



**We carry your values**

# From the Managing Director's Desk



**1000+**  
Employees



**13**  
Manufacturing Sites



**10,000 sq.ft.**  
Innovation Centre



**360°**  
Packaging Solutions

Dear Fellow Partners,

As we complete 25 years in the packaging industry this year, we have consolidated our resources through the successful merger of Clear Mipak Packaging Solutions Ltd. This merger of companies has allowed us to leverage our existing clients and range of products to new customers. We believe that this will emerge as a scalable driver for our company and will become a key to unlocking its future value.

Our continued focus on our Research and Development facility has led to improvement in design and development of innovative products, to better serve our unique range of customers in various business segments.

As many of you may be aware, during last year's Haryana agitation, our manufacturing facility at Rohtak, Haryana was set on fire, resulting in irreparable damage. Efforts to rebuild and restore the facility are underway. We assure you that our operations will resume at the earliest.

Despite this unforeseen setback, we would like to inform you that our Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) has increased by 13% due to improved efficiencies through cost reduction. Additionally, both our finance cost and short term borrowings have reduced by 33% and 50% respectively. Our profit before tax has also increased by Rs 11.16 crores.

We assure you that in the process of achieving our strategic goals, we will adhere to the highest standards of quality, health, safety and environment. The ongoing implementation of our automation initiatives with guidelines to be monitored and reviewed periodically is likely to result in robust processes and increase productivity.

Our journey towards becoming one of the most respected companies in India is a long and arduous one and we believe this can be achieved by our continued efforts to increase value for our stakeholders.

We would also like to take this opportunity to thank you for maintaining faith in us and make certain that we are and will continue to stay committed to scaling greater heights in all our future endeavours.

We look forward to a rewarding journey ahead together. As always, we deeply value your investments and appreciate your continued patronage.

With Regards,

Malav Dani

Managing Director  
Hitech Plast Ltd.

## Our Core Value Equation



The Hitech Group stands on the foundation of its four core values which are 'Integrity' at work, 'Innovation' in thought, 'Commitment' to all internal and external stakeholders, leading to 'Excellence' across the Group's offerings and initiatives.

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## QUALITY POLICY

We shall engage our customer by translating their needs and requirements into products we manufacture. With a quest for 'Right First Time' and 'On Time Delivery' and a spirit within us to drive quality in all that we do, we shall accelerate continual improvement of our processes by relentless self - evaluation.

While doing so, we shall always maintain our integrity, commitment and adhere to all legal, environmental, health and safety requirements.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Ashwin S. Dani**  
*Chairman*

**Rajnikant B. Desai**  
*Independent Director*

**Jalaj A. Dani**  
*Director*

**Harish N. Motiwalla**  
*Independent Director*

**Ashwin R. Nagarwadia**  
*Director*

**Ina A. Dani**  
*Director*  
(Upto 30<sup>th</sup> June, 2015)

**Jayendra R. Shah**  
*Independent Director*

**Gool M. Kotwal**  
*Independent Director*  
(Upto 15<sup>th</sup> April, 2016)

**Bomi P. Chinoy**  
*Independent Director*  
(w.e.f. 23<sup>rd</sup> May, 2016)

**Vaishali V. Sharma**  
*Independent Director*  
(w.e.f. 10<sup>th</sup> June, 2016)

**Malav A. Dani**  
*Managing Director*

**Mehernosh A. Mehta**  
*Whole Time Director*

### STATUTORY AUDITORS

**M/s. Manubhai & Shah LLP**  
*Chartered Accountants, Mumbai*

### BANKERS

Kotak Mahindra Bank Limited  
Standard Chartered Bank  
HDFC Bank Limited  
State Bank of India

*Chief Operating Officer*  
**Baskaran Nadar**  
(w.e.f. 2<sup>nd</sup> August, 2016)

*Chief Financial Officer*  
**Bharat I. Gosalia**

*Company Secretary*  
**Namita Tiwari**

### REGISTERED & CORPORATE OFFICE

Unit No. 201, 2<sup>nd</sup> Floor, Welspun House,  
Kamala City, Senapati Bapat Marg,  
Lower Parel (W), Mumbai – 400 013.  
Tel No.: 022-4001 6500  
Fax. : 022 2495 5659  
CIN: L28992MH1991PLC168235  
Website: [www.hitechgroup.com](http://www.hitechgroup.com)  
Email: [investor.help@hitechgroup.com](mailto:investor.help@hitechgroup.com)

### REGISTRAR & TRANSFER AGENT:

**Link Intime India Pvt. Ltd**  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078.  
Tel: 022-2596 3838  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2016 is summarized below:

	(₹ in lacs)	
	2015-16	2014-15
Gross Sales	43,074	50,989
<b>Sales (Net of Excise)</b>	<b>39,070</b>	46,227
Other Income	272	342
Total Income	39,342	46,569
<b>Earnings Before Interest, Depreciation &amp; Tax (EBIDT)</b>	<b>4,635</b>	4,113
Interest and Financing Charges	1,051	1,579
Depreciation	1,559	1,624
<b>Profit (Before Tax)</b>	<b>2,025</b>	910
Less: Provision for Tax	613	232
<b>Net Profit (After Tax)</b>	<b>1,412</b>	679
Previous year balance brought forward	8,214	5,699
Adjustment of Residual value of Fixed Assets	--	(53)
Add: Received on account of merger of CMPSL	--	2,054
<b>Amount available for appropriations</b>	<b>9,626</b>	8,378
<b>Proposed dividend on Preference Shares</b>	<b>65</b>	--
<b>Tax on proposed dividend on Preference Shares</b>	<b>13</b>	--
Proposed Dividend on Equity shares	155	136
Tax on Equity Dividend	31	28
<b>Balance carried to Balance Sheet</b>	<b>9,362</b>	8,214

### OVERVIEW OF FINANCIAL PERFORMANCE

Operating revenue reduced to ₹ 393 crores from ₹ 466 crores of previous year largely on account of reduction in key raw material prices due to drop in crude prices as also some reduction in sales volume of Rohtak unit because of fire. Profit Before Tax increased to ₹ 20.25 crores consequent to reduction in manpower cost, finance cost & improved efficiency in production. Profit after tax increased to ₹ 14.12 crores from ₹ 6.79 crores.

### SHARE CAPITAL

The Authorised Share Capital of the Company increased during the year from ₹ 20 crores to ₹ 60.50 crores. During the year 20 lacs Convertible Warrants were converted into 20 lacs Equity Shares of ₹ 10/- each upon exercise of conversion option by the warrant holders.

The Board of Directors of the Company and Clear Mipak Packaging Solutions Limited ("CMPSL") had approved a Scheme of Amalgamation ("Scheme") to simplify the group structure by elimination of multiple entity with a view to consolidate businesses and lead to synergies in operations. Pursuant to the Scheme, 173 9% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid up of the Company were issued to the shareholders of CMPSL for every 10 equity shares held in CMPSL in consideration of the amalgamation of CMPSL into the Company.

Pursuant to Order dated 20th November, 2015 passed by the Hon'ble High Court of Judicature at Bombay approving the said Scheme, the same was implemented by allotting 3,09,44,164 9% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid

up of the Company to the shareholders of CMPSL on 07th January, 2016.

Accordingly, the Paid up Share Capital of the Company as on 31<sup>st</sup> March, 2016 is as under :

No. of Shares	Capital (₹ in lacs)
1,71,75,700 Equity Shares of ₹ 10/- each	1,717.57
3,09,44,164 – 9% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each.	3,094.42
<b>TOTAL</b>	<b>4,811.99</b>

### DIVIDEND

Your Directors are pleased to recommend dividend for approval of the members as under:

- On Equity Shares @ 9% i.e. ₹ 0.90 per equity share (Previous year ₹ 0.90 per equity share), for the financial year ended 31<sup>st</sup> March, 2016.
- On 9% Non-Convertible Redeemable Cumulative Preference Shares ('NCRCPs') of ₹ 10/- each, dividend @ 9% p.a. payable for the period starts from 7<sup>th</sup> January, 2016 to 31<sup>st</sup> March, 2016 (both the days inclusive).

The proposed dividend on Equity Share Capital will absorb ₹ 186.05 lacs including Dividend Distribution Tax of ₹ 31.47 lacs

The proposed dividend on NCRCPs will absorb ₹ 78 lacs including Dividend Distribution Tax of ₹ 13 lacs.

### TRANSFER TO RESERVES

During the year under review, no amount has been transferred to General Reserve.

### MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with the Regulation 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations'), a separate section on the Management Discussion and Analysis giving details of overall industry structure, developments, performance and state of affairs of Company's business, forms an integral part of this Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (a) APPOINTMENTS/RE-APPOINTMENTS

During Financial Year 2015-16, Mr. Mehernosh A. Mehta (DIN: 00372340) was appointed as an Additional Director with effect from 17<sup>th</sup> March, 2016, who holds office upto the date of the ensuing Annual General Meeting of the Company.

Mr. Bomi Pesi Chinoy (DIN: 07519315) and Ms. Vaishali Sharma (DIN: 07531200) were appointed as Additional Directors (Independent) by the Board of Directors of the Company with effect from 23<sup>rd</sup> May, 2016 and 10<sup>th</sup> June, 2016, respectively. As Additional Directors, they hold office upto the date of the ensuing Annual General Meeting. The Company has received notices in writing under Section 160 of the Companies Act, 2013 from the members proposing Mr. Bomi Chinoy's and Ms. Vaishali Sharma's candidature for the office of Director. Accordingly, Mr. Bomi Chinoy and Ms. Vaishali Sharma are proposed to be appointed as an Independent Directors of the Company for a period of 5 years, subject to the approval of members at the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Jalaj A. Dani, Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment to the Board.

**(b) RESIGNATIONS**

During the Financial Year 2015-16, Mrs. Ina A. Dani, a Non-Executive Promoter Director resigned from the Board of your Company with effect from end of the business hours of 30<sup>th</sup> June, 2015.

Mrs. Gool M. Kotwal, a Non-Executive Independent Director resigned from the Board of your Company with effect from end of the business hours of 15<sup>th</sup> April, 2016.

The Board places on record its appreciation for their invaluable contribution / guidance during their association with your Company.

**(c) KEY MANAGERIAL PERSONNEL**

During the financial year, Mr. Mehernosh A. Mehta (DIN: 00372340), was appointed as the Wholetime Director of the Company for a period of five years with effect from 17<sup>th</sup> March, 2016 to 16<sup>th</sup> March, 2021.

Mr. Malav A. Dani, Managing Director (DIN: 01184336) of the Company, whose tenure as Managing Director expires on 4<sup>th</sup> August, 2016, was re-appointed by the Board of Directors of the Company for a further period of 5 years w.e.f. 5<sup>th</sup> August, 2016 to 4<sup>th</sup> August, 2021, subject to approval of shareholders at the ensuing Annual General Meeting of the Company and the approval of applicable statutory authorities. The Board recommends his re-appointment as Managing Director of the Company for a further period of 5 years.

Mr. Malav Dani, Managing Director (DIN: 01184336), Mr. Mehernosh Mehta, Wholetime Director (DIN: 00372340), Mr. Bharat Gosalia, Chief Financial Officer and Mrs. Namita Tiwari, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

The above appointment and re-appointment forms part of the Notice of the Twenty Fifth Annual General Meeting and the relevant Resolutions are recommended for your approval therein.

**(d) CHIEF OPERATING OFFICER**

Mr. Baskaran Nadar is appointed as the Chief Operating Officer of the Company with effect from 3<sup>rd</sup> August, 2016.

**(e) DECLARATION OF INDEPENDENCE**

All Independent Directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

**(f) FAMILIARISATION PROGRAMME**

Whenever any person joins the Board of the Company as a Director, an induction programme is arranged for the new appointee, wherein the appointee is familiarised with the Company, his/her roles, rights and responsibilities in the Company, the Code of Conduct of the Company to be adhered, nature of the industry in which the Company operates, and business model of the Company.

The details of such familiarisation programmes has been disclosed on the Company's website at [www.hitechgroup.com](http://www.hitechgroup.com)

**(g) BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors on recommendation of the Nomination & Remuneration Committee has evaluated the effectiveness of the Board as a whole, the various Committees, Directors individually (excluding Director being evaluated) and the Chairman.

**AUDIT COMMITTEE**

The Audit Committee of your Company comprises of three (3) Members viz. Mr. Harish N. Motiwalla a Non-Executive Independent Director as the Chairman, Mr. Ashwin Nagarwadia a Non-Executive Director and Mr. Jayendra R. Shah Non-Executive Independent Director as Members.

**NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES**

The details of the number of Meetings of the Board and the Committees are discussed in the Corporate Governance Report which forms part of this Report.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 in accordance with Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 are set out herewith as "Annexure A".

**CORPORATE GOVERNANCE**

In compliance with the requirements of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, a separate report on Corporate Governance along with Auditors' certificate on its compliance, forms an integral part of this Report.

**LISTING OF SHARES**

The Company's equity shares are actively traded on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSEIL). Further, the applicable listing fees for the financial year 2016-17 has been paid to the respective Stock Exchange(s).

**AUDITORS AND THEIR REPORT****a. Statutory Auditors**

The Members of the Company at its 23<sup>rd</sup> Annual General Meeting held on Saturday, the 13<sup>th</sup> day of September, 2014, had appointed M/s Manubhai & Shah LLP Chartered Accountants (Firm Reg. No: 106041W/W100136) as Statutory Auditors of the Company for a term of five (5) years, subject to the ratification of their appointment by the members at every Annual General Meeting.

A Resolution for ratification of appointment of M/s Manubhai & Shah LLP Chartered Accountants (Firm Registration No: 106041W/W100136), as Statutory Auditors of the Company for the Financial Year 2016-17 is being placed for the approval of members in the ensuing Annual General Meeting. They have confirmed their eligibility to the effect that their appointment, if ratified and confirmed, would be within the prescribed limits under the Companies Act, 2013 and Rules made thereunder and that they are not disqualified to be Statutory Auditors of your Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015, M/s Manubhai & Shah LLP Chartered Accountants have also confirmed that they hold a valid Certificate of practice issued by Peer Review Board of Institute of Chartered Accountants of India.

The Auditor's Report for the financial year ended 31<sup>st</sup> March, 2016 does not contain any qualification, reservation or adverse remarks.

**b. COST AUDITORS**

As the Companies (Cost Records and Audit) Rules are not applicable to your Company, the Company has not appointed any Cost Auditor for the financial year 2015-16.

**c. INTERNAL AUDITORS**

M/s. Shashank Patki and Associates, Chartered Accountants, Pune and M/s. J. V. Ramanujam & Co., Chartered Accountants, Chennai were re-appointed as the Internal Auditors of the Company for the financial year 2015-16.

M/s. Shashank Patki and Associates, Chartered Accountants, Pune and M/s. J. V. Ramanujam & Co., Chartered Accountants, Chennai and M/s. Jasuja Kapoor & Associates, Noida, re-appointed/appointed as an Internal Auditors for the financial year 2016-17.

The Audit Committee of the Board of Directors, Statutory Auditors and the Management are periodically appraised of the Internal Audit findings and corrective actions are taken.

#### d. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company has re-appointed M/s. Nilesh Shah & Associates, Company Secretaries, Mumbai, to conduct the Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2016.

The Secretarial Audit Report is annexed herewith as 'Annexure B' to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act and is appended hereto as 'Annexure – C' and forms part of this Report. The Nomination & Remuneration Policy is also displayed on the Company's website under the web link: <http://www.hitechgroup.com/investor/#policies>

#### SEXUAL HARASSMENT POLICY

The Company has formulated and adopted a Policy on Prevention of Sexual Harassment of Women at Workplace pursuant to the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act 2013. The Company has not received any complaints under the said policy during the year. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

Sexual Harassment Policy of the Company is displayed on the Company's website under the weblink: <http://www.hitechgroup.com/investor/#policies>

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a 'Whistle Blower Policy' with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has established mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, violation of our Code of Conduct and Ethics.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website through the following link: <http://www.hitechgroup.com/investor/#policies>.

#### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

##### Corporate Social Responsibility ('CSR') Committee:

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended, the Board of Directors have constituted a Corporate Social Responsibility Committee. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report forming part of the Annual Report.

##### CSR Policy:

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the Corporate Social Responsibility Committee is available on the website of the Company and can be accessed through the weblink: <http://www.hitechgroup.com/investor/#policies>.

##### Initiatives undertaken during the financial year 2015-16:

During the financial year 2015-16, the Company has spent ₹ 5.70 Lacs

The Annual Report on CSR Activities undertaken by Company during the financial year 2015-16, is annexed as Annexure-D and forms part of this Report.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 is appended hereto as 'Annexure – E' and forms part of this Report.

#### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, dividends pertaining to the financial year 2007-08 amounting to ₹ 1,49,119/- which remained unpaid or unclaimed for a period of 7 years was transferred by the Company to the Investor Education and Protection Fund.

Further, dividends, which remained unpaid or unclaimed for a period of 7 years, pertaining to the financial year 2008-09 which was declared at the Annual General Meeting of the Company held on 26<sup>th</sup> September, 2009, will be transferred to the Investor Education and Protection Fund by 25<sup>th</sup> October, 2016. Members who have not encashed their dividend warrants for the year 2008-09 or thereafter are requested to write to the Company's Registrar and Share Transfer Agents.

#### PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company has been disclosed in 'Annexure F'.

#### DEPOSITS

During the financial year the Company accepted deposits from the shareholders of an amount of ₹ 304.40 lacs in pursuant to the provisions of the Companies Act, 2013 and rules made thereunder. The outstanding deposits as on 31<sup>st</sup> March, 2016 was ₹ 354.40 lacs (Including Directors deposit accepted in the year 2014-15).

Particulars of Deposits covered Under Chapter V of the Act are as follows:

Particulars	Details (₹ in Lacs)
Opening Balance	50.00
Accepted during the year	304.40
Repaid / Settled during the year	-
As at the close of the year	354.40
Whether there has been any default in repayment of deposits or interest thereon; and if so the number of times and the total amount involved-	Nil
a. At the beginning of the year	
b. Maximum during the year	
c. At the end of the year	
Deposits which are not in compliance with requirements of Chapter V of Companies Act, 2013	Nil

#### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has invested an amount of ₹ 1.25 lacs by subscribing to the share capital of Paints & Coatings Skill Council, a Charitable Company incorporated under Section 8 of the Companies Act, 2013.

#### RELATED PARTY TRANSACTIONS

All Related Party Transactions which were entered during the financial year 2015-16 were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with related party(s) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large.

Your Company's sales transactions to Asian Paints Limited qualify as material Related Party Transactions (RPT) under Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company have formulated a Policy on dealing with RPTs and a Policy on materiality of Related Party Transactions which is uploaded on the website of the Company and can be accessed through the following weblink: <http://www.hitechgroup.com/investor/#policies>.

The details of the related party transactions of the Company as required under Accounting Standard – 18 are set out in Note 41 to the financial statements forming part of this Annual Report.

The Form AOC – 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as 'Annexure G' to this Report.

#### INTERNAL FINANCIAL CONTROLS

Your Company has in place of adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation of the same were observed.

#### RISK MANAGEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Company has a risk management policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

#### SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant/material orders passed by any of the Regulators or Courts or Tribunals impacting the going concern status of your Company or its operations in future.

#### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial year of the Company to which the Financial Statements relate and date of this report.

#### CHANGE IN NATURE OF BUSINESS

There were no changes in the nature of business of the Company during the year under review. However, various manufacturing units of Clear Mipak Packaging Solutions Limited (CMPSL), catering to separate industry segments like pharmaceutical, agro, FMCG etc. stood transferred to the Company consequent to Scheme of Amalgamation between CMPSL and the Company.

#### NAMES OF COMPANIES WHICH HAVE BECOME / CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES DURING THE YEAR

During the year under review, by an Order dated 20<sup>th</sup> November, 2015 from Hon'ble High Court Judicature of Bombay sanctioned the merger of Clear Mipak Packaging Solutions Limited (CMPSL), a subsidiary of the Company with the Company. Upon certified copy of the said Order being filed with Registrar of Companies, Mumbai, Maharashtra, the merger became effective. Consequently, now no subsidiary company exist. The Company does not have any Joint Ventures or Associate Companies.

#### GENERAL

Your Company

- has not issued Shares having differential rights as to dividend, voting or otherwise and
- does not have any ESOP Scheme for its employees/Directors.

#### HUMAN RESOURCE

The Company has always perceived its Manpower as its biggest strength. The emphasis was on grooming in-house talent enabling

them to take higher responsibilities. The Employee relations continue to be cordial at all the divisions of the Company. Your Directors place on record their deep appreciation for the contribution of the employees at all levels. Their dedicated efforts and enthusiasm have been integral to your Company's steady performance.

