



HIPOLIN LIMITED

SIXTEENTH ANNUAL REPORT

2008 - 2009

FOR HIPOLIN LIMITED

DIRECTOR

ANNUAL REPORT 2008-2009

HIPOLIN LIMITED

BOARD OF DIRECTORS

Shri Bhupendra J.Shah
Shri Jaykumar J.Shah
Shri Daxesh B. Shah
Shri Runit B.Shah
Shri Rohit k.Choksi
Shri Kaushik R.Patel
Shri Narendra N Shah
Shri Mahesh S.Shah
Shri Vivek S. Shah
Shri Sunil H. Talati
Shri Shailesh J. Shah

Chairman & Managing Director
Executive Director
Wholetime Director
Director(Production)
Director
Director
Director
Director
Director
Director
Director (w.e.f. 31/07/2009)

CHIEF EXECUTIVE

Shri Snehal R.Parikh

AUDITORS

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

BANKERS

The Kalupur Comm.Co.Op.Bank Ltd.
Corporation Bank.
BANK OF INDIA
HDFC BANK LTD.
ICICI BANK LTD.
VIJAYA BANK
AMCO BANK LTD.

CORPORATE OFFICE:

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

REGISTERED OFFICE & FACTORY

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

HIPOLIN LIMITED

NOTICE

NOTICE is hereby given that the SIXTEENTH ANNUAL GENERAL MEETING of the Members of HIPOLIN LIMITED will be held at A/1/1, Nilkanth Ind. Estate Sanand -Viramgam Highway, Near. lyava Bus Stand, Via.Virochannagar -382170 on Wednesday, 30th ,September 2009 at 2.00 p.m to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year ended 31st March, 2009.
3. To appoint a Director in place of Shri Rumit B. Shah, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Kaushik R Patel, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri Narendra N. Shah who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

7. To consider and if thought fit to pass, with or without modifications, the following resolution as Ordinary resolution

"RESOLVED THAT Shri Shailesh J. Shah who was appointed as an Additional Director by the Board of Director under section 260 of the Companies Act, 1956 and Article 137 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company retiring by rotation."

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

"RESOLVED THAT in pursuance to the provisions of Section 198, 269, 309, 310, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, salary of Mr. Bhupendrabhai J. Shah, Chairman & Managing Director be increased from Rs. 18000 per month to Rs. 25500 (including all perquisite) per month with effect from 1st October, 2008 and that the other terms and conditions including the perquisites and amenities presently being paid shall remain the same."

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

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

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

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

"RESOLVED THAT in pursuance to the provisions of Section 198,269, 309,310,317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, salary of Mr. Jaykumar J. Shah, Executive Director be increased from Rs. 18000 per month to Rs. 25500 (including all perquisite)per month with effect from 1st October, 2008 and that the other terms and conditions including the perquisites and amenities presently being paid shall remain the same."

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

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

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

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

"RESOLVED THAT in pursuance to the provisions of Section 198,269, 309,310,317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, salary of Mr. Daxesh B. Shah, Whole Time Director be increased from Rs. 26000 per month to Rs. 33500 (including all perquisite)per month with effect from 1st October, 2008 and that the other terms and conditions including the perquisites and amenities presently being paid shall remain the same."

"RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the company has no profits or its

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profits are inadequate, remuneration by way of salary, perquisites and other allowances or any combination thereof shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by the Board of Directors."

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

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

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

"RESOLVED THAT in pursuance to the provisions of Section 198, 269, 309, 310, 317 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII prescribed under the Companies Act, 1956 and in pursuance to the provisions of Articles of Association of the Company, salary of Mr. Rumi B. Shah, Director (Production) be increased from Rs. 26000 per month to Rs. 33500 (including all perquisite) per month with effect from 1st October, 2008 and that the other terms and conditions including the perquisites and amenities presently being paid shall remain the same."

