act, 1956 and Articles of Association of the Company. Mr. Ramesh Kumar Jain and Mr. P.P. Singh retire at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed that: -

- (a) In the preparation of Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- (b) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year 2012-2013 and of the profit of the Company for that period.
- (c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting any possible fraud and other irregularities.
- (d) We have prepared accounts on going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report in the form of Management Discussion and Analysis pursuant to Clause 49 of the Listing Agreement, as a part of this report is annexed hereto as Annexure - I.

FIXED DEPOSITS

During the year under review, the company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

CORPORATE GOVERNANCE

A report on Corporate Governance, along with a certificate from the Statutory Auditors of the Company detailing the compliance of Corporate Governance norms as enumerated in clause 49 of the listing agreements with the Stock Exchanges, is annexed as Annexure - II.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGERIAL PERSONNEL

The Company has laid down a code of conduct for the Board Members and Senior Managerial Personnel of the Company. All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the year 2012-2013. A declaration by Mr. Sanjay Bhatia, Managing Director, as to the compliance of the Code of Conduct by the Board Members and Senior Managerial personnel has been placed before the Board at its meeting held on 13th August, 2013, is enclosed as Annexure-III.

DISCLOSURES

The CEO and Chief Financial Officer (CFO) have furnished to the board in its meeting held on 13th August, 2013, a certificate with regard to the financial statements and other matters of the Company as on 31st March 2013 as required under clause 49 of the listing agreement.



No material penalty or stricture was imposed on the Company by any statutory authority for non-compliance on matter related to capital markets, during the last three years.

The Company is complying with all the mandatory requirements of the Listing agreement of Stock Exchanges on 'Corporate Governance'.

AUDITORS

M/s M. L. Puri & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received intimation to the effect that their re-appointment, if made would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of Sub-Section (3) of Section 226 of the Companies Act, 1956, for such appointment.

COST AUDITORS

The Company has appointed M/s K.S. Bhatnagar & Associates, Cost Accountants for conducting cost audit of the Company for the financial year ending 31st March, 2014. For the financial year 2011-12, the Cost Auditor has duly filed the Cost Audit Report as per details below:-

Financial year	Due date of filing	Date of filing
2011-12	28.02.2013	27.02.2013

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your company believes in formulating adequate and effective internal control system and implementing the same to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The internal control system is improved continuously to meet the changes in business conditions and statutory and accounting requirements as required from time to time.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. The Company has a robust Management information system which is an integral part of the control mechanism.

The Audit Committee of Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

PERSONNEL

Particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 as amended, is not provided as there are no employees covered under it.

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information in accordance with the provisions of Clause (e) of Sub-Section (1) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013 is given in Annexure - IV.

ACKNOWLEDGEMENT

The Board wishes to place on record with deep sense of satisfaction, their appreciation for the high degree of professionalism, commitment and dedication displayed by employees at all levels and the guidance, co-operation and assistance extended to the Company by its Bankers, Shareholders, Customers and Suppliers.

Place : New Delhi
Date : 13th August, 2013

For & on behalf of Board
(SANJAY BHATIA)
Chairman

**ANNEXURE-1****THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The year under review was a challenging year. The Global economy in Financial Year 2012-13 improved slowly and did not recover to the extent anticipated in the beginning of the year. Several European economies experienced recession due to high unemployment banking fragility, fiscal tightening and sluggish growth.

Among the Asian economies, china going through a political transition, experienced considerably slower growth. The Indian economy continues to face serious domestic as well as external challenges. The decline in the growth rate of GDP as also in industrial activity and investment continued. It declined from 6.2% in 2011-12 to 5% in 2012-13. The slowest economic growth in a decade. The performance in the second half of the year lagging considerably. The slowdown was triggered in part by persistent high inflation which constrained Reserve Bank of India to contain high interest rates and also by sharp devaluation of the Indian rupee, high petroleum prices, negative balance of trade. The declaration in Industrial output and exports weakened India's economic growth significantly.

However there are signs and the possibility of revival of consumption and Government spending in the current year coupled with the expectation of a normal monsoon. This augurs well for the economy in the coming year.

OPPORTUNITIES & THREATS

Our Company is one of the leading and established Company in Metal packaging industry. We are keenly conscious of the emerging opportunities in the can-manufacturing sector in India as well as abroad and we shall endeavor to take benefit of every good opportunity in the very best interest of our members.

Following are the opportunity and threats of our Company:

OPPORTUNITIES

1. Historical established performance.
2. Established customer profile and wide customer base.
3. Reputation for quality, well established brand.
4. Edge in raw material procurement.
5. Ability to expand and diversify.
6. Expansion in export market.
7. Professionally & technically qualified Human Resource.
8. Priority of the Government to promote Food Processing Industry.
9. Innovation and new product development.

THREATS

1. Global competition.
2. Lower recovery in Global Economy.
3. Volatility in exchange rate.
4. Competition from unorganized sector.