#### FIRE AT ROHTAK UNIT

The manufacturing operations of the Company's unit located at Rohtak, Haryana, was disrupted because of agitation in the area nearby plant and the entire unit was destroyed due to fire on 20<sup>th</sup> February 2016, resulting in irreparable damage to the said unit. This caused an impact on Company's operations for the current financial year. The property was fully insured on a reinstatement basis and the Company has submitted its claim to the Insurance Company. The surveyors appointed by the Insurance Company submitted their report based on which they are assessing the claim. Consequent to the report of the Insurance Surveyor, the Company received "On Account Payment" of ₹18 crores towards its claim, pending final settlement of the claim on rebuilding the factory. The Company has started activities of rebuilding the factory including new civil structures and expects to recommence the manufacturing operations in the 4<sup>th</sup> Quarter of the Financial Year 2016-17.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31<sup>st</sup> March, 2016 and of the profit and loss of the Company for the financial year ended 31<sup>st</sup> March, 2016;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively and;
- proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

#### ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation and gratitude to all the employees at all levels for their hard work, dedication and co-operation during the year.

Your Directors wish to express their sincere appreciation for the excellent support and co-operation extended by the Company's shareholders, customers, bankers, suppliers, regulatory and Government Authorities and all other stakeholders.

**For and on Behalf of the Board of Directors**

**Ashwin S. Dani**  
Chairman  
(DIN: 00009126)

**Place : Mumbai**  
**Date: 2<sup>nd</sup> August, 2016**

## ANNEXURE A TO DIRECTORS' REPORT

## FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN  
for the financial year ended 31<sup>st</sup> March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

CIN	L28992MH1991PLC168235
Registration Date:	16 <sup>th</sup> OCTOBER, 1991
Name of the Company:	HITECH PLAST LIMITED
Category of the Company	PUBLIC COMPANY
Sub-Category of the Company	COMPANY HAVING SHARE CAPITAL
Address of the Registered office and contact details:	Unit No. 201, 2nd Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 Tel. No: 022 4001 6500 Fax No : 022 2495 5659 E-mail: investor.help@hitechgroup.com Website: <a href="http://www.hitechgroup.com">www.hitechgroup.com</a>
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime (India) Private Ltd. C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078. Tel. No: 022 2596 3838 Fax No : 022 2596 2691 E-mail: rnt.helpdesk@linkintime.co.in

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	ITC/NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Packaging Products of Plastics	3132 (ITC)	100.00

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Geetanjali Trading & Investments Pvt. Ltd. 3A Barodawala Mansion, 81, Dr. Annie Besant Road, Worli, Mumbai - 400018	U65990MH1979PTC021049	Holding	69.11%	2(46)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
<b>A. Promoters (1) Indian</b>									
a) Individual/HUF	397185	--	397185	2.62	477185	--	477185	2.78	0.16
b) Central Govt / State Governments	--	--	--	--	--	--	--	--	--
c) Financial Institutions / Banks	--	--	--	--	--	--	--	--	--
d) Any other									
Bodies Corporate	10387295	--	10387295	68.44	12307295	--	12307295	71.65	3.21
<b>Sub total (A)(1)</b>	<b>10784480</b>		<b>10784480</b>	<b>71.06</b>	<b>12784480</b>		<b>12784480</b>	<b>74.43</b>	<b>3.37</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	--	--	--	--	--	--	--	--	--
b) Government	--	--	--	--	--	--	--	--	--
c) Institutions.	--	--	--	--	--	--	--	--	--
d) Foreign Portfolio Investor	--	--	--	--	--	--	--	--	--
e) Any Other (Specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total shareholding of Promoter And Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>10784480</b>	<b>--</b>	<b>10784480</b>	<b>71.06</b>	<b>12784480</b>	<b>--</b>	<b>12784480</b>	<b>74.43</b>	<b>3.37</b>

<b>B. Public Shareholding</b>										
1. Institutions										
a) Mutual Funds	--	--	--	--	--	--	--	--	--	--
b) Venture Capital Funds	--	--	--	--	--	--	--	--	--	--
c) Alternate Investment Funds	--	--	--	--	--	--	--	--	--	--
d) Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--	--
e) Foreign Portfolio Investor	--	--	--	--	2249	--	2249	0.01	<b>0.01</b>	
f) Financial Institutions / Banks	--	--	--	--	--	--	--	--	--	--
g) Insurance Companies	--	--	--	--	--	--	--	--	--	--
h) Provident Funds / Pension Funds	--	--	--	--	--	--	--	--	--	--
i) Any Other Specify										
FII	6530	--	6530	0.04	--	--	--	--	--	<b>(0.04)</b>
UTI	--	1100	1100	0.01	--	1100	1100	0.01	--	
j) Others (specify)	--	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	<b>6530</b>	<b>1100</b>	<b>7630</b>	<b>0.05</b>	<b>2249</b>	<b>1100</b>	<b>3349</b>	<b>0.02</b>	<b>(0.03)</b>	
<b>2 Central Government / State Government(s)/ President of India</b>										
<b>Central Government / State Government(s)</b>	--	<b>3000</b>	<b>3000</b>	<b>0.02</b>	--	<b>3000</b>	<b>3000</b>	<b>0.01</b>	<b>(0.01)</b>	
<b>Sub Total (B)(2)</b>	--	<b>3000</b>	<b>3000</b>	<b>0.02</b>	--	<b>3000</b>	<b>3000</b>	<b>0.01</b>	<b>(0.01)</b>	
3. Non-Institutions										
(a) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1482968	375026	1857994	12.25	1391873	364026	1755899	10.22	<b>(2.03)</b>	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1557363	--	1557363	10.27	1412425	--	1412425	8.23	<b>(2.04)</b>	
b) NBFC registered with RBI	--	--	--	--	--	--	--	--	--	--
c) Employee Trusts	--	--	--	--	--	--	--	--	--	--
d) Overseas Depositories (holding Drs) (balancing figure)	--	--	--	--	--	--	--	--	--	--
e) Any Other (Specify)										
Foreign Nationals	400	--	400	--	400	--	400	--	--	--
Hindu Undivided Family	--	--	--	--	217709	--	217709	1.27	1.27	
Non Resident Indians (Non Repat)	19746	--	19746	0.13	28216	--	28216	0.17	0.03	
Directors / Relatives of Director	6900	--	6900	0.04	7100	--	7100	0.04	--	
Non Resident Indians (Repat)	272467	219900	492367	3.24	219900	276106	496006	2.89	<b>(0.35)</b>	
Clearing Member	30161	--	30161	0.20	82720	--	82720	0.48	0.28	
Bodies Corporate	414559	1100	415659	2.74	383296	1100	384396	2.24	<b>(0.50)</b>	
<b>Sub Total (B)(3)</b>	<b>3784564</b>	<b>596026</b>	<b>4380590</b>	<b>28.87</b>	<b>3743639</b>	<b>641232</b>	<b>4384871</b>	<b>25.54</b>	<b>(3.33)</b>	
Total Public Shareholding (B)=B(1)+B(2)+B(3)	<b>3791094</b>	<b>600126</b>	<b>4391220</b>	<b>28.94</b>	<b>3745888</b>	<b>645332</b>	<b>4391220</b>	<b>25.57</b>	<b>(3.37)</b>	
C. Shares held by Custodian GDRs & ADRs	--	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>3791094</b>	<b>600126</b>	<b>4391220</b>	<b>28.94</b>	<b>3745888</b>	<b>645332</b>	<b>4391220</b>	<b>25.57</b>	<b>(3.37)</b>	

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Share holding at the end of the year (As on 31.03.2016)			% change as a % of total shares of the Company
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Geetanjali Trading & Investments Pvt. Ltd.	9949295	65.56	--	11869295	69.11	--	3.55
2	Omega Properties Pvt. Ltd.	191000	1.26	--	191000	1.11	--	(0.15)
3	Gujarat Organics Ltd.	177000	1.17	--	177000	1.03	--	(0.14)
4	Hiren Holdings Pvt. Ltd.	70000	0.46	--	70000	0.41	--	(0.05)
5	Ashwin Suryakant Dani	190095	1.25	--	230095	1.34	--	0.09
6	Ina A. Dani	48200	0.32	--	61200	0.36	--	0.04
7	Hasit A. Dani	30000	0.20	--	30000	0.17	--	(0.03)
8	Malav A. Dani	42000	0.27	--	54000	0.31	--	0.04
9	Jalaj A. Dani	33100	0.22	--	41100	0.24	--	0.02
10	Vita J. Dani	25700	0.17	--	32700	0.19	--	0.02
11	Ashwin R. Gandhi	15500	0.10	--	15500	0.09	--	(0.01)
12	Hiren Ashwin Gandhi	7590	0.05	--	7590	0.04	--	(0.01)
13	Satyen A. Gandhi	5000	0.03	--	5000	0.03	--	--
	Total	10784480	71.06	--	12784480	74.43	--	3.37

## (iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding		Date*	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15) /end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Geetanjali Trading & Investments Pvt. Ltd.	9949295	65.56	01.04.2015				
				01.02.2016	1920000	Conversion of Warrants		
		11869295	69.11	31.03.2016			11869295	69.11
2.	Ashwin Suryakant Dani	190095	1.25	01.04.2015				
				01.02.2016	40000	Conversion of Warrants		
		230095	1.34	31.03.2016			230095	1.34
3.	Ina A. Dani	48200	0.32	01.04.2015				
				01.02.2016	13000	Conversion of Warrants		
		61200	0.36	31.03.2016			61200	0.36
4.	Jalaj A. Dani	33100	0.22	01.04.2015				
				01.02.2016	8000	Conversion of Warrants		
		41100	0.24	31.03.2016			41100	0.24
5.	Vita J. Dani	25700	0.17	01.04.2015				
				01.02.2016	7000	Conversion of Warrants		
		32700	0.19	31.03.2016			32700	0.19
6.	Malav A. Dani	42000	0.28	01.04.2015				
				01.02.2016	12000	Conversion of Warrants		
		54000	0.31	31.03.2016			54000	0.31

Sr. No.	Name	Shareholding		Date*	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15) /end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
7.	Omega Properties Pvt. Ltd.	191000	1.26	01.04.2015				
		191000	1.11	31.03.2016	--	Nil movement during the year	191000	1.11
8.	Gujarat Organics Ltd.	177000	1.16	01.04.2015				
		177000	1.03	31.03.2016	--	Nil movement during the year	177000	1.03
9.	Hiren Holdings Pvt. Ltd.	70000	0.46	01.04.2015				
		70000	0.41	31.03.2016	--	Nil movement during the year	70000	0.41
10.	Hasit A. Dani	30000	0.20	01.04.2015				
		30000	0.17	31.03.2016	--	Nil movement during the year	30000	0.17
11.	Ashwin Ramanlal Gandhi	15500	0.10	01.04.2015				
		15500	0.09	31.03.2016	--	Nil movement during the year	15500	0.09
12	Hiren Ashwin Gandhi	7590	0.05	01.04.2015				
		7590	0.04	31.03.2016	--	Nil movement during the year	7590	0.04
13	Satyen Ashwin Gandhi	5000	0.04	01.04.2015				
		5000	0.03	31.03.2016	--	Nil movement during the year	5000	0.03

\*Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company.

Percentage as on 1<sup>st</sup> April, 2015 is calculated on 15175700 number of equity shares and as on 31<sup>st</sup> March, 2016 is calculated on 17175700 number of equity shares.

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/ end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mayank kumar Ambalal Patel	--	--	01.04.2015				
		160000	0.93	17.07.2015 31.03.2016	160000	Transfer	160000	0.93
2.	Dipak Kanayalal Shah	155000	1.02	01.04.2015				
		160000	0.93	05.06.2015 31.03.2016	5000	Transfer	160000	0.93
3.	Sidhant Durgesh Shah	150000	0.99	01.04.2015				
		150000	0.87	31.03.2016	--	Nil movement during the year	150000	0.87
4.	Hardik Dhanesh Shah	150000	0.99	01.04.2015				
		150000	0.87	31.03.2016	--	Nil movement during the year	150000	0.87
5.	Vishesh Nimesh Shah	150000	0.99	01.04.2015				
		150000	0.87	31.03.2016	--	Nil movement during the year	150000	0.87

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/ end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
6.	Chakor Navinchandra Shah	159340	1.05	01.04.2015				
				15.05.2015	(360)	Transfer	158980	1.05
				22.05.2015	(2801)	Transfer	156179	1.03
				03.07.2015	(2000)	Transfer	154179	1.02
				10.07.2015	(8020)	Transfer	146159	0.96
				17.07.2015	(1723)	Transfer	144436	0.95
				24.07.2015	(3000)	Transfer	141436	0.93
				31.07.2015	(2500)	Transfer	138936	0.92
				11.12.2015	(500)	Transfer	138436	0.91
				18.12.2015	(15100)	Transfer	123336	0.81
				31.12.2015	(250)	Transfer	123086	0.81
				08.01.2016	(2000)	Transfer	121086	0.80
				11.03.2016	(1500)	Transfer	119586	0.79
				18.03.2016	(4000)	Transfer	115586	0.76
25.03.2016	(10000)	Transfer	105586	0.70				
31.03.2016	(1935)	Transfer	103651	0.60				
7.	Jatin Ramesh Shah	1000	0.01	01.04.2015				
				10.04.2015	100000	Transfer	101000	0.67
				31.03.2016	101000			
8.	Shah Nimesh Sumatilal	100000	0.66	01.04.2015				
				31.03.2016	--	Nil movement during the year	100000	0.58
9.	Shah Durgesh Sumatilal	100000	0.66	01.04.2015				
				31.03.2016	--	Nil movement during the year	100000	0.58
10.	Dhanesh Sumatilal Shah	100000	0.66	01.04.2015				
				31.03.2016	--	Nil movement during the year	100000	0.58
11.	Ramesh Chimanlal Shah	110185	0.73	01.04.2015				
				10.04.2015	(100000)	Transfer	10185	0.07
				31.03.2016	10185			
12.	Pallav Suryakant Patel	160000	1.05	01.04.2015				
				17.07.2015	(160000)	Transfer	--	--
				31.03.2016	--			

\*Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company.

Percentage as on 1<sup>st</sup> April, 2015 is calculated on 15175700 number of equity shares and as on 31<sup>st</sup> March is calculated on 17175700 number of equity shares.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date*	Increase / (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15) / end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Ashwin S. Dani	190095	1.14	01.04.2015				
		230095	1.34	01.02.2016 31.03.2016	40000	Conversion of Warrants	230095	1.34
2.	Rajnikant B. Desai	--	--	--	--	--	--	--
3.	Harish N. Motiwalla	100	0.00	01.04.2015				
		--	0.00	10.04.2015 31.03.2016	100	Transfer	--	--
5.	Jalaj A. Dani	33100	0.22	01.04.2015				
		41100	0.24	01.02.2016 31.03.2016	8000	Conversion of Warrants	41100	0.24
6.	Ina Ashwin Dani*	48200	0.32	01.04.2015				
		61200	0.36	01.02.2016 31.03.2016	13000	Conversion of Warrants	61200	0.36

7.	Malav A. Dani	42000 54000	0.28 0.31	01.04.2015 01.02.2016 31.03.2016	12000	Conversion of Warrants	54000	0.31
8.	Ashwin R. Nagarwadia	5000 5000	0.03 0.03	01.04.2015 31.03.2016	--	Nil movement during the year	5000	0.03
10.	Jayendra R. Shah	1800 1800	0.01 0.01	01.04.2015 31.03.2016	--	Nil movement during the year	1800	0.01
11.	Gool M. Kotwal	--	--	--	--	--	--	--
13.	Bharat I. Gosalia	--	--	--	--	--	--	--
14.	Namita Tiwari	--	--	--	--	--	--	--

# Mrs. Ina A. Dani resigned with effect from 30<sup>th</sup> June, 2015.

\*Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company.

Percentage as on 1<sup>st</sup> April, 2015 is calculated on 15175700 number of equity shares and on 31<sup>st</sup> March, 2016 is calculated on 17175700 number of equity shares.

## VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5282.75	1250.00	50.00	6582.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12.08	-	-	12.08
<b>Total (i+ii+iii)</b>	<b>5294.83</b>	<b>1250.00</b>	<b>50.00</b>	<b>6594.83</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	343.36	--	307.69	651.05
• Reduction	(2419.54)	(1250.00)	-	(3669.54)
<b>Net Change</b>	<b>(2076.18)</b>	<b>(1250.00)</b>	<b>307.69</b>	<b>(3018.49)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3175.29	--	354.40	3529.69
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	43.36	--	3.29	46.65
<b>Total (i+ii+iii)</b>	<b>3218.65</b>	<b>--</b>	<b>357.69</b>	<b>3576.34</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ In lacs)

Sl. No.	Particulars of Remuneration	Mr. Malav Dani Managing Director	Mr. Mehernosh Mehta Wholetime Director#
1.	Gross salary		
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.00	0.64
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0.63	0.04
	c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	• As % of profit	Nil	Nil
	• Others, please specify		
5.	Others, please specify (Performance Bonus)	10.00	Nil
6.	Others, please specify (PF Contribution)	2.16	0.02
	<b>Total</b>	<b>39.79</b>	<b>0.70</b>
	<b>Ceiling as per Act* (including All)</b>	<b>102.82</b>	

\* Remuneration paid to Managing Director and Whole time Director is within the ceiling provided under Section 196 of the Companies Act, 2013

# Appointed w.e.f. 17<sup>th</sup> March, 2016.

**B. Remuneration to other Directors:****1. Independent Directors**

(Amount in ₹)

Name of Director	Fee for attending Board/ Committee meetings	Commission	Others	Total
Harish N. Motiwalla	2,50,000	3,20,000	--	5,70,000
Rajnikant B. Desai	20,000	--	--	20,000
Jayendra R. Shah	2,10,000	1,35,000	--	3,45,000
Gool M. Kotwal	1,10,000	1,35,000	--	2,45,000
Total (1)				11,80,000

**2. Non-Executive /Promoter Directors**

Name of Director	Fee for attending Board/ Committee meetings	Commission	Others	Total
Ashwin S. Dani	1,52,000	50,000	--	2,02,000
Ina A. Dani	10,000	20,000	--	30,000
Jalaj A. Dani	22,000	20,000	--	42,000
Ashwin R. Nagarwadia	80,000	90,000	--	1,70,000
Total (2)				4,44,000
Total (1+2)				16,24,000
<b>Ceiling as per the Act</b>		20,41,000		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD.**

Amount in ₹

	Company Secretary	CFO	Total
	Mrs. Namita Tiwari	Mr. Bharat Gosalia	
Gross salary			
a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,04,712	35,06,908	50,11,620
b. Value of perquisites u/s 17(2) Income-tax Act, 1961		2,00,000	2,00,000
c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
Stock Option	--	--	--
Sweat Equity	--	--	--
Commission	--	--	--
• As % of profit	--	--	--
• Others, please specify			
Others, please specify	49,260	1,33,344	1,82,604
Provident Fund			
<b>Total</b>	10,53,972	38,40,252	53,94,224

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	NA	NA
Punishment	Nil	Nil	Nil	NA	NA
Compounding	Nil	Nil	Nil	NA	NA
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	NA	NA
Punishment	Nil	Nil	Nil	NA	NA
Compounding	Nil	Nil	Nil	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	NA	NA
Punishment	Nil	Nil	Nil	NA	NA
Compounding	Nil	Nil	Nil	NA	NA

**ANNEXURE B TO DIRECTORS' REPORT****FORM NO. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

**Hitech Plast Limited**

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

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Hitech Plast Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under; (including the statutory Books maintained by Company in terms of Provisions of Companies Act, 1956 and in force, during our Audit Period).
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14<sup>th</sup> May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. 15<sup>th</sup> May, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (to the extent applicable);
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 w.e.f. 01st December, 2015.
- (vi) Considering activities of the Company, there is no specific regulator / law subject to whose approval company can carry on / continue business operation and hence no comment is invited in respect of the same. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labour Laws, Environmental Law, etc. (in addition to the above mentioned Laws (i to v) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the of the same.

We have also examined compliance with the applicable clauses of

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 w.e.f. 01<sup>st</sup> July, 2015; and
- (b) The Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non Compliance in respect of the same.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has undertaken corporate action as per details below having a major bearing on the Company's affairs in pursuance of aforesaid laws, rules and regulations:

1. Issue of 3,09,44,164 – 9% Non Convertible Redeemable Preference Shares of ₹ 10/- each to the shareholders of Clear Mipak Packaging Solutions Limited on account of Amalgamation with the Company.
2. 20 lacs Convertible Warrants were converted into 20 lacs Equity Shares of ₹ 10/- each upon exercise of conversion option by the warrant holders.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

**For Nilesh Shah & Associates**  
Company Secretaries

Place: Mumbai  
Date : 23<sup>rd</sup> May, 2016

**Nilesh Shah**  
FCS : 4554 C.P.: 2631

## ‘ANNEXURE A’

To

The Members,

**Hitech Plast Limited**

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

Dear Sir / Madam,

**Sub : Our Report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Nilesh Shah & Associates**  
Company Secretaries

Place: Mumbai  
Date : 23<sup>rd</sup> May, 2016

**Nilesh Shah**  
FCS : 4554 C.P.: 2631

**ANNEXURE C: TO DIRECTORS' REPORT****NOMINATION AND REMUNERATION POLICY****1. Preface:**

- a. The present Human Resource Policy of the Company considers human resources as its invaluable assets. The payment of remuneration to employees is linked with the employees individual roles, responsibility and performance with the overall objective of the Company.
- b. This Nomination and Remuneration Policy (NR Policy) has been formulated, inter alia, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of Hitech Plast Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

**2. Objectives of this NR Policy:**

- a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by Nomination and Remuneration Committee and recommend to the Board their appointment and removal.
- b. To lay down criteria to carry out evaluation of every Director's performance.
- c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;
- d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel & other employees to work towards the long term growth and success of the Company.