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

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

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

12. To consider and if thought fit to pass, with or without modifications, the following resolution as Special resolution

"RESOLVED THAT subject to the provisions of the Companies Act, 1956 Securities Contracts (Regulation) Act, 1956 and the rules framed there under listing agreement SEBI Guidelines, and such other applicable laws rules, regulations and guidelines and subject to such approvals, permission and sanctions as may be necessary the Board of Directors of the

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Company be and is hereby authorized to seek voluntarily delisting of its securities from Ahmedabad Stock Exchange."

"RESOLVED FURTHER THAT the securities of the Company shall continue to be listed on the stock exchange having nation wide trading terminals vis. the Bombay Stock Exchange Limited Mumbai and therefore as per the said guidelines issued by the Securities and Exchange Board of India no exit opportunity need to be given to the shareholders of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution."

Date : 29/08/2009
Place: Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED

Bhupendra J. Shah
Chairman & Managing Director



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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed From 26th September, 2009 to 30th September, 2009 (Both days inclusive).
3. The Members are requested to intimate their change of address, if any, immediately to the Company's Share Transfer Agent, M/s. Pinnacle Share Registry Pvt.Ltd., Nr. Ashoka Mill, Naroda Road, Ahmedabad 380 025. quoting their Folio No. or Client ID No.
4. Members desiring any information on Accounts are requested to write to the Company at least One week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
5. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the meeting.
6. Members who have not encashed the Dividend Warrants for the previous years are requested to make their claims to the Company immediately.
7. Nomination facility is available to the Share holders in respect of share held by them.
8. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.

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

Item No. 6

Shri Shailesh J. Shah was appointed as an Additional Director of the Company w.e.f 31/07/2009. Under Section 260 of the Companies Act, 1956 Shri Shailesh J. Shah continues to hold office as a Director until the conclusion of the ensuing Annual General Meeting. However, as required under Section 257, the Company has received a notice from a member signifying his intention to propose Shri Shailesh J. Shah as a candidate for the office of Director of the Company and the requisite deposit of Rs. 500 has also been received by the Company along with such notice.

Board recommends the resolution to the member for their approval for his appointment as a Director liable to retire by rotation.

None of the Directors except Shri Shailesh J. Shah is interested in the resolution.

Item No. 7

Shri Bhupendrabhai J Shah was re - appointed as Chairman & Managing Director of the company from 1st August, 2006. His present salary is Rs. 18,000 per month including all perquisites. The Board of Directors at its meeting held on 30th September, 2008 increased his salary from Rs. 18,000 p.m. to Rs. 25,500/- p.m. including all perquisites with an increase of salary and perquisites upto Rs. 5,000/- every year keeping all other terms and conditions same.

The Directors recommend the Special Resolution for your approval.

Except Shri Bhupendrabhai J Shah himself, Jaykumar J. Shah, Daxesh B. Shah, Rumit B. Shah, Vivek S. Shah & Shailesh J. Shah, none of the Directors is concerned or interested in the resolution.

Item No. 8

Shri Jaykumar J Shah was re - appointed as Executive Director of the company from 1st August, 2006. His present salary is Rs. 18,000 per month including all perquisites. The Board of Directors at its meeting held on 30th September, 2008 increased his salary from Rs. 18,000 p.m. to Rs. 25,500/- p.m. including all perquisites with an increase of salary and perquisites upto Rs. 5,000/- every year keeping all other terms and conditions same.

The Directors recommend the Special Resolution for your approval.

Except Shri Jaykumar J Shah himself, Bhupendrabhai J Shah, Shah, Daxesh B. Shah, Rumit B. Shah, Vivek S. Shah & Shailesh J. Shah, none of the Directors is concerned or interested in the resolution.

Item No. 9

Shri Daxesh B. Shah was re-appointed as Whole Time Director of the company from 1st August, 2006. His present salary is Rs. 26,000 per month including all perquisites. The Board of Directors at its meeting held on 30th September, 2008 increased his salary from Rs. 26,000 p.m. to Rs. 33,500/- p.m. including all perquisites with an increase of salary and perquisites upto Rs. 5,000/- every year keeping all other terms and conditions same.

