



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

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COMPANY INFORMATION

BOARD OF DIRECTORS

Ashwin S. Dani
Chairman

Rajnikant B. Desai

Jalaj A. Dani

Harish N. Motiwalla

Rameshchandra S. Gandhi

Ashwin R. Nagarwadia

Ina A. Dani

Somasekhar Sundaresan
(Upto 10th May, 2013)

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

Malav A. Dani
Managing Director

Namita Tiwari
Company Secretary

STATUTORY AUDITORS

Shah & Co.
Chartered Accountants, Mumbai

REGISTRAR & TRANSFER AGENT :

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

BANKERS

State Bank Of India
Kotak Mahindra Bank Limited
Standard Chartered Bank

REGISTERED & CORPORATE OFFICE

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

NOTICE

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

ORDINARY BUSINESS:

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

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

SPECIAL BUSINESS:

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

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

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

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

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

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

NOTES:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Registered Office:

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

18th May, 2013

By Order of the Board

Namita Tiwari
Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement

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

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

Item No. 7:

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

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

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

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

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

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

Item No. 8:

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

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

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

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

Registered Office:

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

By Order of the Board

18th May, 2013

Namita Tiwari
Company Secretary

DIRECTORS' REPORT

Dear Members,

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

FINANCIAL RESULTS

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

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

STANDALONE FINANCIALS

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