**3. Definitions:**

- a. "Act" means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.
- b. "Board" means the Board of Directors of the Company.
- c. "Directors" means the Directors of the Company.
- d. "NR Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.
- e. "Company" means Hitech Plast Limited.
- f. "Key Managerial Personnel"(KMP) means
  - Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole-time Director;
  - Company Secretary;
  - Chief Financial Officer
- g. "Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs, comprising of all members of management one level below the Executive Directors including the functional heads.
- h. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

**4. NR Policy**

NR Policy is divided into three parts as follows:

**A. Qualifications**

**Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:**

**a. Directors**

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of a Company. Any person who in the opinion of the Board is not disqualified to become a Director and possesses the ability, integrity, relevant expertise and experience, can be appointed as Director of the Company.

**b. Independent Directors**

For appointing any person as an Independent Director, he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time.

**c. Senior Management Personnel and KMP and Other Employees**

The Company has an Organogram displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the Organogram of the Company.

**B. Remuneration**
**a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel**

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

**b. Structure of Remuneration for Non-executive Director**

Non-Executive Directors are remunerated to recognize responsibilities, accountability and associated risks. The total remuneration of Non-Executive Directors may include all, or any combination of following elements:

- i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meetings of the Board of Directors.
- ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

**c. Structure of Remuneration for Other Employees**

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

**C. Evaluation**
**a. Criteria for evaluating Non-executive Board members:**

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of Non- Independent Directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

**b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel**

Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

**c. Criteria for evaluating performance of Other Employees**

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

**5. Communication of this Policy**

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the web-site of the Company and in the Annual Report of the Company.

**6. Amendment**

Any change in the Policy shall, on recommendation of NR Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time and the decision of the Board in this respect shall be final and binding.

**ANNEXURE D TO DIRECTORS' REPORT****CORPORATE SOCIAL RESPONSIBILITY****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs is as under:**

The Board of Directors of the Company on recommendation of the CSR Committee has approved and adopted the CSR Policy for the Company. The policy has been placed on the website of the Company. The weblink to the Company's CSR Policy is as follows: <http://www.hitechgroup.com/investor/#policies>

The Company's CSR Policy outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The Company, through its CSR initiatives, aims to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate.

**Activities Undertaken by the Company during the Financial Year 2015-16**

Your Company, under its Corporate Social Responsibility mission started efforts to contribute to local communities as a Good Corporate Citizen and for that purpose conducted a village needs assessment study near one of the manufacturing plants in Dhawadwadi village, Khandala Block, Satara District of Maharashtra. The Company had the opportunity to closely observe the various forms of interventions and interactions taking place within the village and understand the impact of such interventions on the lives of the people of the Dhawadwadi village. In order to complete the village study, initial meetings were held and information was collected from village Sarpanch, Villagers, Gram Panchayat office, Primary School, Anganwadi Sevika, Health Care Centre and SHG (Self Help Group) members. As per the findings your Company ascertained the requirements of the said village and prioritized the work on the same accordingly.

**School renovation and beautification:**

The Government Zilla Parishad School near the Company's Khandala plant lacked in basic infrastructure such as classrooms, toilets, drinking water facilities, benches, libraries etc. Therefore, the Company decided to focus on infrastructure development of schools around its plants in Khandala, Satara.

A team from the Company visited the Dhawadwadi Zilla Parishad School and spent some time interacting with the students and school authorities.

Following activities were undertaken by the Company towards CSR during the year:

- 1) Construction of a wall around the said school compound along with wall fencing to secure the school from petty theft and vandalism.
- 2) Construction of a water tank for drinking water in the said school.
- 3) Construction of separate toilets for the girl students of the said school in line with the Prime Minister's 'Swachata Abhiyan' and his vision to build better sanitation facilities for girls.

**Activities Planned for Financial Year 2016-17:**

Your Company is also exploring possibilities of providing vocational skills to the youth by giving them with an opportunity to train as teachers in the field of Yoga. This will not only equip them with necessary vocational skill to earn a living, but also spread the learning and practice of Yoga and Meditation, thus positively impacting lives.

2. **Composition of the CSR Committee:**

Name	Designation	Nature of Membership
Mr. Malav A. Dani	Managing Director	Chairman
Mrs. Gool M. Kotwal*	Independent Director	Member
Mr. Ashwin R. Nagarwadia	Non-Executive Director	Member
Mr. Jayendra R. Shah**	Independent Director	Member
Mr. Bomi P. Chinoy***	Independent Director	Member

**Note:**

\*Resigned with effect from close of Business hours of 15<sup>th</sup> April, 2016.

\*\*Board of Directors of the Company in their Meeting held on 23<sup>rd</sup> May, 2016 approved the inclusion of Mr. Jayendra R. Shah into the Committee.

\*\*\* Board of Directors of the Company in their Meeting held on 2<sup>nd</sup> August, 2016 approved the inclusion of Mr. Bomi P. Chinoy into the Committee.

3. **Average net profit of the Company for last three financial years:**

Average net profit: ₹ 836.02 lacs

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹ 16.72 lacs. The Company was required to spend ₹ 36.95 lacs (Including Previous year unspent amount) towards CSR of which a sum of ₹ 5.70 lacs have been spent.

5. **Details of CSR spend for the financial year:**

- Total amount spent in the Financial Year 2015-16: ₹ 5.70 Lacs
- Amount unspent, if any: ₹ 31.25 lacs
- Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Skill Development & Promoting Education including Special Education	Education (Construction of School wall fencing)	Dhawadwadi village, Khandala Block, Satara District of Maharashtra	--	₹ 4.81 lacs	₹ 4.81 lacs	Direct
2	Water Conservation	Drinking Water (Water Tank)	Dhawadwadi village, Khandala Block, Satara District of Maharashtra	--	₹ 0.20 lacs	₹ 0.20 lacs	Direct
3	Encouraging good environmental practices	Environment	Being Explored	--	--	--	--
4	Health & Sanitation	Health & hygiene (Construction of toilets)	Dhawadwadi village, Khandala Block, Satara District of Maharashtra	--	0.69 lacs	0.69 lacs	Direct
5	Promoting Slum Area Development	Healthy living & Environment	Being Explored	--	--	--	--

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part of thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

During the financial year Company had spent ₹ 5.70 lacs on various projects undertaken by Company (as mentioned in the above table) under Corporate Social Responsibility. Some of the projects are in progress and some of the projects are being identified by the Company and same will be implemented in the next financial year.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company is reproduced below:**

We hereby affirm that CSR Policy, as recommended by CSR Committee and approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with CSR objectives.

**Malav Dani**

**MANAGING DIRECTOR &  
CHAIRMAN – CSR COMMITTEE**

**Date: 2<sup>nd</sup> August, 2016**

**Place: Mumbai**

## ANNEXURE E TO DIRECTORS' REPORT

### Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

#### A) Conservation of Energy:

The steps taken for conservation of energy

Energy conservation is considered already at the time of planning of a new manufacturing plant. For example, factories are conveniently located close to our customers which will reduce carbon dioxide emissions in transportation. We hire people from close by areas which will reduce the need for people transportation and we use modern technology like video conferencing and skype for meeting which will reduce the need for Head Office people travelling.

Factory buildings are designed considering maximum use of day light, cool air ventilation without electric devices and reflection of sun rays out from building roof and walls. Also, LED lights is being implemented in our factories. Planting trees in compounds will give shadow and cooler air inside the plant reducing the need for electric air coolers.

New selected moulding machinery is either servo controlled, or fully electric, consuming 30-50% less electricity than conventional older machines. Also, some older machines have been modified to use servo controlled technology. New printing technology is smaller and does not require big air cooled cabins.

The Company has invested in wind energy and is also considering use of solar power in suitable areas of operations.

Energy conservation continues to receive top priority in the Company.

#### Specific Energy conservation measures are:

1. Monitoring and analysis of energy consumption on monthly basis;
2. New moulding machines selected are always either servo controller or fully electric machines;
3. Modification of old technology machines to servo controlled machines;
4. Replacement of conventional tubes and bulbs with LED;
5. Monitoring, benchmarking and selection of energy intensive equipment only;
6. Training of Hitech workers for energy conservation and awareness;
7. Minimum use of energy by optimizing processes and material movement in factories;
8. "Machine ON" ALARM's and automatic switch of machines;
9. Replacement of old equipment with energy efficient equipment;
10. Share and implement best energy saving practices across manufacturing units.

**All LED's, repaired machines, and all new moulding machines bought by the Company are servo controlled.**

#### B) The steps taken by the Company for utilizing alternate sources of energy:

##### Windmill

Your Company has installed Windmills in some of its plants as an alternative source of energy. Further there are proposals for more investments into this area to facilitate the reduction in conventional energy usage and environmental benefits.

##### Solar energy

Your Company is evaluating the proposals for other alternative sources such as Solar Energy to supplement requirements of power at different plants.

The above mentioned measures have resulted in reduction in energy usage, reduction in energy cost and environmental benefits in the vicinity.

#### C) The Capital Investment on energy conservation equipment: NIL

#### TECHNOLOGY ABSORPTION

##### A) The efforts made by the Company towards technology absorption

Your Company has made concerted efforts to establish a strong performance in the field of R&D vis-à-vis product and process development. It has a dedicated Technology Centre at Pune which carries out design, product and process innovations and improvements and has got its accreditation from the Department of Science and Technology, Government of India. The Centre in close cooperation with customers has been providing solutions for unique packaging designs which have enhanced the quality of the containers and have also helped in reducing the costs. The initiatives of the Centre include efficient usage of polymers in the product and reduction in production cycle time leading to savings in operating costs. This helped the Company in sustaining and strengthening the competitive position, the Company holds in rigid packaging business.

#### Specific areas in which R & D was carried out by the Company include:

- a. Technical upgradation in mould design;
- b. Product and Process development.
- c. Raw material Development

**B) The Benefits derived like product improvement, cost reduction, product development or import substitution:**

- a. Reduction in the weight of the containers;
- b. Enhancing life of the mould;
- c. Better utilization of manpower; and
- d. Lower production cycle time which improved productivity.

**C) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

Not applicable as all developments were done indigenously in the last three years.

**D) Expenditure on R & D during the year is as follows:**

Particulars	₹ in Lacs
(a) Capital	167.37
(b) Revenue	350.57
<b>Total</b>	<b>517.94</b>

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign exchange earned in terms of actual inflows during the year 2015-16 was ₹ 35.33 lacs (equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflows during the year 2015-16 was ₹ 2.76 lacs (equivalent value of various currencies).

**ANNEXURE F TO DIRECTORS' REPORT****DISCLOSURES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Required disclosures under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

**1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year-**

Sr. No.	Name	Designation	Ratio
1.	Mr. Ashwin S. Dani	Chairman	3.54
2.	Mrs. Ina A. Dani	Director	0.15
3.	Mr. Jalaj A. Dani	Director	0.21
4.	Mr. Malav A. Dani	Managing Director	19.47
5.	Mr. Harish N. Motiwalla	Director	2.79
6.	Mr. Ashwin R. Nagarwadia	Director	0.83
7.	Mr. Rajnikant B. Desai	Director	0.10
8.	Mr. Jayendra R. Shah	Director	1.69
9.	Mrs. Gool M. Kotwal**	Director	1.20
10.	Mr. Mehernosh A. Mehta*	Whole Time Director	0.34

\*Appointed with effect from 17<sup>th</sup> March, 2016

\*\*Resigned with effect from end of business hours of 15<sup>th</sup> April, 2016

Notes :

- The information provided above is on standalone basis.
  - The aforesaid details are calculated on the basis of remuneration for the financial year 2015-16.
  - The remuneration to Directors includes sitting fees paid to them for the financial year 2015-16.
  - Median remuneration of all its employees is ₹ 2,04,371/- for the financial year 2015-16.
- 2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year-**

(Amount in ₹)

Sr. No	Name	Designation	2015-16	2014-15	Increase %
1.	Mr. Ashwin S. Dani	Chairman	7,24,866	5,69,173	27.20
2.	Mrs. Ina A. Dani*	Director	30,000	87,000	***27.50
3.	Mr. Jalaj A. Dani	Director	42,000	65,000	-35.38
4.	Mr. Malav A. Dani	Managing Director	39,79,000	30,79,000	29.23
5	Mr. Harish N. Motiwalla	Director	5,70,000	2,85,000	100.00
6	Mr. Ashwin R. Nagarwadia	Director	1,70,000	1,80,000	-5.56
7	Mr. Rajnikant B. Desai	Director	20,000	10,000	100.00
8	Mr. Jayendra R. Shah	Director	3,45,000	1,90,000	81.57
9	Mrs. Gool M. Kotwal**	Director	2,45,000	94,000	***28.95
10	Mr. Mehernosh A. Mehta#	Wholetime Director	70,438	-	-
11	Mr. Bharat Gosalia	Chief Financial Officer	38,40,252	24,83,227	***15.98
12	Mrs. Namita Tiwari	Company Secretary	10,53,972	819,109	28.67

\* Mrs. Ina A. Dani resigned with effect from 30<sup>th</sup> June, 2015

\*\* Mrs. Gool M. Kotwal resigned with effect from 15<sup>th</sup> April, 2016

\*\*\* Percentage calculated on prorata basis

# Mr. Mehernosh Mehta appointed with effect from 17<sup>th</sup> March, 2016

- 3. The percentage increase in the median remuneration of employees in the financial year: 6.43%**
- 4. The number of permanent employees on the rolls of company-**

Executive & Staff	363
Workers	380
<b>Total</b>	<b>743</b>

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the Key Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration-**

(Amount in ₹)

	2015-16	2014-15	Increase (%)
Average salary of all employees (Other than Key Managerial Personnel)	3,01,205	2,69,111	11.93%
Key Managerial Personnel			
- Salary of Managing Director	39,79,000	30,79,000	29.23%
- Salary of Whole Time Director**	70,438	-	-
- Salary of CFO*	38,40,252	42,06,893	-8.72%
Salary of CS	10,53,972	819,109	28.67%

\*Percentage calculated on Prorate basis

\*\*Appointed w.e.f 17<sup>th</sup> March, 2016

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
7. **Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, vide notification 30<sup>th</sup> June, 2016:**

List of top ten employees of the Company in terms remuneration drawn and employed throughout the financial year 2015-16.

Sr. No.	Name	Designation	DOJ	Remuneration (Amount in ₹)
1	Jarmo Kolehmainen	President – Operations	05-Jan-15	55,08,931
2	Dr. Sunil Shankar Patil	President – Technology	06-Sep-13	52,98,588
3	R. Madanraj	Head-Sales,Marketing & Business Development	13-Aug-14	41,63,791
4	Bharat I Gosalia	Chief Financial Officer	03-Jul-14	39,79,000
5	Malav A. Dani	Managing Director	05-Aug-11	38,40,252
6	Avan R. Chaina	General Manager - Accounts, Finance & Taxation	02-Jun-14	25,78,935
7	Mehernosh A. Mehta*	Sr. Manager - HR & Administration	02-Jan-13	17,18,686
8	Sharad Mithagri	Chief Manager - Accounts & Audit	20-May-05	16,66,713
9	Chandra Kishore Gupta	Works Manager	25-Mar-11	16,12,510
10	Kalpesh Maheshbhai Gandhi	Sr. Manager - Business Development.	01-Oct-08	14,42,014

**Notes :**

- I. All appointments are contractual and terminable by notice on either side.
  - II. Remuneration includes salary, bonus, commission, various allowances, contribution to provident fund and superannuation fund and taxable value of perquisites excluding provision for gratuity and leave encashment.
  - III. \*Mr. Mehernosh Mehta appointed as a whole time Director w.e.f 17<sup>th</sup> March, 2016
  - IV. Company has not paid remuneration to any of the employee exceeding ₹ 1.2 Crore
8. There is no employee in the Company, who drawn the remuneration not less than One Crore and two lakhs per annum for the financial year 2015-16 and
- There is no employee in the Company, who drawn the remuneration not less than Eight lakhs and Fifty thousand per month during the financial year 2015-16

**ANNEXURE G TO THE BOARD'S REPORT****FORM AOC – 2**

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto****1. Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which special resolution was passed	
(i)	Amount paid as advances, if any	
(j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013.	

**2. Details of material contracts or arrangement or transactions at arm's length:**

(a)	Name(s) of the related party and nature of relationship	Asian Paints Ltd., (some Common Directors)
(b)	Nature of contracts/arrangements/transactions	Sale of packaging material
(c)	Duration of the contracts/arrangements/transactions	Varies from time to time,
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	sale of goods at prevailing price
(e)	Date(s) of approval by the Board, if any	23 <sup>rd</sup> May, 2016
(f)	Amount paid as advances, if any	Nil

## MANAGEMENT DISCUSSION AND ANALYSIS

### PACKAGING SOLUTIONS TO MULTI SECTOR:

Hitech has been in the rigid packaging business for over two decades. The merger of our subsidiary has enabled us to provide packaging solutions to multiple sectors across India including Paint & Coatings, Home Care, Personal Care, Food, Agrochemicals, Lubricants, Health Care and other allied sectors.

With an aim to expand into untapped markets, Hitech has increased its focus on Research & Development—innovative product development will help strengthen our business relationships. Hitech has a manufacturing footprint at 13 different locations across the country with over 700 direct employees and over 1,200 indirect employees engaged.

### OVERVIEW OF INDIAN ECONOMY

The Economic Survey 2015-2016 forecasted the Indian economy to grow over 7% for the third consecutive year with a projected growth of 8% or more in the next two years. The economy will benefit from the acceleration of infrastructure projects, strong consumer spending due to lower inflation, monetary easing and gradual improvements in other sectors.

Several overseas companies are entering the Indian market on account of various Government initiatives such as Make in India, Skill India and Digital India. The Make in India initiative aims to boost the manufacturing sector of the Indian economy by increasing purchasing power of the average Indian consumer. This initiative is expected to increase the manufacturing sector's contribution to 25% of the GDP against the present 18%. The Digital India initiative focuses on three core components: creation of digital infrastructure, delivery of digital services and increase in digital literacy to further spur development and investor benefits.

Crude prices have remained low globally, helping Indian manufacturers to reduce costs and better control the trade deficit, easing inflation. This has also benefited the packaging industry since the price of polymer, the basic raw material has remained subdued.

Global demand and industry landscape is Hitech's mainstay of growth in expanding facilities throughout southern India. With this growth, Hitech plans to move towards more advanced technologies, automation of jobs and focus on innovative product creation through Research & Development.

### BUSINESS SEGMENTS:

Hitech is developing strategic business models to serve expanded sectors and customers in new geographies.

#### PAINT INDUSTRY:

Our products mainly cater to the packaging requirements of decorative paint segments which constitute 70 to 75% of the Indian paint industry. The main industry growth drivers include a projected increase in infrastructure expansion, the advancement of rural areas, plans of smart city development, in addition to other projects. The expected reach by 2020 is approximately 60.8 million tons by volume. Decorative paints in the domestic market have also witnessed an escalation.

#### FMCG:

Analysts forecast the Global FMCG packaging market to grow at a CAGR of 4.4% during the period of 2016-2020. Growing awareness, easier access, and changing lifestyles have been key drivers of growth for the consumer market. The Government of India's policies and regulatory frameworks such as relaxation of license rules and the approval of 51% Foreign Direct Investment (FDI) in multi-brands

are some of the major growth drivers for the consumer market. This coupled with Indian Meteorological Department (IMD) expectation of good monsoon in different parts of the country may boost the rural demand.

Hitech is geared to keep up the pace to face the opportunities of high demand from the rural sector and the emerging urban areas of the country.

### PERSONAL AND HEALTH CARE INDUSTRY:

Healthcare Industry is growing at a tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well as private players. The healthcare market is expected to reach a CAGR of 17% as per the data released by Department of Commerce and the total healthcare industry size is predicated to touch USD 160 billion by 2017 and USD 280 billion by 2020. As per the Ministry of Health, the advancement of 50 technologies was targeted in financial year of 2015-2016 for the treatment of disease like Cancer and Tuberculosis

The response from customers in this sector is quite (generally) positive. We are in the process of developing alternate resins to penetrate deeper into this sector.