The Directors recommend the Special Resolution for your approval.

Except Shri Daxesh B. Shah himself, Bhupendra J. Shah, Jaykumar J. Shah, Rumit B. Shah, Vivek S. Shah & Shailesh J. Shah, none of the Directors is concerned or interested in the resolution.

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Item No. 10

Shri Rumit B. Shah was re-appointed as Director (Production) of the company from 1st August, 2006. His present salary is Rs. 26,000 per month including all perquisites. The Board of Directors at its meeting held on 30th September, 2008 increased his salary from Rs. 26,000 p.m. to Rs. 33,500/- p.m. including all perquisites with an increase of salary and perquisites upto Rs. 5,000/- every year keeping all other terms and conditions same.

The Directors recommend the Special Resolution for your approval.

Except Shri Rumit B. Shah himself, Bhupendra J. Shah, Jaykumar J. Shah, Daxesh B. Shah, Vivek S. Shah & Shailesh J. Shah, none of the Directors is concerned or interested in the resolution.

Item No. 11

The Securities & Exchange Board of India (SEBI) has notified guidelines for voluntary delisting of securities from the stock exchanges. As per SEBI Guidelines, exit opportunity to the shareholders need not be given where securities of the Company remain listed on the stock exchange having nationwide trading terminal. At present the equity shares of the Company are listed at Ahmedabad Stock Exchange and Bombay Stock Exchange. Considering the negligible volume of trading and as a part of its cost reduction measure the consent of members is sought for getting its securities delisted from Ahmedabad Stock Exchange as proposed in the special resolution. The securities of the Company shall continue to be listed on the Bombay Stock Exchange Limited (BSE), Mumbai.

None of the directors is in any way concerned or interested in the said resolution.

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

Name of the Director	Brief Details of Educational Qualification & Experience in Functional area	List of other Directorship / Committee membership in other Public Companies as on 31st March, 2009
Shri Rumit B. Shah	He is Bachelor of Engineering (Mechanical) having 10 years of experience in the field of Production of Detergent & Chemicals	Narayan Soaps & Chemicals Pvt. Ltd.
Shri Kaushik R. Patel	He is M.Sc. having more than 30 years of experience in the field of Production & Marketing of Detergent & Chemicals	
Shri Narendra N. Shah	He is undergraduate having more than 40 years of experience in the field of Construction.	

Date : 29/08/2009
Place: Ahmedabad

By Order of the Board
For, HIPOLIN LIMITED

Bhupendra J. Shah
Chairman & Managing Director

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To,

The Members

Your Directors have pleasure in presenting the 16th Annual Report for the year ended on 31st March 2009.

1. FINANCIAL RESULTS :

	(Rs. in Lacs)	(Rs. in Lacs)
	2008-09	2007-08
Gross sales	3542.20	2358.51
Profit Before Tax	68.90	15.90
Provision for Taxation (including fringe Benefit tax)	37.92	17.50
Deferred Tax	(23.83)	(11.84)
Profit After Tax	54.81	10.24
Appropriations:		
Proposed Dividend	31.31	NIL
Tax on Dividend	5.32	NIL
Transferred to General Reserve	1.50	NIL
Balance Carried to Balance Sheet	28.04	11.36

2. DIVIDEND :

The Board of Directors is pleased to recommend a dividend @10% i.e. Rs.1.00 per equity share on 31,31,300 equity shares of Rs. 10 each for the financial year 2008-09, amounting to Rs 31.31 lacs.

3. OPERATIONS:

The Company has achieved turnover of Rs. 3542.20 lacs and earned net profit of Rs. 54.81 lacs during the year under review compared to turnover of Rs. 2358.51 lacs and net profit of Rs. 10.24 during the previous year.

Your Company has been able to substantially increase its volume of operation in spite of the recessionary trend and liquidity problems persisted in the prevailing Industry.

4. MANAGEMENT DISCUSSION AND ANALYSIS

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

5. CORPORATE GOVERNANCE:

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

6. CFO CERTIFICATION

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