### HOME CARE:

Despite the uncertainties in Global economy, the per capita income of the country is growing rapidly, thus the demand for home healthcare products is rising. The need for plastics solutions is also on the rise. Plastics are the major packaging materials used by companies with advantages like durability, light-weight characteristics and versatility. New polymers like PLA, biodegradable PHA (polyhydroxyalkanoate), bio PTT (polytrimethyl terephthalate) etc. are slowly getting acceptance. Cost however, still remains a deterrent.

A greater preference for a healthier lifestyle has led to increased demand for homecare products. Costly medical care is leading more people towards choosing products and solutions that reduce their medical bills while keeping them safe. Increasing adoption of these solutions in developing countries like India, Brazil and China has further augmented the growth of packaging solutions for homecare products.

Manufacturers are diversifying their offerings by opting for informative packaging solutions that adhere to safety requirements. The packaging market for this segment is set to witness a high growth for the forecasted period.

We are leveraging our existing partnership with one of the largest rigid packaging consumers in this business by engaging them to establish new products and also accrue due share in their organic growth.

### AGRO CHEMICAL:

India is the fourth largest producer of agrochemicals worldwide, after the United States, Japan and China. The agrochemicals industry is a significant industry for the Indian economy. India's population is increasing with per capita size of land decreasing. The country's continued use of pesticides should further improve, leading to higher demand in this sector.

Research shows the agrochemical market in India will grow steadily at a CAGR of over 9% during the forecasted period. Availability of credit facilities to purchase agrochemicals is the primary market driver.

Hitech plans to enter untapped markets in the northern Indian states by adding capacity at its Rohtak plant, this would give us the advantage of being close to our customers to increase market share.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### MANUFACTURING:

The manufacturing Unit at Rohtak, Haryana was disrupted from 20<sup>th</sup> February, 2016 due to a fire set by agitators, resulting in irreparable damage to the property. This made an impact on Hitech's operations for the current year. The property was fully insured on a reinstatement basis and the company has submitted its claim to the Insurance Company. The surveyors appointed by the Insurance Company submitted their report based on which they are assessing the claim. Hitech has initiated activities to rebuild the manufacturing facilities at Rohtak within 6 to 8 months. Simultaneously, we have arranged for partial supply to some customers through other company plants.

Hitech has been continuously investing in expanding its manufacturing footprint to serve customer demands. Hitech's investments during the year include: ₹ 733 lacs invested in fixed assets of which ₹ 160 lacs was invested in the Khandala plant, over ₹ 90 lacs invested each in Sriperumbadur and Naroli plants apart from ₹ 167 lacs invested in the Research & Development unit at Pune.

For the current financial year, Company's capital will be spent towards rebuilding the facilities at Rohtak, debottlenecking and upgrading technology at existing locations.

### OPPORTUNITIES, RISKS AND THREATS:

The merger of Clear Mipak Packaging Solutions Limited business into Hitech Plast Limited has helped the organisation consolidate its resources, thereby leveraging its existing customer base and product range to new customers. Hitech's continuous focus on its Research & Development facility has expanded the design and development of innovative products to serve its unique range of customers in various business segments. The proposed simplification in Tax regime through introducing Goods & Service Tax (GST) is likely to facilitate handling of the products across the country.

### HUMAN RESOURCES & INDUSTRIAL RELATIONS:

We have a strong culture of customer centricity, innovation and people focus helps us cope with a challenging business environment. Hitech has embarked on several initiatives to strengthen its employee relations. Our core values include innovation in thoughts, processes and products. Key Business advisors conduct a monthly explorative meeting. This meeting comprises of team members from the Design & Development, Sales & Marketing and Operations departments. At the operation level, 10% of the KRA is aligned to innovation and environment that fosters continuous and incremental improvement. Due importance is given to enhance employee well-being and effectiveness through our daily meditation, innovative problem-solving sessions and brain storming sessions.

### ENVIRONMENT, HEALTH & SAFETY (EHS):

Hitech's EHS policy considers compliance to statutory EHS requirements as the minimum performance standard. We are committed to go above and beyond to adopt stricter standards wherever appropriate. Hitech's major manufacturing facilities at Silvassa follow the ISO 9001:2008.

Our factories and corporate office run awareness campaigns to sensitize and educate employees on judicious use of paper. We give priority to the health and safety of our employees and implement employee training programs that enable workers to perform as per prescribed procedures designed to meet all EHS requirements.

### INFORMATION TECHNOLOGY:

For a Smart Enterprise to respond in real-time or ahead of time requires dematerialisation of an enterprise where physical assets now have a digital interface. Once dematerialised, all enterprise's assets - technology, infrastructure, operations, logistics, customer data and content - become software driven. Hence, Hitech continues to employ advanced technology to help, create and refine existing business models.

### RESEARCH & DEVELOPMENT:

Hitech has a Research & Development Centre in Pune responsible for product designing, process innovation and improvements. The Centre provides solutions for unique packaging designs to enhance the quality while reducing the cost of packaging, adding value for the customer. It is accredited by the Department of Science and Technology (DSIR), Government of India.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Hitech has a robust internal control mechanism based on an integrated cloud-based ERP system. This system commensurate with the nature of its business in addition to the size and complexity of its operations. The Audit Committee has appointed internal auditors to audit and submit a summary of the internal audit report periodically. This Committee then discusses and reviews the findings with the internal auditors as well as with senior management, including departmental heads.

### FINANCIAL PERFORMANCE:

Our financial results and performance for the year are elaborated in the Directors' Report.

### FORWARD LOOKING STATEMENTS:

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events.

The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE

### Company's philosophy on Corporate Governance:

Corporate Governance of a Company is all about maintaining a valuable relationship and trust with all its stakeholders. Corporate Governance involves systems and practices to ensure that the affairs of the Company are being managed in a manner which ensures accountability, transparency and fairness in all transactions on an ongoing basis and takes necessary steps towards growth and enhancing shareholders value. Accordingly, your Company continuously endeavors to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance.

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

The Securities and Exchange Board of India (SEBI) on 2<sup>nd</sup> September, 2015, issued a new Listing Regulation called SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by replacing the old 'Listing Agreement', with an aim to consolidate and streamline the provisions of the Listing Regulations for different Segments of capital markets to ensure better enforceability. The Listing Regulations became effective from 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. Your Company has entered into Listing Agreement with BSE Limited and National Stock Exchange of India Limited within the stipulated time period.

The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied by the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

**The details of the composition, nature of Directorship, relationship inter-se, number of Directorships and committee chairmanships / memberships held by them in other public listed companies are detailed below:**

Name of the Director(s)	Nature of Directorship	Relationship with each other	Date of joining the Board	Attendance		Directorships in other Listed companies (Including this listed entity) ^	As on 31 <sup>st</sup> March, 2016	
				At the Board Meetings	At the last AGM		Membership and Chairmanship of the Committees of the Board of other companies ##	
							Committee Member	Committee Chairman
Mr. Ashwin S. Dani DIN:00009126	Non-Executive Chairman/ Promoter	Husband of Mrs. Ina Dani, Father of Mr. Jalaj Dani, and Mr. Malav Dani	13.01.1992	6	Yes	5	Audit Committee-2, Stakeholders Committee-3	Audit Committee-0, Stakeholders Committee- 1
Mr. Rajnikant B. Desai DIN: 01824504	Non-Executive/ Independent/ Non Resident	***	31.03.1994	1	No	1	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee- 0
Mr. Harish N. Motiwalla DIN: 00029835	Non Executive / Independent	***	10.12.2004	6	Yes	6	Audit Committee-3, Stakeholders Committee-0	Audit Committee-3, Stakeholders Committee- 0
Mr. Jalaj A. Dani DIN: 00019080	Non-Executive/ Promoter	Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Malav Dani	12.09.1994	1	No	2	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee- 0
*Mr. Malav A. Dani DIN: 01184336	Managing Director/ Promoter	Son of Mr. Ashwin Dani and Mrs. Ina Dani, Brother of Mr. Jalaj Dani	01.02.2008	6	Yes	2	Audit Committee-0, Stakeholders Committee-1	Audit Committee-0, Stakeholders Committee- 0

### GOVERNANCE STRUCTURE:-

The Company's Governance structure comprises of a Board of Directors and the various Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a judicious blend in governance as the Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these corporate objectives within a given framework. This brings about a conducive environment for value creation through sustainable profitable growth

### BOARD OF DIRECTORS:

#### Composition:

The composition of the Board is in conformity with the Regulations 17(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as well as the Companies Act, 2013. The Company has a Non-Executive Chairman (Promoter) and an optimum representation of Independent Directors on the Board.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2016 have been made by the Directors.

The composition of the Board of Directors of the Company as on 31<sup>st</sup> March, 2016 is as follows:

Category	No. of Directors
Non-Executive/Independent Directors	4
Non-Executive/Promoter Directors	2
Non-Executive/Non Independent	1
Executive Director (WTD)	1
Executive & Promoter Director (MD)	1
<b>Total</b>	<b>9</b>

#### Note:

One Independent Non-Executive Director Resigned w.e.f end of business hours of 15<sup>th</sup> April, 2016.

Two Independent Non- Executive Directors Appointed into the Board after 31<sup>st</sup> March, 2016.

Name of the Director(s)	Nature of Directorship	Relationship with each other	Date of joining the Board	Attendance		Directorships in other Listed companies (Including this listed entity) ^	As on 31 <sup>st</sup> March, 2016	
				At the Board Meetings	At the last AGM		Membership and Chairmanship of the Committees of the Board of other companies ##	Committee Member
\$Mrs. Ina A. Dani DIN: 00053695	Non-Executive/ Promoter	Wife of Mr. Ashwin Dani and Mother of Mr. Jalaj Dani and Mr. Malav Dani	30.01.2010	1	No	0	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0
Mr. Ashwin R. Nagarwadia DIN: 00466681	Non-Executive/Non Independent	***	31.01.2009	2	No	2	Audit Committee-1, Stakeholders Committee-1	Audit Committee-0, Stakeholders Committee-0
Mr. Jayendra R. Shah DIN: 00132613	Non-Executive/ Independent	***	14.11.2013	6	No	1	Audit Committee-1, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0
~Mrs. Gool M. Kotwal DIN: 06996336	Non-Executive/ Independent	***	14.10.2014	5	No	1	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0
\$\$Mr. Mehernosh Mehta DIN: 00372340	Executive Director	***	17.03.2016	0	N.A	1	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0
** Mr. Bomi Pesi Chinoy DIN: 07519315	Non-Executive/ Independent	***	23.05.2016	0	N.A	1	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0
+ Ms. Vaishali Sharma DIN: 07531200	Non-Executive/ Independent	***	10.06.2016	0	N.A	1	Audit Committee-0, Stakeholders Committee-0	Audit Committee-0, Stakeholders Committee-0

NOTE: N.A. – Not Applicable

\$ Mrs. Ina Dani resigned with effect from close of business hours 30<sup>th</sup> June, 2015

\* 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.

~ Mrs. Gool M. Kotwal resigned with effect from close of Business hours of 15<sup>th</sup> April, 2016.

\$\$ Mr. Mehernosh Mehta was appointed as a Whole Time Director with effect from 17<sup>th</sup> March, 2016.

\*\* Mr. Bomi Chinoy was appointed as an Independent Director with effect from 23<sup>rd</sup> May, 2016.

+ Ms. Vaishali Sharma was appointed as an Independent Director with effect from 10<sup>th</sup> June, 2016.

^ Excludes directorship in Unlisted Public Companies and Private Limited Companies which are not holding or subsidiary of any Public Company, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013.

## For the purpose of considering the limit of the Committee Membership and Chairmanships of a Director, Audit Committee and the Stakeholders Relationship Committee of Listed Companies have been considered.

### Board Diversity:

Your Company has over the years been fortunate to have eminent persons from diverse field as Directors on its Board. Pursuant to Listing Regulations, the Nomination and Remuneration (NR) policy includes Board Diversity to ensure diversity of experience, knowledge, perspective, gender, age and culture. The policy is posted on Company's website www.hitechgroup.com

### BOARD MEETINGS:

During the financial year ended 31<sup>st</sup> March, 2016, Six (6) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty (120) days. The dates on which the Board Meetings were held are as follows:

Date(s) on which the meeting(s) were held:	
29 <sup>th</sup> May, 2015	30 <sup>th</sup> November, 2015
3 <sup>rd</sup> August, 2015	13 <sup>th</sup> February, 2016
9 <sup>th</sup> November, 2015	17 <sup>th</sup> March, 2016

### The Shareholding of the Executive and Non-Executive/Independent Directors of the Company as on 31<sup>st</sup> March, 2016 is as follows :-

Name of the Director(s)	Nature of Directorship	Number of Equity Shares held *	Percentage to the paid-up share capital	No. of Convertible Warrants **
Ashwin Dani	Non-Executive Chairman – Promoter Director	2,30,095	1.34	--
R. B. Desai	Non-Executive/ Independent/ Non-Resident Director	--	--	--
Harish Motiwala	Non-Executive/ Independent Director	--	--	--
Jalaj Dani	Non-Executive/ Promoter Director	41,100	0.24	--
Malav Dani	Managing Director/ Promoter Director	54,000	0.31	--
Ashwin Nagarwadia	Non-Executive / Non Independent Director	5,000	0.03	--
Ina Dani \$	Non-Executive/ Promoter Director	61,200	0.36	--
Jayendra Shah	Non-Executive/ Independent Director	1,800	0.01	--
Gool Kotwal#	Non-Executive/ Independent Director	--	--	--
Mehemosh Mehta^	Whole Time Director/Executive Director	--	--	--
	TOTAL	3,93,195	2.29	--

\$ Resigned with effect from 30<sup>th</sup> June, 2015.

^ Appointed with effect from 17<sup>th</sup> March, 2016.

# Resigned with effect from 15<sup>th</sup> April, 2016.

\* 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 as at 31<sup>st</sup> March, 2016.

\*\* During the year under review, the Company has converted 20,00,000 Convertible Warrants issued on 8<sup>th</sup> August, 2014 into Equity Shares and same has been allotted to the respective holders.

#### **BOARD PROCEDURES:**

The Board meets atleast once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the business. The tentative annual calendar of Board Meetings for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Senior Management of the Company, which includes the Managing Director, President Operations & Chief Financial Officer (“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 important decisions taken at the Board/Committee Meetings are communicated to the concerned departments/divisions promptly.

The Board has complete access to any information within the Company which includes following information as specified in Part A of Schedule II read with Regulation 17(7) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Annual operating plans and budgets and any updates,
- b) Capital budgets and any updates;
- c) Quarterly Financial results for the Company and its operating divisions or business segments;
- d) Minutes of meetings of the Audit Committee and other Committees of the Board of Directors;
- e) The Information on recruitment and remuneration of Senior Managerial Personnel just below the board level, including appointment or removal of CFO and the Company Secretary;
- f) Show cause, demand, prosecution notices and penalty notices, which are materially important;
- g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- h) Any material 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; including any judgements or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- 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; any significant developments in Human Resources/ Industrial Relation front like signing of wage agreements, implementation of Voluntary retirement Scheme etc.;
- m) Sale of investments, subsidiaries and assets, which are material in nature and not in the normal course of business;
- n) Investment of funds of the Company or status of all investments made by the Company;
- o) Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- p) Status of legal cases, proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- q) Approval of related party transactions;
- r) Compliance reports of all the laws applicable to the Company;
- s) Dividend declaration and issue of Securities including debentures / warrants;
- 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 delay in share transfer, non payment of dividend and
- x) All other information which is relevant for decision making by the Board.

#### **Particulars of Directors seeking appointment and re-appointment**

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming Annual General Meeting (AGM) are given herein and in the Annexure to the Notice of the AGM to be held on 23<sup>rd</sup> September, 2016.

#### **Familiarisation Programme**

Your Company has put in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc. The Managing Director, CFO, Business Heads and other Senior Officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The familiarisation programme for Independent Directors in terms of provisions of Regulation 25 & 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is also available on the website of the Company and can be accessed through the following link: <http://www.hitechgroup.com/investor/#policies>

#### **Independent Director**

Independent Directors play an important role in the Governance Processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different point of views and experiences and prevents conflicts of interest in the decision making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria.

#### **Meeting of Independent Directors**

During the year under review, in accordance with the provisions of Schedule IV (Code of Independent Director) of the Companies Act, 2013 and Regulation 25(3) (4) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Independent Directors met on 17<sup>th</sup> March, 2016, without the attendance of Non-Independent Directors and members of the management, to discuss the following:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.

- Evaluation of the performance of the Chairman of the Company, taking into account the view of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the members were present at the meeting except Mr. Rajnikant Desai who was granted leave of absence. They expressed satisfaction at the evaluation process, the Board's freedom to express views on the business transacted at the meetings and the openness with which the management discussed various subject matters on the agenda of meetings. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at the Board level.

### **Evaluation of Board Effectiveness**

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Regulation 19(4) and Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees were carried out for the financial year ended 31<sup>st</sup> March, 2016. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

### **COMMITTEES OF THE BOARD:**

The Board of Directors of your Company has constituted Six (6) Committees namely: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee (CSR), Allotment 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 the said Committees are placed before the Board of Directors for their perusal. The details as to the composition, terms of reference, number of meetings and related attendance etc., of these Committees are provided hereunder:

#### **1. AUDIT COMMITTEE:**

The Board has constituted a well qualified Audit Committee. Majority members of the Committee are Independent Directors including its Chairman. The Audit Committee has played an important role in ensuring the financial integrity of the Company.

The composition and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rules made there under and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Mr. Ashwin Nagarwadia and Mr. Jayendra R. Shah, as the members are financially literate and one member, viz; Mr. Harish N. Motiwalla have accounting and related financial management expertise / exposure.

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

The details as to the date(s) on which the meetings were held during the financial year ended 31<sup>st</sup> March, 2016 are as follows:

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

29 <sup>th</sup> May, 2015	30 <sup>th</sup> November, 2015
3 <sup>rd</sup> August, 2015	13 <sup>th</sup> February, 2016
9 <sup>th</sup> November, 2015	

Mr. Harish N. Motiwalla, the Chairman of the Committee, was present at the last Annual General Meeting held on 29<sup>th</sup> December, 2015 to answer the shareholders queries.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31<sup>st</sup> March, 2016 are detailed below:

Name	Category	Nature of Membership	Meeting Details	
			Held	Attended
Mr. Harish N. Motiwalla	Non-Executive /Independent	Chairman	5	5
Mr. Ashwin Nagarwadia	Non-Executive	Member	5	1
Mr. Jayendra R. Shah	Non-Executive /Independent	Member	5	5
Mr. Bomi P. Chinoy	Non-Executive /Independent	Member	-	-

Note :

\*Mr. Bomi P. Chinoy was appointed as a member of the Committee on 2<sup>nd</sup> August 2016.

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

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the quarterly, half-yearly, nine monthly and annual financial statements and auditor's report thereon 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 in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
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 the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the 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. Review and monitor the auditor's independence and performance and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of the Company's internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company;
13. Discussion with statutory audit before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern relating to the Company;
14. Looking into the reasons for substantial defaults (if any), in payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
19. To review the functioning of the Whistle Blower mechanism;
20. Reviewing the Management Discussion and Analysis for the financial condition and results of operation; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee during the year has approved the overall framework for Related Party Transactions, the Policy on materiality and dealing with the Related Party Transactions and the criteria for granting omnibus approval in line with the policy of dealing with Related Party Transactions in accordance with provisions of the Companies Act, 2013 and Regulations 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Committee also reviews the internal financial controls.

## 2. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee determines the composition of the Board according to the needs and requirements of the Company from time to time and determines the overall compensation for Directors.

The composition of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulations 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed below:

Date (s) on which the Meeting(s) were held :	
29 <sup>th</sup> May, 2015	13 <sup>th</sup> February, 2016
30 <sup>th</sup> November, 2015	17 <sup>th</sup> March, 2016

Name	Category	Nature of Membership	Meeting Details	
			Held	Attended
Mr. Harish N. Motiwalla <sup>^</sup>	Non-Executive Independent	Chairman	4	4
Mrs. Gool M. Kotwal*	Non-Executive Independent	Member	4	2
Mr. Ashwin R. Nagarwadia	Non-Executive	Member	4	2
Mr. Ashwin S. Dani	Non-Executive Promoter	Member	4	4
Mr. Jayendra R. Shah**	Non-Executive Independent	Member	-	-

<sup>^</sup> Mr. Harish N. Motiwalla was appointed as Chairman with effect from 29<sup>th</sup> May, 2015.

\*Mrs. Gool M. Kotwal resigned w.e.f close of Business hours of 15<sup>th</sup> April, 2016.

\*\* At the Board Meeting held on 23<sup>rd</sup> May, 2016, Mr. Jayendra R. Shah was appointed as an Additional Member to comply with the provisions of Section 178 of the Companies Act, 2013.

The Company Secretary of the Company acts as the Secretary to the Committee.

The Chairman of Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on 29<sup>th</sup> December, 2015.

### The terms of reference of the Committee includes:

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

### REMUNERATION POLICY:

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

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

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

### MANAGING DIRECTOR:

The Shareholders of the Company at the 21<sup>st</sup> Annual General Meeting held on 11<sup>th</sup> August, 2012 approved the appointment of Mr. Malav Dani as the Joint Managing Director of the Company for a period of five (5) years commencing from 5<sup>th</sup> August, 2011, not liable to retire by rotation. Mr. Malav Dani was redesignated as Managing Director with effect from 3<sup>rd</sup> November, 2012. The terms and conditions of his appointment including remuneration payable to him was approved

which was in accordance with the provisions of Sections 197, 198 and Schedule V and subject to other provisions of the Companies Act, 2013, including any statutory modifications or any amendment or any substitution or any re-enactment thereof for the time being in force, pursuant to the recommendation of the Remuneration Committee and approval of the Board of Directors in their Meeting held on 4<sup>th</sup> February, 2012 and 14<sup>th</sup> May, 2012 respectively. The details of the remuneration paid to the Managing Director is given in the table regarding details of remuneration paid to Directors.

#### ADVISOR:

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

Accordingly, the Chairman is entitled to the following:

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

The amount of expenses reimbursed and value of perquisites for the financial year 2015-16 was ₹ 5.22 lacs.

#### 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 197 of the Companies Act, 2013 and the limits approved by the Shareholders at their meeting held on 13<sup>th</sup> September, 2014. The commission payable to Non-Executive Directors is distributed broadly on the basis of their attendance and contributions at the Board/Committee Meetings and Chairmanships of the Board.

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

Details of Remuneration paid to the Directors of the Company for the financial year ended 31<sup>st</sup> March, 2016 are as follows:

(Figures in ₹)

Name of the Director(s)	Salary	Perquisites	Sitting Fees	Performance Linked Bonus	Commission	Total
Ashwin Dani	--	5,22,009	1,52,000	--	50,000	7,24,009
Ina Dani*	--	--	10,000	--	20,000	30,000
Rajnikant Desai	--	--	20,000	--	--	20,000
Harish Motiwalla	--	--	2,50,000	--	3,20,000	5,70,000
Jalaj Dani	--	--	22,000	--	20,000	42,000
Malav Dani**	29,16,000	@63,000	--	10,00,000	--	39,79,000
Ashwin Nagarwadia	--	--	80,000	--	90,000	1,70,000
Jayendra Shah	--	--	2,10,000	--	1,35,000	3,45,000
Gool M. Kotwal**	--	--	1,20,000	--	1,35,000	2,55,000
Mehemosh Mehta#	66,135	@4,303	--	--	--	70,438

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

\* Resigned with effect from close of Business hours of 30<sup>th</sup> June, 2015.

\*\* Resigned with effect from close of Business hours of 15<sup>th</sup> April, 2016.

\*\*\* As per contract with the Company.

# Appointed with effect from 17<sup>th</sup> March, 2016.

\$ Agreements have been entered with the Managing Director and Whole Time Director. As per the agreement three months notice period is required and there is no severance fees payable.

The details of the remuneration paid to the Key Managerial Personnel appointed by the Company in accordance with the provisions of Section 203 of the Companies Act, 2013 is set out in the Board's Report forming part of this Annual Report.

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

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

#### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consisted of three (3) Members, viz, Mr. Ashwin S. Dani, as Chairman, Mrs. Ina A. Dani and Mr. Malav A. Dani as Members. After the resignation of Mrs. Ina A. Dani, Mr. Ashwin R. Nagarwadia was appointed as an additional member to the Committee with effect from 3<sup>rd</sup> August, 2015.

The terms of reference of the Committee were also amended pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The revised terms of reference includes enquiring into and redressing complaints of shareholders, investors and other stakeholders and to resolve their grievances.

The constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed below:

Date(s) on which the meeting(s) were held:	
10 <sup>th</sup> April, 2015	9 <sup>th</sup> November, 2015
31 <sup>st</sup> July, 2015	15 <sup>th</sup> January, 2016
31 <sup>st</sup> October, 2015	

Name	Category	Nature of Membership	Meeting Details	
			Held	Attended
Mr. Ashwin S. Dani	Non- Executive	Chairman	5	5
Mrs. Ina A. Dani*	Non- Executive	Member	5	1
Mr. Malav A. Dani	Executive	Member	5	5
Mr. Ashwin R. Nagarwadia**	Non- Executive	Member	5	-

\* Resigned with effect from 30<sup>th</sup> June, 2015.

\*\* Appointed with effect from 3<sup>rd</sup> August, 2015.

Mrs. Namita Tiwari, Company Secretary, acts as Secretary and Compliance Officer of the Company in terms of the requirements under the Listing Agreement and Listing regulations issued by the SEBI.

The terms of reference of the Stakeholders Relationship Committee includes:

- power to redress the shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- 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;
- power to delegate approval of share transfer, transmission, transposition, sub-division, split-up and consolidation to an officer or a committee or to the registrar and share transfer agents to expedite the process;

4. power to affix the Common Seal of the Company on Share Certificates;
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.

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31<sup>st</sup> March, 2016 are as follows:

Nature of Complaints	Received during the year	Resolved during the year	Pending at the end of the year
Non receipt of dividend warrants	10	10	-
Non receipt of stickers	-	-	-
Non receipt of duplicate share certificate	-	-	-
Non receipt of annual report	-	-	-
Non receipt of transfer share certificate	-	-	-
Total	10	10	-

All requests, queries and complaints received during the year were addressed and resolved appropriately except those rejected on technical grounds.

#### 4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition of the Corporate Social Responsibility (CSR) Committee is in line with provisions of Section 135 of the Companies Act, 2013. The Committee met twice during the financial year ended 31<sup>st</sup> March, 2016 i.e. on 30<sup>th</sup> November, 2015 and 17<sup>th</sup> March, 2016. The constitution of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed below:

Name	Category	Nature of Membership	Meeting Details	
			Held	Attended
Mr. Malav Dani	Managing Director / Promoter	Chairman	2	2
Mrs. Gool M. Kotwal*	Non-Executive/Independent	Member	2	2
Mr. Ashwin Nagarwadia	Non-Executive/Non-Independent	Member	2	1
Mr. Jayendra R. Shah**	Non-Executive/Independent	Member	-	-
Mr. Bomi P. Chinoy***	Non-Executive/Independent	Member	-	-

\* Mrs. Gool M. Kotwal resigned with effect from close of business hours of 15<sup>th</sup> April, 2016.

\*\* Mr. Jayendra R. Shah appointed as a member of the committee with effect from 23<sup>rd</sup> May, 2016.

\*\*\* Mr. Bomi P. Chinoy appointed as a member of the committee with effect from 2<sup>nd</sup> August, 2016.

Mrs. Namita Tiwari, Company Secretary, acts as Secretary to the Committee.

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. To formulate and recommend to the Board, a CSR policy indicating activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

3. To monitor the implementation of the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The details of the CSR initiatives of the Company form part of the CSR Section in the Annual Report. The Board of Directors of the Company at its Meeting held on 12<sup>th</sup> February, 2015 approved the CSR Policy of the Company on the recommendations of the CSR Committee. The CSR Policy has been placed on the website of the Company and can be accessed through the following link: <http://www.hitechgroup.com/investor/#policies>. The Committee has crystallised the areas to be focussed for CSR activities and explored the opportunities in those areas. In view of this, no amount was spent during the financial year 2014-15. An amount of ₹ 20.23 lacs computed as per the provisions of the Act and not spent during the financial year 2014-15, same being brought forward to the current financial year 2015-16. The CSR amount for the current financial year is ₹ 16.72 lacs computed as per the provisions of Section 198 read with Section 135 of the Companies Act, 2013 and the Company spent ₹ 5.70 lacs during the Financial Year under CSR.

#### 5. ALLOTMENT COMMITTEE

The Allotment Committee was constituted on 26<sup>th</sup> May, 2014 with the following Members viz. Mr. Ashwin S. Dani, Mr. Harish N. Motiwalla and Mrs. Ina A. Dani. After the resignation of Mrs. Ina A. Dani, Mr. Ashwin R. Nagarwadia was appointed as a Member of the Allotment Committee with effect from 3<sup>rd</sup> August, 2015.

The Committee is empowered pursuant to its terms of reference, inter alia, to:

1. To issue and allot Shares / Securities of the Company as and when considered for allotment subject to the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company;
2. To affix the Common Seal of the Company on such documents which are required for the Allotment of shares in the presence of any one member who shall sign the same in token thereof and Chief Financial Officer or Company Secretary of the Company who shall countersign the same in token thereof;
3. To invite any other officers of the Company to attend the meetings of the Allotment Committee as invitee, as and when required;
4. To finalise, approve and authorise the execution of all agreements, deeds, documents such as the listing agreement, including any changes, supplements, corrigenda, amendments, modifications, addendums thereto, in connection with the issue, allotment and listing of the New Shares and Warrants;
5. To seek the listing of the Shares / Securities of the Company on the stock exchange(s) where the equity shares of the Company are listed, to submit the necessary applications to such stock exchange(s) and take all actions that may be necessary in connection with obtaining such listing;
6. To approve and authorise filing applications for approvals or registration required from statutory and/or regulatory authorities and to appropriately adopt, enforce or execute any conditions that may be imposed by such statutory and/or regulatory authorities in connection with the issue, allotment and/or listing of the New Shares and Warrants;
7. To take decisions on and resolving all such questions, difficulties on all matters in relation to the Allotment, issuing explanations and clarifications to relevant statutory and/or regulatory authorities, the stock exchanges, etc. in connection with any matter relating to the Allotment.
8. To exercise all such powers as it may deem necessary in relation to issue, allotment and listing of the New Shares and Warrants.

During the year, the Allotment Committee met twice.

First on 7<sup>th</sup> January, 2016 for allotment of 3,09,44,164, 9% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each upon the scheme of Amalgamation of Clear Mipak Packaging Solutions Limited (Transferor Company) with Hitech Plast Limited, issued in the ratio of 173 preference shares of ₹ 10/- each of Transferee Company (Hitech Plast Limited) for every 10 equity shares of ₹ 10/- each in the Transferor Company (Clear Mipak Packaging Solutions Limited) as a consideration for merger.

Secondly on 1<sup>st</sup> February, 2016 for allotment of 20,00,000 Equity Shares of the Company on exercise of conversion option by the Allottees of Convertible Warrants allotted on 8<sup>th</sup> August, 2014 to some members of Promoters/Promoter Group on preferential basis.

The details of the meetings held and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed below:

Name	Category	Nature of Membership	Meeting Details	
			Held	Attended
Mr. Harish N. Motiwalla	Non-Executive/Independent	Chairman	2	2
Mr. Ashwin S. Dani	Non-Executive Chairman/Promoter	Member	2	2
Mr. Ashwin R. Nagarwadia	Non-Executive Director	Member	2	1

## 6. COMMITTEE OF DIRECTORS.

The Board of Directors of the Company has constituted Committee of Directors consisting of Mr. Ashwin S. Dani as the Chairman, Mr. Jalaj A. Dani, Mr. Malav A. Dani and Mrs. Ina A. Dani as the members. Mrs. Ina Dani resigned as the member of the Board with effect from 30<sup>th</sup> June, 2015.

The Committee meets for deciding the various matters relating to operations of the Company, as and when the need arises.

Only one meeting of Committee of Directors was held on 20<sup>th</sup> October, 2015 for the financial year ended 31<sup>st</sup> March, 2016. All the members of the Committee were present in the meeting.

The details of the meetings held and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed below:

Name	Nature of Membership	Meeting Details	
		Held	Attended
Mr. Ashwin S. Dani	Chairman	1	1
Mr. Jalaj A. Dani	Member	1	1
Mr. Malav A. Dani	Member	1	1

The terms of reference of the Committee include the following:

- 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;
- 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;
- Power to appoint advisors, retainers, consultants exceeding ₹ 3,00,000/- but not exceeding ₹ 6,00,000/- per month;

- Power to approve capital expenditure proposals exceeding ₹ 1,00,00,000/- (Rupees One Crore only) but not exceeding ₹ 3,00,00,000/- (Rupees Three Crore only);
- 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);
- Power to borrow moneys, pursuant to Section 179(3)(d) of the Companies Act, 2013, to the extent of ₹ 10,00,00,00,000/- (Rupees One Thousand Crores only) and to create the security for any such amount;
- Power to make loans, pursuant to Sec 179(3)(f) of the Companies Act, 2013, 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 severally authorised to do such acts, deeds and things as may be necessary for disbursing the loans on behalf of the Company;
- Power to enter into derivative transactions with Banks/financial institutions to hedge the funding of External Commercial Borrowings (ECB) by Principal only swap (POS) and Coupon only swap (COS); and
- Any other matters as may be delegated by the Board from time to time.

## Related Party Transactions

Your Company has entered into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which are in ordinary course of business and on arms' length basis. All the Related Party Transactions (RPTs) are undertaken in compliance with the provisions Section 188 of Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing RPTs and a Policy on materiality of Related Party Transactions which is uploaded on the website of the Company and can be accessed through the following link: <http://www.hitechgroup.com/investor/#policies>.

The Company has a robust process for RPTs and the transactions with Related Parties are referred to the Audit Committee for its approval at the scheduled quarterly meetings or as may be called upon from time to time along with all relevant and stipulated information of such transaction(s). During the financial year ended 31<sup>st</sup> March, 2016, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Policy of the Company on dealing with RPTs. The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report. There were no material pecuniary relationships with any of the Director or the Company. The details of material RPTs in terms of the applicable provisions of Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been provided in Form AOC-2 annexed to the Directors' Report.

## CEO/CFO CERTIFICATION

As required by Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the CEO/CFO Certificate for the financial year ended 31<sup>st</sup> March, 2016 signed by Mr. Malav Dani, Managing Director and Mr. Bharat I. Gosalia, Chief Financial Officer, was placed before the Board of Directors at their meeting held on 2<sup>nd</sup> August, 2016 and the same is annexed and forms part of this Report.

**GENERAL BODY MEETINGS:**

The Venue and the time of the last three Annual General Meetings of the Company are as follows :

Year	Location	Meeting Date	Time	No. of Special Resolutions set out at the AGM
2014-15	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020	29 <sup>th</sup> December, 2015	11:30 am	Nil
2013-14	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020	13 <sup>th</sup> September, 2014	12.00 noon	3
2012-13	Walchand Hirachand Hall, 4 <sup>th</sup> Floor, Indian Merchants' Chamber, Churchgate, Mumbai – 400 020	14 <sup>th</sup> September, 2013	11.30 a.m.	Nil

All Special Resolutions set out in the respective notices for the last three AGMs were passed by the shareholders at their respective meetings unanimously.

**Postal Ballot**

**Resolutions put through Postal Ballot during the period and details of voting pattern:**

During the financial year under review, following items were passed by the Company's Shareholders through Postal Ballot with the requisite majority:

- I. Acceptance of Deposits from Members under Section 73(2) of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended.
- II. Appointment of Mrs. Gool Maneck Kotwal as an Independent Director of the Company.
- III. Approval for the merger of subsidiary Clear Mipak Packaging Solutions Limited into the Company.
- IV. Approval to utilize / adjust Capital Reserve Account under Section 52 of the Companies Act, 2013 read with Section 100 to 104 of the Companies Act, 1956.

Mr. Keyul M. Dedhia of M/s. Keyul M. Dedhia & Associates, Company Secretary in whole- time practice was appointed as the Scrutinizer by the Board to conduct the Postal Ballot process. Accordingly, the following result of the postal ballot (physical as well as e-voting) was declared. According to the Scrutinizer's report, the following resolutions were passed by requisite majority.

Particulars (Postal Ballot including e-voting)	Special Resolution for Acceptance of Deposits from Members under Section 73(2) of the Companies Act, 2013		
	No. of members voting	No. of shares	Percent
Total Received	157	9186238	100.00
Less: Invalid	6	100	0.00
Valid			
- Assent	139	9183735	99.97
- Dissent	12	2403	0.03

Particulars (Postal Ballot including e-voting)	Ordinary Resolution for appointment of Mrs. Gool M. Kotwal as Independent Director w.e.f. 14 <sup>th</sup> October, 2014		
	No. of members voting	No. of shares	Percent
Total Received	158	9187958	100.00
Less: Invalid	6	100	0.00
Valid			
- Assent	139	9185454	99.97
- Dissent	13	2404	0.03

Particulars (Postal Ballot including e-voting)	Special Resolution for the approval of the merger of subsidiary Clear Mipak Packaging Solutions Limited into the Company.		
	No. of members voting	No. of shares	Percent
Total Received	164	168163	100.00
Less: Invalid	13	1200	0.71
Valid			
- Assent	136	164133	98.30
- Dissent	15	2830	1.70

Particulars (Postal Ballot including e-voting)	Special Resolution for the approval to utilize / adjust Capital Reserve / Securities Premium Account under Section 52 of the Companies Act, 2013 read with Section 100 to 104 of the Companies Act, 1956.		
	No. of members voting	No. of shares	Percent
Total Received	113	10937790	100.00
Less: Invalid	31	10785529	98.61
Valid			
- Assent	75	150300	98.71
- Dissent	7	1961	1.29

There is no immediate proposal for passing any resolution through Postal Ballot.

**VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 your Company has adopted a Whistle Blower Policy with an objective to provide its employees and directors a mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. The establishment of such mechanism is also disclosed in accordance with the Regulation 46(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 on the website of the Company.

In accordance with the Policy all Protected Disclosures may be addressed to the Vigilance and Ethics Officer i.e. the Chief Financial Officer of the Company. Protected Disclosures against the Vigilance Officer can be addressed to the Chairman and Protected Disclosure against the Chairman/CEO/Managing Director of the Company can be addressed to the Chairman of the Audit Committee.

No personnel were denied access to the Audit Committee of the Company.

**CODE OF CONDUCT**

Your Company has adopted a Code of Conduct for all its employees including its Board Members and Senior Management Personnel of the Company in accordance with the requirements of Regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Code of Conduct has been posted on the website of the Company in accordance with the requirement under Regulation 46 (2)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per the requirement under Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 all the Board Members and the Senior Management Personnel

have given affirmation of compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March, 2016. The declaration to this effect signed by Mr. Malav A Dani, Managing Director of the Company forms part of this Report.

#### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company's Code of Conduct for Prevention of Insider Trading covers all its Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to Unpublished Price Sensitive Information ("UPSI") relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/promoter group(s), designated employees etc. are restricted in purchasing, selling and dealing in the securities of the Company while in possession of UPSI about the Company as well as during certain periods known as "Quiet Periods". All the Directors, senior management personnel, persons forming part of promoter(s)/ promoter group(s) 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. The Board of Directors at its meeting held on 29<sup>th</sup> May, 2015 approved and adopted the 'Hitech Plast Limited'- Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board at its aforesaid meeting also approved the 'Hitech Plast Limited - Code for Fair Disclosure' and the same can be accessed through the following link: <http://www.hitechgroup.com/investor/#code-of-conduct>

#### **DISCLOSURES:**

##### **1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

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

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

##### **3. Disclosure of Accounting Treatment:**

The Company follows Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act, 2013. In preparation of financial statements; the Company has not adopted a treatment different from what is prescribed in the Accounting Standard(s). The Companies (Indian Accounting Standards) Rules, 2015 will be applicable to the Company with effect from 1<sup>st</sup> April 2017.

##### **4. Details of compliance with mandatory and non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Following is the status of the compliance with the non-mandatory requirements:

##### **1. The Board:**

The Non – Executive Chairman of the Company has been provided a Chairman's Office at the Registered Office of the Company.

##### **2. Shareholder's Rights:**

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

**Note:** Pursuant to the merger of the Company's subsidiary Clear Mipak Packaging Solutions Limited with the Company by an Order dated 20<sup>th</sup> November, 2015, passed by the Hon'ble Bombay High Court, from third quarter of F.Y. 2015-16 onwards, the Company has discontinued publishing Consolidated results and is submitting standalone accounts only to the Stock Exchanges.

##### **3. Audit qualifications:**

During the year under review, there was no audit qualification on the Company's financial statements.

##### **4. Separate posts of Chairman and Managing Director:**

The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.

##### **5. Reporting of Internal Auditor:**

The Company has appointed Shashank Patki & Associates and J. V. Ramanujam & Company as Internal Auditors of the Company for the F.Y 2015-16. The Internal Auditors have direct access to the Audit Committee and they participate in the meetings of the Audit Committee of the Board of Directors of the Company and present their Internal Audit observations/reports to the Audit Committee.

##### **6. Risk Management :**

The Company has a risk management policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring and integration with strategy and business planning.

##### **7. Management Discussion and Analysis:**

This Annual Report has a detailed section on Management Discussion and Analysis.

#### **MEANS OF COMMUNICATION**

##### **1. Publication of Quarterly Financial Results:**

Quarterly, Half-Yearly, Nine-months and Annual Audited Financial Results of the Company were published in leading English and local language of the place where Registered Office of the Company is located, newspapers viz. the all India editions of The Hindu Business Line, Financial Express and Mumbai edition of Aapla Mahanagar (Marathi).

##### **2. Website:**

The Company maintains a separate dedicated section viz. "Corporate" for the information of shareholders and other stakeholders of the Company on the Company's website [www.hitechgroup.com](http://www.hitechgroup.com). Quarterly/Half-yearly/Nine-monthly/ Annual Financial Results, Annual Reports, status of unclaimed dividend, various applicable policies of the Company and other required details are available on the Company's website.

##### **3. Stock Exchange:**

Your Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

#### 4. NEAPS (NSE Electronic Application Processing System):

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, Corporate Announcements, amongst others are also filed electronically through NEAPS.

#### 5. BSE Corporate Compliance & Listing Centre:

BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, Corporate announcements, amongst others are also filed electronically on the Listing Centre.

#### 6. Green Initiative:

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

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

Hitech Plast Limited  
Regd. Add.: 201 Welspun House,  
Kamala City, Senapati Bapat Marg,  
Lower Parel (W),  
Mumbai – 400 013  
Tel. : 022 – 4001 6500,  
Fax : 022 – 2495 5659  
E-mail: investor.help@hitechgroup.com

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: mt.helpdesk@linkintime.co.in

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 at the above address. 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").

As a Go Green initiative, the Company had initiated a special drive by having an updation forms in the Company's website for registration of Email and bank details for ECS mandate. Those shareholders who have still not registered are requested to co-operate and support this initiative.

#### GENERAL SHAREHOLDER INFORMATION:

##### 25<sup>th</sup> Annual General Meeting of the Company:

Date	23 <sup>rd</sup> September, 2016
Venue	Indian Merchants Chamber, 2 <sup>nd</sup> Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020.
Time	11:30 am

##### Financial Calendar:

Financial year : 1<sup>st</sup> April to 31<sup>st</sup> March

For the year ended 31<sup>st</sup> March, 2016, quarterly financial results were announced on:

3 <sup>rd</sup> August, 2015	First Quarter
9 <sup>th</sup> November, 2015	Second Quarter and Half Yearly
13 <sup>th</sup> February, 2016	Third Quarter and Nine Months
23 <sup>rd</sup> May, 2016	Fourth Quarter and Annual

For the financial year ending on 31<sup>st</sup> March, 2017, quarterly financial results will be announced as per the tentative schedule mentioned below:

On or before 15 <sup>th</sup> August, 2016	First Quarter
On or before 15 <sup>th</sup> November, 2016	Second Quarter and Half Yearly
On or before 15 <sup>th</sup> February, 2017	Third Quarter and Nine Months
On or before 31 <sup>st</sup> May, 2017	Fourth Quarter and Annual

##### Book Closure Date:

The dates of book closure are from 16<sup>th</sup> September, 2016 to 23<sup>rd</sup> September, 2016, inclusive of both days.

##### Dividend Payment Date:

A final dividend of ₹ 0.90 per equity share has been recommended in the Board of Directors meeting held on Monday, 23<sup>rd</sup> May, 2016 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be credited/ dispatched on or after 26<sup>th</sup> September, 2016.

- 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 15<sup>th</sup> September, 2016.
- 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 15<sup>th</sup> September, 2016.

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

Year	Percentage (%)	In ₹ per share (Face value of ₹ 10/- each)	Dividend Amount (₹ in lacs)
2010-2011	16	1.60	210.81
2011-2012	16	1.60	210.81
2012-2013	16	1.60	210.81
2013-2014	9	0.90	118.57
2014-2015	9	0.90	136.58

##### Listing on Stock Exchanges :

The Company's shares are listed on:

- BSE Limited (BSE)  
Phiroze Jeejeebhoy Towers, 25<sup>th</sup> Floor, Dalal Street, Mumbai 400 001.

##### Stock Code : 526217

- The National Stock Exchange of India Limited (NSE)  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, "G" Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

##### Stock Code : HITECHPLAS

##### Corporate Identification Number (CIN): L28992MH1991PLC168235

The Company has paid the listing fees to the above Stock Exchange(s) for the financial year 2015-16.

The International Securities Identification Number (ISIN) allocated to the Company is INE120D01012

##### Market Price Data:

The monthly high and low prices and volumes of your Company's shares at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31<sup>st</sup> March, 2016 are given as follows:

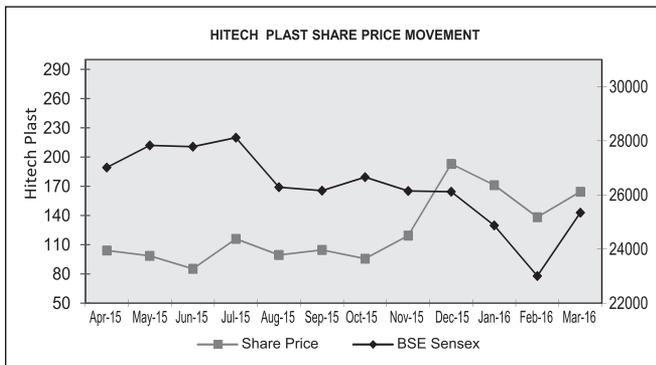
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
<b>2015</b>						
April	131.50	96.00	3,14,003	131.15	98.95	3,99,706
May	107.00	94.20	41,660	108.50	92.05	47,981
June	96.05	82.10	72,407	98.00	80.75	115,022
July	126.35	85.05	2,21,860	126.00	85.00	5,00,156

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
August	132.30	80.00	2,76,083	132.50	84.50	4,53,488
September	111.00	88.00	87,665	111.20	88.20	1,30,694
October	108.00	94.00	61,400	108.70	91.40	86,622
November	127.95	92.00	1,63,505	128.00	94.05	2,04,433
December	209.70	121.00	22,08,721	209.75	119.50	59,72,360
<b>2016</b>						
January	220.90	140.00	11,68,085	221.40	140.10	23,94,197
February	177.60	126.60	2,77,404	177.10	126.70	4,23,374
March	188.10	140.00	3,56,378	188.00	141.00	6,85,065

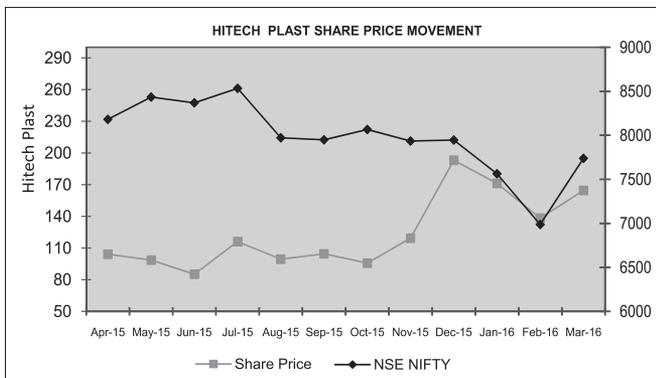
Source : BSE and NSE Website

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade (in numbers) 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 2015-2016:



Below mentioned Chart shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of NSE Nifty for the year 2015-2016



### Share Transfer System:

The share transfer activities in respect of the shares in physical mode are carried out by the Company's Registrar and Transfer Agents ("RTA"). The Shares lodged for transfer are processed and the share certificates for the same are sent to the transferee within the stipulated period subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the work of transfer of shares, transmission of shares or requests for deletion of name of the shareholders etc., as mentioned

in Regulation 40 (2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to the Registrar and Share Transfer Agent of the Company. The same are noted and taken on record in the Meeting of Stakeholders Relationship Committee. The transactions in respect of issue of duplicate share certificates, re-materialisation and issue of new share certificates are approved by the Stakeholders Relationship Committee of the Company.

A summary of all the transfers, transmissions, deletion requests, etc., approved by the Stakeholders Relationship Committee is placed before the Board of Directors from time to time for their review. The Committee ordinarily meets as and when required. The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges in accordance with the Regulation 40(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### Shareholding Pattern as on 31<sup>st</sup> March, 2016:

Category of Shareholder(s)	Total No. of Shares	Percentage of total no. of shares
<b>(A) Shareholding of Promoter and Promoter Group</b>		
(a) Individuals/Hindu Undivided Family	4,77,185	2.78
(b) Bodies Corporate	1,23,07,295	71.65
<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>1,27,84,480</b>	<b>74.43</b>
<b>(B) Public Shareholding</b>		
<b>1) Institutions</b>		
(a) Mutual Funds/UTI	1,100	0.01
(b) Central Government / State Government(s)	3,000	0.02
(c) Foreign Institutional Investors	2,249	0.01
<b>Sub-Total (B) (1)</b>	<b>6,349</b>	<b>0.04</b>
<b>2) Non-Institutions</b>		
(a) Bodies Corporate	4,67,116	2.72
(b) Individuals		
(i) Individual shareholders holding nominal share capital up to ₹ 1 Lakh	18,65,708	10.86
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	15,27,425	8.89
(c) Individual (Non-Resident Individuals)	5,24,622	3.06
<b>Sub-Total (B) (2)</b>	<b>43,84,871</b>	<b>25.53</b>
<b>Total Public shareholding (B)=(B)(1) +(B)(2)</b>	<b>43,91,220</b>	<b>25.57</b>
<b>Total (A) + (B)</b>	<b>1,71,75,700</b>	<b>100.00</b>

Distribution of equity shareholding of the Company as on 31<sup>st</sup> March, 2016 is as follows:

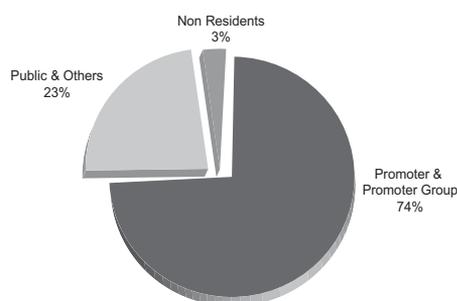
		Shareholders		Shareholding	
		Number	% to Total	Number	% to Total
Upto	500	6,716	89.86	8,21,901	4.79
501	1000	323	4.32	2,67,099	1.56
1001	2000	171	2.29	2,61,725	1.52
2001	3000	68	0.91	1,74,788	1.02
3001	4000	27	0.36	98,666	0.57
4001	5000	57	0.76	2,78,974	1.62
5001	10000	48	0.64	3,52,959	2.06
10001	And above	63	0.86	1,49,19,588	86.86
Total		7,473	100.00	1,71,75,700	100.00

**Details of the Company's dematerialised shares as on 31<sup>st</sup> March, 2016:**

Number of shares	% to total shares	Number of shareholders	% to total shareholders
1,65,86,574	96.57	4,752	63.59

**Break up of shares in physical and demat form as on 31<sup>st</sup> March, 2016:**

	No of shares	% of shares
Physical Segment	5,89,126	3.43
Demat Segment		
NSDL	1,58,14,403	92.07
CDSL	7,72,171	4.50
Total	1,71,75,700	100.00


**Outstanding GDRs/ ADRs/Warrants/Convertible instruments and their impact on equity:**

The Company is not having any outstanding **GDRs/ ADRs/Warrants/ Convertible instruments** as on 31<sup>st</sup> March, 2016.

**Details of public funding obtained in the last three years:**

Your Company has not obtained any Public funding in the last three years. However, during the year the Company allotted 20,00,000 Equity Shares of ₹ 10/- each against the conversion of 20,00,000 Convertible Warrants issued on 8<sup>th</sup> August, 2014 to some of the Promoters of the Company. The Company has also received fixed deposits from shareholders of the Company under the provision of the Companies Act, 2013.

**Other Information:**
**National Electronic Clearing System (NECS) for dividends:**

The remittance of dividends through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1<sup>st</sup> 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 shareholders 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. 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.

**Reconciliation of Share Capital Audit:**

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

**Nomination facility:**

Pursuant to the provision of Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members holding shares in physical form and desirous of making a nomination are requested to send their requests to the Registrar and Transfer Agents of the Company. Members holding shares in electronic form are requested to give the nomination request to their respective Depository Participant Directly.

**Disclosure of Commodity Price Risk and Hedging Activities:**

The Company does not have any significant exposure on commodities directly.

**Unclaimed dividend:**

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

Financial Year	Type	Unclaimed dividend amount as on 31.03.2016 (in ₹)	Due Date for transfer to IEPF
2008-2009	Final	1,62,460.10	25.10.2016
2009-2010	Final	2,25,741.00	03.10.2017
2010-2011	Final	2,44,618.20	05.09.2018
2011-2012	Final	2,65,545.60	09.09.2019
2012-2013	Final	3,33,745.60	13.10.2020
2013-2014	Final	1,84,015.80	12.10.2021
2014-2015	Final	2,07,369.00	28.01.2022

**Unclaimed Shares**

As required under Schedule VI of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Registrar & Transfer Agent of the Company have sent reminders to the shareholders whose share certificates are lying unclaimed. These shares will be transferred to

the Unclaimed Suspense Account as required under Regulation 39(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company is in the process of completing the formalities for the same.

**Disclosure in respect of unclaimed equity shares of the Company:-**

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the unclaimed shares lying as on 1 <sup>st</sup> April, 2015	4	500
Number of shareholders who approached the Company for transfer of shares	-	-
Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	-	-
Aggregate number of shareholders and Unclaimed shares lying as on 31 <sup>st</sup> March, 2016	4	500

**Note:**

The voting rights on the shares in the suspense account as on 31<sup>st</sup> March, 2016 shall remain frozen till the rightful owners of such shares claim them.

Once the Account opening process is being completed, the unclaimed equity shares lying with the Company will be transferred to the 'Hitech Plast Limited – Unclaimed Suspense Account'.

**History of IPO/Allotment of shares of the Company:**

**Build up of the Company's Equity 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
Preferential Allotment to Promoters	2014	20,00,000	1,51,75,700
Conversion of Convertible Warrants in to Equity shares, issued to some of the Promoters	2016	20,00,000	1,71,75,700
Total paid-up capital as on 31 <sup>st</sup> March, 2016			1,71,75,700

**Note:**

20,00,000 Convertible warrants issued on 8<sup>th</sup> August, 2014 on preferential basis were converted in to 20,00,000 Equity Shares on 1<sup>st</sup> February, 2016 and allotted to the respective Promoters.

**Registrar and Transfer Agents:**

Link Intime India Private Limited is the Registrar & Transfer Agents of the Company.

Shareholders, beneficial owners and depository participants (DPs) are requested to send/deliver the documents/correspondences relating to the Company's share transfer activity etc. to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the following address:

**Link Intime India Private Limited**

**Unit: Hitech Plast Limited**

C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (West),  
Mumbai – 400 078  
Tel. 2596 3838 Fax: 2596 2691  
E-mail: mumbai@linkintime.co.in

Members are requested to quote their e-mail address, telephone number and full address for prompt reply to their communication.

**Manufacturing Plant locations:**

**SANASWADI :** Gut Nos. 939 & 940, Village : Sanaswadi Tal. Shirur, Dist. Pune, Maharashtra - 412 208.

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

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

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

**KHANDALA:** Gat No.272/7, Village : Dhawadwadi, Taluka:Khandala, Dist. Satara, Maharashtra – 412 802.

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

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

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

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

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

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

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

**Address for correspondence:**

**Registered Office:**

HITECH PLAST LIMITED  
201 Welspun House,  
Kamala City, Senapati Bapat Marg,  
Lower Parel (W),  
Mumbai – 400 013  
E-mail : investor.help@hitechgroup.com

**Annexure to Report on Corporate Governance for the year ended 31st March, 2016**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that:

The Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March, 2016.

Place : Mumbai

Date: 2<sup>nd</sup> August, 2016

**Malav A Dani**  
Managing Director

**CEO / CFO Certificate Under Regulation 17(8) read with PART B of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 49 (IX) of the Listing Agreement**

The Board of Directors  
Hitech Plast Limited

We, Malav A. Dani, Managing Director and Bharat I. Gosalia, Chief Financial officer, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief, certify that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Malav Dani**  
Managing Director  
(DIN:01184336)

**Bharat I. Gosalia**  
Chief Financial Officer

Place : Mumbai

Date : 2<sup>nd</sup> August, 2016

**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 31<sup>st</sup> March, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

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.

**For Manubhai & Shah LLP**  
Chartered Accountants  
FRN: 106041W/W100136

Place: Mumbai  
Date: 2<sup>nd</sup> August, 2016.

**Ashish H. Shah**  
Partner  
M. No. 103750

## FIVE YEAR REVIEW

(₹ in Lakhs)

Results for the Accounting Year	F.Y. 2015-16*	F.Y. 2014-15 *	F.Y. 2013-14	F.Y. 2012-13	F.Y. 2011-12
<b>REVENUE ACCOUNT</b>					
Gross Revenue	43,074.01	50,989.45	30,498.85	28,685.56	25,536.10
Net Revenue from Operations	39,070.25	46,226.94	26,969.45	25,421.89	23,079.68
Growth Rate (%)	-15.48	71.40	6.09	10.15	12.89
Materials Cost	25,117.28	31,545.02	18,183.66	16,899.84	14,668.74
% to Net Revenue	64.29	68.24	67.42	66.48	63.56
Overheads	9,590.03	10,911.59	6,025.38	5,783.25	5,210.64
% to Net Revenue	24.55	23.60	22.34	22.75	22.58
Operating Profit (EBITDA)	4,634.71	4,112.97	2,917.68	2,953.86	3,370.02
Finance Costs	1,050.46	1,579.48	1,370.78	1,293.55	1,231.09
Depreciation	1,559.28	1,623.65	989.07	809.91	678.83
Profit Before Tax	2,024.97	909.84	557.83	850.40	1,460.10
% to Net Revenue	5.18	1.97	2.07	3.35	6.33
Profit After Tax	1,411.80	678.59	374.26	702.17	1,098.39
<b>CAPITAL ACCOUNT</b>					
Equity Share Capital	1,717.57	1,517.57	1,317.57	1,317.57	1,317.57
Reserves and Surplus	11,837.38	9,749.48	7,120.73	6,885.19	6,429.66
Deferred Tax Liability/Asset (Net)	162.56	356.40	297.08	328.58	247.97
Borrowings	3,688.60	6,854.39	7,110.38	6,813.22	6,961.11
Fixed Assets	9,912.36	12,289.18	7,907.23	8,272.17	6,152.46
Investments	-	-	3,408.89	3,408.89	3,408.89
Debt - Equity Ratio	0.27	0.61	0.84	0.83	0.90
Market Capitalisation	28,236.85	15,130.47	6,548.32	5,810.48	7,246.64
<b>PER SHARE DATA</b>					
Earning Per Share (₹)	8.60	4.69	2.84	5.33	8.34
Dividend	0.90 (#)	0.90	0.90	1.60	1.60
Book Value (₹)	96.79	74.24	64.04	62.26	58.80

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

(\*) After the merger of Clear Mipak Packaging Solutions Ltd. a subsidiary of the Company into the Company.

## Independent Auditor's Report

To the Members of **HITECH PLAST LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **HITECH PLAST LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit .
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**” and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26(a) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**FRN: 106041WW100136**

**Ashish H. Shah**  
**Partner**  
**M. No: 103750**  
**Mumbai, 23<sup>rd</sup> May, 2016**

## **Annexure - A to Independent Auditors’ Report**

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon such verification.  
(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory, except goods-in-transit have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stock lying with the third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in books of account.
3. According to the information and explanations given to us, the Company has not granted any loans Secured or Unsecured during the year, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.
5. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 73 to 76 or any other relevant provision of the Act and the rules framed there under to the extent notified with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
6. We are informed that the maintenance of cost records has not been prescribed by the Central government of India under section 148(1) of the Act, in respect of the Company’s product.
7. (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 account in respect of undisputed statutory dues including provident fund, income-tax, sales tax/value added tax, customs duty, excise duty, service tax, cess and other material statutory dues have generally been 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, income tax, sales tax, value added tax, customs duty, excise duty, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, following dues that have not been deposited by the company on account of disputes pending at various forums:-

Name of the Statute	Nature of dues	Amount in Lacs	Financial Year to which the amount relates	Forum where the dispute is pending
Income Tax	IT matters under dispute	27.66	FY 02-03	High Court
		3.23	FY 03-04	High Court
		54.43	FY 07-08	CIT (A)
		7.72	FY 07-08	High Court
		242.89	FY 09-10	CIT (A)
		111.34	FY 10-11	CIT (A)
		12.01	FY 11-12	CIT (A)
		614.91	FY 12-13	CIT (A)
	<b>Total (A)</b>	<b>1074.20</b>		
Sales Tax	Assessment Dues	325.13	FY 06-07	Appellate Level
		1.43	FY 08-09	
		12.19	FY 10-11	
		0.78	FY 11-12	
			<b>Total (B)</b>	
Central Excise Act 1944	Dispute relating to Excise duty	8.92	FY 11-12 to FY 14-15	Appellate Level
			<b>Total (C)</b>	
	<b>Grand Total (A+B+C)</b>	<b>1422.66</b>		

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayments of dues to its Financial Institutions, Bankers and Government. The Company did not have any outstanding debentures during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the order is not applicable to the Company.

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**FRN: 106041W/W100136**

**Ashish H. Shah**  
**Partner**  
**M. No: 103750**  
**Mumbai, 23<sup>rd</sup> May, 2016**

## Annexure - B to the Independent Auditors' Report

(Referred to in our report of even date)

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **HITECH PLAST LIMITED** ("the Company") as at 31st March, 2016 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**FRN: 106041W/W100136**

**Ashish H. Shah**  
**Partner**  
**M. No: 103750**

**Mumbai, 23<sup>rd</sup> May, 2016**

## Balance Sheet as at 31<sup>st</sup> March, 2016

(₹ in Lakhs)

	Notes	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	3A	4,811.99	1,517.57
(b) Share Capital Suspense Account	3B	-	3,094.42
(c) Reserves and Surplus	4A	11,837.38	9,749.48
(d) Money received against Convertible Warrants	4B	-	285.00
		<b>16,649.37</b>	<b>14,646.47</b>
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	5	521.73	926.23
(b) Deferred Tax Liabilities (Net)	6	162.56	356.40
(c) Long Term Provisions	7	119.11	101.14
		<b>803.40</b>	<b>1,383.77</b>
<b>3 CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	8	2,457.97	5,194.51
(b) Trade Payables			
(i) Total outstanding dues of micro and small enterprises	9A	46.06	224.00
(ii) Total outstanding dues of creditors other than micro and small enterprises	9B	1,401.89	1,533.45
(c) Other Current Liabilities	10	1,662.21	1,636.75
(d) Short-Term Provisions	7	343.86	314.71
		<b>5,911.99</b>	<b>8,903.42</b>
<b>Total</b>		<b>23,364.76</b>	<b>24,933.66</b>
<b>II. ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	11A	9,661.27	12,110.65
(ii) Intangible Assets	11B	25.75	28.98
(iii) Capital work-in-progress		225.34	149.56
		<b>9,912.36</b>	<b>12,289.19</b>
(b) Non-Current Investments	12	-	-
(c) Long Term Loans and Advances	13	1,645.57	1,750.13
(d) Other Non-Current Assets	14	5.00	5.00
<b>2 CURRENT ASSETS</b>			
(a) Inventories	15	3,009.44	2,562.13
(b) Trade Receivables	16	6,111.76	7,398.16
(c) Cash and Bank Balances	17	175.14	287.33
(d) Short-Term Loans and Advances	13	401.08	448.84
(e) Other Current Assets	18	2,104.41	192.88
		<b>11,801.83</b>	<b>10,889.34</b>
<b>Total</b>		<b>23,364.76</b>	<b>24,933.66</b>
Significant Accounting Policies	2		

As per our report of even date

 For and on behalf of the Board of Directors  
**Hitech Plast Limited**  
 CIN: L28992MH1991PLC168235

**For Manubhai & Shah LLP**  
 Chartered Accountants  
 FRN:106041WW/100136

**Ashwin S. Dani**  
 Chairman  
 DIN: 00009126

**Malav A. Dani**  
 Managing Director  
 DIN: 01184336

**Ashish H. Shah**  
 Partner  
 M.No.103750

**Bharat I. Gosalia**  
 Chief Financial officer

**Namita R. Tiwari**  
 Company Secretary

 Mumbai  
 23<sup>rd</sup> May, 2016

 Mumbai  
 23<sup>rd</sup> May, 2016

## Statement of Profit and loss for the year ended 31<sup>st</sup> March, 2016

(₹ in Lakhs)

	Notes	Year 2015-16	Year 2014-15
<b>(I) INCOME</b>			
Revenue from Sale of goods and services	19A	43,074.01	50,989.45
Less: Excise Duty		4,003.76	4,762.51
Revenue from sale of goods and services (Net of Excise Duty & Service Tax)		39,070.25	46,226.94
Other Operating Revenue	19B	188.18	256.94
Other Income	20	83.59	85.70
Total Revenue (I)		39,342.02	46,569.58
<b>(II) EXPENSES</b>			
Cost of Materials Consumed	21A	24,952.88	31,041.01
Changes in inventories of finished goods and work-in-progress	21B	164.40	504.01
Employee Benefits Expense	22	2,595.87	2,703.33
Other Expenses	23	6,994.16	8,208.26
Total Expenses (II)		34,707.31	42,456.61
<b>EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA) (I-II)</b>		4,634.71	4,112.97
Depreciation and Amortization Expense	24	1,559.28	1,623.65
Finance Costs	25	1,050.46	1,579.48
<b>PROFIT BEFORE TAX</b>		2,024.97	909.84
Tax Expenses:			
Current Tax		807.06	380.66
Deferred Tax	6	(193.84)	(143.86)
(Excess)/Short Tax Provision for earlier years		(0.05)	(5.55)
<b>PROFIT AFTER TAX</b>		1,411.80	678.59
Earnings per Equity Share(₹) (Face value of ₹ 10/- each)	40		
Basic		8.60	4.69
Diluted		8.60	4.12
Significant Accounting Policies	2		

As per our report of even date

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Mumbai  
 23<sup>rd</sup> May, 2016

Mumbai  
 23<sup>rd</sup> May, 2016

## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016

(₹ in Lakhs)

	2015-16	2014-15
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	2,024.97	909.84
<b>Adjustments for :</b>		
Depreciation and amortization expense	1,559.28	1,623.65
Loss/(Profit) on Sale of Fixed Assets	(30.83)	(6.41)
Unrealised Foreign Exchange Gain	(0.36)	(0.72)
Provision for doubtful debts/Provisions written-back(Net)	134.62	59.04
Bad Debts written off	27.56	-
Finance costs	1,050.46	1,579.48
Interest Income	(36.68)	(38.32)
<b>Operating Profit before working capital changes</b>	<b>4,729.02</b>	<b>4,126.56</b>
<b>Adjustments for :</b>		
Trade Receivables	1,123.97	(157.63)
Other Receivables	40.99	(226.02)
Inventories	(777.45)	810.78
Trade and other Payables	(346.20)	(212.14)
<b>Cash Generated from Operations</b>	<b>4,770.33</b>	<b>4,341.55</b>
Income Tax paid (Net of Refund)	(655.65)	(480.67)
<b>Net Cash generated from operating activities</b>	<b>4,114.68</b>	<b>3,860.88</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(826.03)	(649.83)
Sale of Fixed Assets	55.97	31.29
Interest Received	33.70	24.81
<b>Net Cash used in Investing Activities</b>	<b>(736.36)</b>	<b>(593.73)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital/Share Premium	855.00	1,140.00
Proceeds against Share Warrants	-	285.00
Proceeds from Long Term Borrowings	304.40	-
Repayment of Long Term Borrowings	(733.65)	(3,240.17)
Proceeds from/ (Repayment of) Cash Credit	(1,186.53)	(34.19)
Proceeds from Short Term Borrowings	900.00	1,100.00
Repayment of Short Term Borrowings	(2,450.00)	(698.39)
Dividend and Dividend tax paid	(163.84)	(138.26)
Finance costs paid	(1,015.89)	(1,711.75)
<b>Net Cash used in Financing Activities</b>	<b>(3,490.51)</b>	<b>(3,297.76)</b>

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016**

(₹ in Lakhs)

	2015-16	2014-15
(D) Net Increase/ (Decrease) in Cash and Cash Equivalents	(112.19)	(30.61)
Cash and Cash Equivalents at the beginning of the year	287.33	94.86
Cash Inflow on merger with CMPSL	-	223.08
Cash and Cash Equivalents at the end of the year	175.14	287.33

Notes :

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.

(₹ in Lakhs)

	As at 31.3.16	As at 31.3.15
(b) Cash and Cash Equivalents comprises of : (Refer Note .17)		
Cash on hand	4.75	5.38
Balances with bank		
- Current Accounts	133.06	164.39
- Deposits with Bank (with original maturity for > 3 months but < 12 months)	12.23	85.59
- Margin Money Deposit	8.87	13.88
- Unpaid Dividend Account *	16.23	15.69
- Others	-	2.40
	<u>175.14</u>	<u>287.33</u>

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

As per our report of even date

For and on behalf of the Board of Directors  
**Hitech Plast Limited**  
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**For Manubhai & Shah LLP**  
Chartered Accountants  
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Company Secretary

Mumbai  
23<sup>rd</sup> May, 2016

Mumbai  
23<sup>rd</sup> May, 2016

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### 1. Company Information:

Hitech Plast Limited (the Company) is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, namely the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in manufacturing of rigid plastic containers specially catering to customers relating to Paints, Lube and Pharmacy product as well as export market.

### 2. Significant Accounting Policies:

#### 2.1 Basis of preparation of financial statements

##### (a) Basis of Accounting:

The Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with accounting principles generally accepted in India ("Indian GAAP") and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956 to the extent applicable.

##### (b) Use of Estimates:

The preparation of Financial Statements in conformity with Indian GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

##### (c) Current / Non Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset,
  - it is held primarily for the purpose of being traded; or
  - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

#### 2.2. Tangible and Intangible Assets

##### (a) Tangible Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and impairment. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant tangible asset heads. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

##### (b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. The cost of intangible assets acquired in an amalgamation in the nature of purchase is reflected at their fair value as at the date of amalgamation. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

##### (c) Capital Work in Progress & Capital Advances

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

##### (d) Depreciation and Amortization

Depreciation on fixed assets is provided on Straight Line Method, except Building, which is depreciated on Written Down Value Method. The details of estimated useful life for each category of assets are as under:

Building	: 40 years
Plant & Machinery*	: 9.67 Years
Moulds	: 4 years
Computer	: 5 years
Vehicle	: 5 years

\* Useful life of Plant and Machinery is considered based on triple shift working.

In respect of other assets, the useful life is considered as specified in Part C of the Schedule II to the Companies Act, 2013.

Leasehold land and leasehold improvements are amortized over the primary period of lease.

Purchase cost, user license fees and consultancy fees for major software and patent are amortized over a period of three years.

#### (e) Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised 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 recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

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

### 2.3 Revenue Recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognised separately as part of changes in inventories of finished goods and work in progress.

- Revenue from service is recognised as per the completed service contract method.
- Processing income is recognised on accrual basis as per the contractual arrangements.
- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognised on the time proportion basis.

### 2.4 Lease Accounting

Assets taken on operating lease:

Lease rentals on assets and premises taken on operating lease are recognised as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

### 2.5 Inventory

Raw materials, work in progress, finished goods, packing materials, stores, spares and consumables are carried at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

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

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

### 2.6 Investments

Investments are classified into current and non-current investments. Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments. However, that part of non current investments which are expected to be realised within twelve months from balance sheet date is also presented under "Current Assets" under "Current portion of non current investments".

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

Non-current investments are stated at cost. A provision for diminution in the value of non-current investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognised in the Statement of Profit and Loss.

### 2.7 Transaction in Foreign Currency

#### (a) Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss.

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

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

**(c) Forward exchange contracts**

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

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

**2.8 Trade Receivables**

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

**2.9 Employee Benefits**

**A. Short Term Employee Benefits**

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

**B. Post-employment benefits**

**(a) Defined contribution plans**

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

The Company contributes to the Government administered provident funds on behalf of its employee.

**(b) Defined benefit plans**

*Defined benefit gratuity plan.*

The Company operates a defined benefit gratuity plan for employees. The contribution is paid to a separate entity (a fund), towards meeting the Gratuity obligation.

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognised immediately to the extent that the benefits are already vested, else is amortized on a straight-line basis over the average period until the amended benefits become vested.

The defined benefit obligations recognised in the Balance sheet represent the present value of the defined benefit obligations as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs and as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognised representing the unrecognised past service cost plus the present value of available refunds and reductions in future contributions to the plan.

The Company presents the above liabilities as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next 12 months

**C. Other long term employee benefits**

Entitlements to annual leave are recognised when they accrue to employees. Annual leave can 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 Unit Credit method with actuarial valuations being carried out at each Balance Sheet date.

The Company presents this liability as current and non-current in the balance sheet as per actuarial valuation by the independent actuary.

**2.10 Research and Development**

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

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

**2.11 Provision for Taxation**

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

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

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

## 2.12 Provisions and Contingencies

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

## 2.13 Earnings Per Share

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

## 2.14 Proposed Dividend

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

## 2.15 Borrowing Cost

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

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

## 2.16 Cash and Cash Equivalents

Cash and cash equivalents include cash & cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

## 2.17 Government Grant and Subsidies

Grants in the nature of subsidy which are non-refundable are credited to the statement of profit and loss, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.

Grants in the nature of subsidy which are refundable are shown as liabilities in the Balance Sheet.

## 2.18 Measurement of EBITDA

The Company has elected to present earnings before interest (finance costs), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit/(loss) from continuing operations.

## 3 Share Capital

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
<b>Authorised Share Capital</b>		
290 Lakhs (31 <sup>st</sup> March, 2015: 290 Lakhs) Equity shares of ₹ 10/- each	2,900.00	2,900.00
310 Lakhs (31 <sup>st</sup> March, 2015 : 310 Lakhs ) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each	3,100.00	3,100.00
5 Lakhs (31 <sup>st</sup> March, 2015 : 5 Lakhs) Unclassified shares of ₹ 10/- each	50.00	50.00
<b>Total</b>	<b>6,050.00</b>	<b>6,050.00</b>
<b>A. Issued, Subscribed and Paid -up capital</b>		
1,71,75,700 (31 <sup>st</sup> March, 2015: 1,51,75,700) Equity shares of ₹ 10/- each fully paid *	1,717.57	1,517.57
309,44,164 (31 <sup>st</sup> March, 2015 : Nil) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each issued towards consideration to shareholders of CMPSL on amalgamation (Issued during the year) **	3,094.42	-
<b>Total</b>	<b>4,811.99</b>	<b>1,517.57</b>
<b>B. Share capital suspense account</b>		
Nil (31 <sup>st</sup> March, 2015 : 309,44,164) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each towards consideration to shareholders of CMPSL on amalgamation	-	3,094.42
<b>Total</b>	<b>-</b>	<b>3,094.42</b>

### Note:

\* The Company had issued 20 Lakhs Convertible Warrants on preferential basis as per SEBI guidelines and shareholders' approval. The captioned shareholders have since exercised the conversion option and paid to the Company the requisite amount payable on

conversion and the allotment Committee of the Board in its meeting held on 1st February, 2016 has allotted 20 Lakhs Equity Shares of ₹ 10/- each to the allottees.

\*\* Pursuant to the scheme of amalgamation of Clear Mipak Packaging Solutions Limited (CMPSL) with the Company under section 391 to 394 of the Companies Act 1956, sanctioned by the Hon'ble Bombay High Court on 20<sup>th</sup> November, 2015, the Company has on January 7<sup>th</sup> 2016, issued and allotted 309,44,164 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid up to the shareholders of CMPSL in the ratio of 173 (one hundred seventy three) Preference Shares for every 10 (ten) Equity Shares of face value of ₹ 10/- of CMPSL.

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

Equity Shares	31 <sup>st</sup> March 2016		31 <sup>st</sup> March 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	1,51,75,700	1,517.57	1,31,75,700	1,317.57
Add : Issued during the year	20,00,000	200.00	20,00,000	200.00
At the end of the year	1,71,75,700	1,717.57	1,51,75,700	1,517.57

**D. Shares held by holding Company and/or its subsidiary**

The shares held by its holding Company Geetanjali Trading & Investments Pvt Ltd is as below:

	(₹ in Lakhs)	
	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
1,18,69,295 (31 <sup>st</sup> March, 2015 : 99,49,295 ) Equity Shares of ₹ 10/- each fully paid (including 19,20,000 Equity Shares of ₹ 10/- each issued on opting for conversion of warrants to Equity shares during the year.)	1,186.93	994.93
2,98,42,742 (31 <sup>st</sup> March, 2015 : Nil ) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid issued for consideration other than cash.	2,984.27	-
Nil (31 <sup>st</sup> March, 2015 : 2,98,42,742 ) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each fully paid to be issued for consideration other than cash out of the Share Capital Suspense Account.	-	2,984.27
<b>Total</b>	<b>4,171.12</b>	<b>3,979.20</b>

**E. Details of shares held by each shareholder holding more than 5% shares in the Company #**

Name of Shareholders	31 <sup>st</sup> March 2016		31 <sup>st</sup> March 2015	
	No of Shares	% holding in the Class	No of Shares	% holding in the Class
Geetanjali Trading & Investments Pvt Ltd				
<b>Equity Shares of ₹ 10/- each fully paid</b>	<b>1,18,69,295</b>	<b>69.11</b>	99,49,295	65.56
<b>Preference Shares of ₹ 10/- each fully paid</b>	<b>2,98,42,742</b>	<b>96.44</b>	-	-

# As per the records of the Company, including its register of members.

**F. Terms/rights attached to shares**

(i) **Equity Share**

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

A dividend of ₹ 0.90 ( Paise Ninety only) per Equity Share of ₹ 10/- each has been recommended by the Board of Directors at its meeting held on 23<sup>rd</sup> May, 2016, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved, the dividend for the Financial Year 2015-16 will be ₹ 0.90 per Equity Share (Previous Year : ₹ 0.90 per Equity Share) of face value ₹ 10/- each. The total dividend appropriation for the year ended 31<sup>st</sup> March, 2016 amounted to ₹ 186.05 Lakhs including corporate dividend tax of ₹ 31.47 Lakhs (Previous Year : ₹ 164.38 Lakhs including corporate dividend tax of ₹ 27.80 Lakhs).

As per the Companies Act, 2013, 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. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(ii) **Preference Share issued under the Scheme of Arrangement approved by the Hon'ble Bombay High Court on terms as under:**

1. Preference Shares issued at par of ₹ 10/- each.
2. The coupon rate (i.e. the rate of dividend) is 9%.
3. The Preference Shares are classified as "9% Non Convertible Redeemable Cumulative Preference Shares".

4. Preference Shares carry preferential (cumulative) right to dividend, at the above said coupon rate, when declared.
5. The dividend will be calculated on pro rata i.e. from the date of allotment of such Preference Shares.
6. The Preference Shares do not carry any voting rights except in case of any Resolution placed before the Company which directly affects the rights attached to such shares or otherwise provided in the Companies Act.
7. The Preference Shares have the maximum redemption period of 20 years. However, the same may be redeemed fully or in such tranche, before the aforesaid period, by the express mutual consent of the holders of such Preference Shares and Company as may be allowed under the Act.
8. Only fully paid up Preference Shares can be redeemed.
9. The Preference Shares will be redeemed at par of ₹ 10/- each
10. The Preference Shares will be redeemed out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.

**4A Reserves and Surplus**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
<b>Capital Redemption Reserve</b>		
Balance as per the last financial statements	461.20	251.00
Add : Received on Merger of CMPSL	-	210.20
Closing Balance	461.20	461.20
<b>Securities Premium Account</b>		
Balance as per the last financial statements	940.00	737.21
Add : Securities premium credited on Share issue	940.00	940.00
Add : Received on Merger of CMPSL	-	4,532.09
	1,880.00	6,209.30
Less: Adjusted on account of Merger of CMPSL	-	5,269.30
Closing Balance	1,880.00	940.00
<b>General reserve</b>		
Balance as per the last financial statements	133.80	433.41
Add : Received on Merger of CMPSL	-	249.90
	133.80	683.31
Less: Adjusted on account of Merger of CMPSL	-	549.51
Closing Balance	133.80	133.80
<b>Surplus in Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	8,214.48	5,699.11
Less: Adjustment of residual value of fixed assets (Net of Deferred Tax) as per Schedule II of the Companies Act, 2013	-	53.31
Add : Received on Merger of CMPSL	-	2,054.47
Add: Net Profit after tax transferred from Statement of Profit and Loss for the year	1,411.80	678.59
Less: Appropriations-		
- Proposed Final Equity Dividend (amount per share ₹ 0.90 (31 <sup>st</sup> March, 2015 : ₹ 0.90))	154.58	136.58
- Tax on Proposed Equity Dividend	31.47	27.80
- Proposed Preference Dividend (amount per share ₹ 0.90 (31 <sup>st</sup> March, 2015 : ₹ Nil ))	64.68	-
- Tax on Proposed Preference Dividend	13.17	-
- Total Appropriations	263.90	164.38
Net Surplus in Statement of Profit and Loss	9,362.38	8,214.48
<b>Total</b>	<b>11,837.38</b>	<b>9,749.48</b>

- 4B.** In the previous financial year the Company received an amount of ₹ 285 Lakhs towards issue and allotment of 20 Lakhs Convertible Warrants on a preferential basis to the Promoter Group as approved by the shareholders at the Extra-Ordinary General Meeting held on 7<sup>th</sup> July, 2014 and after obtaining requisite regulatory approval.

The captioned shareholders have since exercised the conversion option and paid to the Company the requisite amount payable on conversion and the allotment Committee of the Board in its meeting held on 1<sup>st</sup> February, 2016 has allotted 20 Lakhs Equity Shares of ₹ 10/- each to the allottees.

**5 Long term Borrowings**

(₹ in Lakhs)

	Non-current		Current	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>a) Term Loans @</b>				
<b>l) Secured</b>				
Foreign currency loan from bank	217.33	876.23	658.90	733.65
	<u>217.33</u>	<u>876.23</u>	<u>658.90</u>	<u>733.65</u>
<b>b) Deposits</b>				
<b>l) Unsecured</b>				
- Deposits from Directors	50.00	50.00	-	-
- Deposits from shareholders <sup>#</sup>	254.40	-	50.00	-
	<u>304.40</u>	<u>50.00</u>	<u>50.00</u>	<u>-</u>
	<u>521.73</u>	<u>926.23</u>	<u>708.90</u>	<u>733.65</u>
Amount included under the head "Other Current Liabilities" (Refer Note 10)			(708.90)	(733.65)
<b>NET AMOUNT</b>	<u>521.73</u>	<u>926.23</u>	<u>-</u>	<u>-</u>

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

<sup>#</sup> In compliance of the provision of Section 74 of the Companies Act, 2013, the deposits accepted by the Company from shareholders carried interest @ 9.00 % to 10.50 % p.a.

(₹ in Lakhs)

Term Loans:	Non-current	Current
<b>a) Foreign Currency Loan:</b>		
<b>i) Standard Chartered Bank ECB loan of ₹ 1,196 Lakhs (USD 2.30 Million)</b>		
ECB loan carries interest @ LIBOR plus 300 basis points. The loan is repayable after one year from the date of its origination in 16 quarterly instalment of USD 1,43,750 @ ₹ 52/- i.e. ₹ 74.75 Lakhs. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present & future (Land, Building, Plant & Machinery) located at the Rohtak Plant. The principal repayment and coupon are both hedged for the entire period of loan. Out of the loan of ₹ 1,196.00 Lakhs, the Company has already repaid ₹ 971.75 Lakhs till 31 <sup>st</sup> March, 2016 (Previous Year: ₹ 672.75 Lakhs) and the balance amount of ₹ 224.25 Lakhs (Previous Year ₹ 523.25 Lakhs) is repayable in 3 quarterly instalments upto November, 2016.		224.25
<b>ii) Standard Chartered Bank ECB loan of ₹ 1,738.62 Lakhs (USD 3.14 Million)</b>		
ECB loan carries interest @ LIBOR plus 350 basis points. The loan is repayable after one year from the date of its origination, in 16 quarterly instalment of USD 1,96,250 @ ₹ 55.37 i.e. ₹ 108.66 Lakhs. The loan is secured by exclusive first charge on all the movable / immovable fixed assets, present & future (Land, Building, Plant & Machinery) located at the Khandala Plant. The principal repayment and coupon are both hedged for the entire period of loan. Out of the loan of ₹ 1,738.62 Lakhs, the Company has already repaid ₹ 1,086.64 Lakhs till 31 <sup>st</sup> March, 2016 (Previous Year ₹ 651.99 Lakhs), and the balance amount of ₹ 651.98 Lakhs (Previous Year ₹ 1,086.63 Lakhs) is repayable in 6 quarterly instalments upto September, 2017.	217.33	434.65
<b>Total</b>	<u>217.33</u>	<u>658.90</u>
<b>b) Deposits from Director &amp; Shareholders carry interest @ 9% to 10.50% p.a. and are repayable after 1-3 years from the date of deposit.</b>	<u>304.40</u>	<u>50.00</u>

**6 Deferred Tax Liabilities (Net)**

The Company has recognised 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 31<sup>st</sup> March, 2016 are as follows:

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
<b>Deferred Tax Liabilities</b>		
Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961	(361.43)	(494.47)
<b>Total Deferred Tax Liabilities</b>	<b>(361.43)</b>	<b>(494.47)</b>
<b>Deferred Tax Asset</b>		
Provision for expense allowed for tax purpose on payment basis	111.22	101.27
Provision for doubtful debts and advances	87.65	36.80
<b>Total Deferred Tax Asset</b>	<b>198.87</b>	<b>138.07</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(162.56)</b>	<b>(356.40)</b>
<b>Adjustment of Deferred Tax related to residual value of fixed assets transferred to retained earnings</b>	<b>-</b>	<b>27.46</b>
<b>Net Deferred Tax Benefit/(Expense) for the year</b>	<b>193.84</b>	<b>143.86</b>

**7 Provisions**

	(₹ in Lakhs)			
	Long Term		Short Term	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Provision for Employee Benefits ( Refer Note 39)				
- Provision for gratuity	-	-	63.65	133.00
- Provision for leave benefits	62.11	53.14	16.31	17.33
Other Provisions				
- Proposed Equity Dividend	-	-	154.58	136.58
- Provision for tax on Proposed Equity Dividend	-	-	31.47	27.80
- Proposed Preference Dividend	-	-	64.68	-
- Provision for tax on Proposed Preference Dividend	-	-	13.17	-
-Other Provision (Statutory Levies)	57.00	48.00	-	-
<b>Total</b>	<b>119.11</b>	<b>101.14</b>	<b>343.86</b>	<b>314.71</b>

**8 Short-term Borrowings**

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
a) Loan repayable on demand from banks <sup>^</sup>		
<b>Secured</b>		
Cash credits from Banks	657.97	1,844.51
Working Capital Demand loan	1,800.00	2,100.00
b) Loans and Advances from related parties		
<b>Unsecured</b>		
Advances from related parties	-	1,250.00
<b>Total</b>	<b>2,457.97</b>	<b>5,194.51</b>

<sup>^</sup> Default in terms of repayment of principal and interest – NIL

Working capital facilities from Banks are secured on first charge basis by way of hypothecation of inventories and book debts of specific units and collaterally secured by hypothecation of plant and machinery and equitable mortgage on land and building of specific units.

The above borrowings carries interest @ 9.25 % to 13.50%p.a.(Previous Year @ 10.00% to 13.50% p.a.).

**9. Trade payables**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
Trade Payables (including acceptances)		
(A) Total outstanding dues of micro and small enterprises(Refer Note 35)	46.06	224.00
(B) Total outstanding dues of creditors other than micro and small enterprises	1,401.89	1,533.45
<b>Total</b>	<b>1,447.95</b>	<b>1,757.45</b>

**10. Other Current liabilities**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
<b>Other liabilities</b>		
Current maturities of Long term borrowings (Refer Note 5)	708.90	733.65
Interest accrued but not due on borrowings	46.65	12.08
Advance from Customers	28.45	48.97
Advance received against sale of Fixed Assets	110.00	95.00
Investor Education and Protection Fund #		
- Unpaid / Unclaimed Dividend	16.23	15.69
<b>Other Payables</b>		
Statutory Dues -		
- Payable towards CST & VAT	74.61	62.03
- Payable towards Excise & Service Tax	12.14	37.23
- Payable towards TDS under Income Tax	29.93	48.35
- Payable towards Provident Fund, Profession Tax & ESIC	18.94	19.22
Payable to Employees	216.16	213.29
Provision for Other Expenses	392.70	341.02
Others	7.50	10.22
<b>Total</b>	<b>1,662.21</b>	<b>1,636.75</b>

#There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31<sup>st</sup> March, 2016. These amounts shall be paid to the Fund as and when they become due.

## 11 FIXED ASSETS

(₹ In Lakhs)

	Gross Block				Depreciation/ Amortization				Net Block	
	As at 01.04.2015	Additions during the Year	Deductions / adjustments	As at 31.03.2016	As at 01.04.2015	Additions / Amortization during the Year	Deductions / adjustments*	As at 31.03.2016	As at 31.03.2016	
<b>(A) Tangible Assets :</b>										
Freehold Land	2,214.01	-	60.90	2,153.11	-	-	-	-	2,153.11	
Leasehold Land	344.22	-	-	344.22	26.47	4.11	-	30.58	313.64	
Buildings	6,683.35	36.60	1,421.05	5,298.90	2,711.24	290.34	528.17	2,473.41	2,825.49	
Moulds	2,448.32	197.25	48.25	2,597.32	2,233.97	133.67	40.37	2,327.27	270.05	
Plant & Machinery	13,175.82	431.35	1,606.01	12,001.16	7,972.32	1,041.57	917.66	8,096.23	3,904.93	
Furniture	302.30	3.62	30.52	275.40	205.82	20.63	15.44	211.01	64.39	
Leasehold Improvements	51.27	0.76	-	52.03	26.61	10.38	-	36.99	15.04	
Computers	202.82	21.28	10.96	213.14	174.97	15.16	10.26	179.87	33.27	
Office Equipment	193.36	19.56	11.12	201.80	162.47	17.40	11.15	168.72	33.08	
Vehicles	160.04	43.14	17.26	185.92	150.99	3.92	17.26	137.65	48.27	
<b>Total Tangible Assets</b>	<b>25,775.51</b>	<b>753.57</b>	<b>3,206.07</b>	<b>23,323.00</b>	<b>13,664.86</b>	<b>1,537.18</b>	<b>1,540.31</b>	<b>13,661.73</b>	<b>9,661.27</b>	
<b>(B) Intangible Assets :</b>										
Software	205.72	18.88	4.90	219.70	176.77	22.10	4.90	193.97	25.74	
Patent	3.37	-	-	3.37	3.36	-	-	3.36	0.01	
<b>Total Intangible Assets</b>	<b>209.09</b>	<b>18.88</b>	<b>4.90</b>	<b>223.07</b>	<b>180.13</b>	<b>22.10</b>	<b>4.90</b>	<b>197.33</b>	<b>25.75</b>	
<b>Total (A+B)</b>	<b>25,984.60</b>	<b>772.45</b>	<b>3,210.97</b>	<b>23,546.07</b>	<b>13,844.99</b>	<b>1,559.28</b>	<b>1,545.21</b>	<b>13,859.06</b>	<b>9,687.02</b>	

#Refer Note : 37

(Previous Year)

(₹ In Lakhs)

	Gross Block					Depreciation/ Amortization					Net Block	
	As at 01.04.2014	Additions on Amalgamation	Additions during the Year	Deductions/ adjustments	As at 31.03.2015	As at 01.04.2014	Additions on Amalgamation	Additions / Amortization during the Year	Deductions / adjustments*	As at 31.03.2015	As at 31.03.2015	
<b>(A) Tangible Assets :</b>												
Freehold Land	1,521.10	692.91	-	-	2,214.01	-	-	-	-	-	2,214.01	
Leasehold Land	14.50	329.72	-	-	344.22	1.34	21.09	4.04	-	26.47	317.75	
Buildings	3,524.15	2,999.59	159.61	-	6,683.35	1,005.45	1,413.20	292.59	-	2,711.24	3,972.11	
Moulds	833.41	1,535.53	95.87	16.49	2,448.32	708.15	1,355.50	173.62	3.30	2,233.97	214.35	
Plant & Machinery	6,916.51	6,100.33	267.14	108.16	13,175.82	3,414.70	3,563.64	1,054.65	60.67	7,972.32	5,203.50	
Furniture	139.83	152.90	11.20	1.63	302.30	86.91	96.40	13.14	(9.37)	205.82	96.48	
Leasehold Improvements	53.32	0.96	23.67	26.68	51.27	41.64	0.62	8.90	24.55	26.61	24.66	
Computers	119.32	67.96	17.15	1.61	202.82	99.57	58.83	16.67	0.10	174.97	27.85	
Office Equipment	113.13	64.75	15.48	-	193.36	68.22	39.21	33.60	(21.44)	162.47	30.89	
Vehicles	98.34	55.16	8.98	2.44	160.04	90.37	50.15	3.94	(6.53)	150.99	9.05	
<b>Total Tangible Assets</b>	<b>13,333.61</b>	<b>11,999.81</b>	<b>599.10</b>	<b>157.01</b>	<b>25,775.51</b>	<b>5,516.35</b>	<b>6,598.64</b>	<b>1,601.15</b>	<b>51.28</b>	<b>13,664.86</b>	<b>12,110.65</b>	
<b>(B) Intangible Assets :</b>												
Software	164.49	21.34	19.89	-	205.72	134.26	20.01	22.50	-	176.77	28.96	
Patent	-	3.37	-	-	3.37	-	3.36	-	-	3.36	0.02	
<b>Total Intangible Assets</b>	<b>164.49</b>	<b>24.71</b>	<b>19.89</b>	<b>-</b>	<b>209.09</b>	<b>134.26</b>	<b>23.37</b>	<b>22.50</b>	<b>-</b>	<b>180.13</b>	<b>28.98</b>	
<b>Total (A+B)</b>	<b>13,498.10</b>	<b>12,024.52</b>	<b>618.99</b>	<b>157.01</b>	<b>25,984.60</b>	<b>5,650.61</b>	<b>6,622.01</b>	<b>1,623.65</b>	<b>51.28</b>	<b>13,844.99</b>	<b>12,139.63</b>	

\* Note : Pursuant to the requirements of Schedule II of the Companies Act, 2013 the Company has reviewed and revised the estimated useful lives of certain group of assets with effect from April 1, 2014 and has uniformly adopted straight line method (SLM) of depreciation for all the group of assets except Buildings where existing method of Written Down Value (WDV) has been continued. Consequent to the above: (i) The depreciation charge for the year ended 31<sup>st</sup> March, 2015 is lower by ₹ 130.69 Lakhs. (ii) The residual value of assets of ₹ 53.31 Lakhs (net of deferred tax liability) has been adjusted against the opening balance of retained earnings, where the remaining useful life of the asset has become Nil.

**12 Non-current Investments**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
Trade Investments (At Cost)		
Unquoted equity investments		
<b>Investment in others</b>		
11,000 (31 <sup>st</sup> March, 2015 : 11,000) Equity Shares of ₹ 100/- each fully paid in HO Plast Pvt Ltd	11.00	11.00
Less : Provision for diminution in the value of Investments	(11.00)	(11.00)
<b>Total</b>	<b>-</b>	<b>-</b>

**13 Loans and Advances**

(₹ in Lakhs)

	Non-current		Current	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>Unsecured and considered good :</b>				
Capital advances	118.76	141.32	-	-
Sundry deposits	497.87	451.74	-	-
<b>Other loans and advances :</b>				
Advance income-tax (net of provision for taxation)	338.62	489.97	-	-
Advances recoverable in cash or kind	-	-	135.01	208.14
Prepaid expenses	-	-	48.55	107.92
Advances to employees	-	-	5.16	8.41
Balances with Government authorities				
- Cenvat credit receivable	-	-	108.61	76.09
- Service tax credit receivable	-	-	67.78	31.77
- VAT credit receivable	622.72	620.19	-	-
- Subsidy receivable from State Government	65.88	45.20	35.97	16.31
- Other	1.72	1.72	-	0.20
<b>Total</b>	<b>1,645.57</b>	<b>1,750.14</b>	<b>401.08</b>	<b>448.84</b>

**14 Other Non Current Assets**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
Bank Deposits (with original maturity for >12 months) (Refer Note.17)	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**15 Inventories (Valued at Lower of Cost and Net realizable value)**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
Raw Materials	2,165.57	1,503.04
Packing Materials	82.20	108.53
Finished Goods	228.21	397.77
Work-In-Progress	526.05	542.34
Stores, Spares and Consumables	7.41	10.45
<b>Total</b>	<b>3,009.44</b>	<b>2,562.13</b>

**16 Trade receivables**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
<b>Unsecured</b>		
(a) Overdue for more than six months considered good	768.87	899.36
considered doubtful	489.49	354.88
	<u>1,258.36</u>	<u>1,254.24</u>
(b) Others		
considered good	5,342.89	6,498.80
considered doubtful	-	-
	<u>5,342.89</u>	<u>6,498.80</u>
Less : Provision for doubtful trade receivables	489.49	354.88
<b>Total</b>	<u><u>6,111.76</u></u>	<u><u>7,398.16</u></u>

**17 Cash and bank balances**

(₹ in Lakhs)

	Non-current		Current	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
<b>(A) Cash and Cash Equivalents</b>				
a. Balances with banks				
- On current accounts	-	-	133.06	164.39
b. Cash in hand	-	-	4.75	5.38
<b>(B) Other Bank balances</b>				
- Margin Money Deposit <sup>®</sup>	-	-	8.87	13.88
- Bank Deposits (with original maturity for < 12 months but > 3 months)	-	-	12.23	85.59
- Others( Gift Cards)	-	-	-	2.40
- Unpaid Dividend accounts *	-	-	16.23	15.69
- Bank Deposits (with original maturity for >12 months) <sup>®</sup>	5.00	5.00	-	-
Less: Amount disclosed under Other Non-Current Assets (Refer Note 14)	(5.00)	(5.00)	-	-
<b>Total</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>175.14</u></u>	<u><u>287.33</u></u>

<sup>®</sup> Bank Deposits & Margin Money Deposit given as security

Bank deposits and Margin money deposits, with a carrying amount of ₹ 7.50 Lakhs ( 31<sup>st</sup> March, 2015 ₹ 7.50 Lakhs) are kept for providing bank guarantee to secure payments to Government authorities including Electricity Boards.

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

**18 Other Current Assets**

(₹ in Lakhs)

	As at 31.03.2016	As at 31.03.2015
Interest accrued on deposits	29.86	26.88
Quantity discount receivable	96.72	165.82
Insurance Claim receivable( Refer Note 37)	1,972.20	0.18
Other	5.63	-
<b>Total</b>	<u><u>2,104.41</u></u>	<u><u>192.88</u></u>

**19 Revenue from operations**

(₹ in Lakhs)

	Year 2015-16	Year 2014-15
<b>(A) Revenue from sale of goods and services:</b>		
Sales of goods		
Home Market (Net of Returns)	43,029.16	50,573.18
Exports	35.33	205.95
	<u>43,064.49</u>	<u>50,779.13</u>
Sale of Services	9.52	210.32
<b>Total</b> (Refer Note 28)	<u><u>43,074.01</u></u>	<u><u>50,989.45</u></u>
<b>(B) Other Operating Revenues :</b>		
- Scrap Sales	62.15	108.12
- Wind Mill Income	69.38	68.14
-Subsidy from State Government (Refer Note 43)	56.65	61.51
-Sales Tax refund received	-	19.17
<b>Total</b>	<u><u>188.18</u></u>	<u><u>256.94</u></u>

**20 Other Income**

(₹ in Lakhs)

	Year 2015-16	Year 2014-15
(a) Interest Income on		
- Bank Deposits	4.01	23.04
- Others	32.67	15.30
	<u>36.68</u>	<u>38.34</u>
(b) Profit on sale of fixed assets (Net)	30.83	6.40
(c) Other non-operating income	16.08	40.96
<b>Total</b>	<u><u>83.59</u></u>	<u><u>85.70</u></u>

**21 (A) Cost of Material Consumed**

(₹ in Lakhs)

	Year 2015-16	Year 2014-15
<b>Raw Material Consumed</b> (Refer Note 27)		
Opening Stock	1,503.05	896.08
Add : Stock Acquired on amalgamation of CMPSL	-	942.95
Add: Purchases	25,162.67	28,911.04
	<u>26,665.72</u>	<u>30,750.07</u>
Less: Closing Stock	2,165.57	1,503.05
	<u><u>24,500.15</u></u>	<u><u>29,247.02</u></u>
<b>Packing Materials Consumed</b>		
Opening Stock	108.52	28.70
Add : Stock Acquired on amalgamation of CMPSL	-	45.51
Add: Purchases	426.41	1,828.30
	<u>534.93</u>	<u>1,902.51</u>
Less: Closing Stock	82.20	108.52
	<u><u>452.73</u></u>	<u><u>1,793.99</u></u>
<b>Total Cost of Materials Consumed</b>	<u><u>24,952.88</u></u>	<u><u>31,041.01</u></u>

**(B) Changes in inventories of Finished goods and Work-in-progress**

	(₹ in Lakhs)	
	Year 2015-16	Year 2014-15
<b>Inventories at the beginning of the year</b>		
Finished Goods	397.77	124.95
Add : Stock Acquired on amalgamation of CMPSL	-	430.64
Work-in-Progress	542.34	703.48
Add : Stock Acquired on amalgamation of CMPSL	-	192.05
	<u>940.11</u>	<u>1,451.12</u>
<b>Inventories at the end of the year</b>		
Finished Goods	228.21	397.77
Work-in-Progress	526.05	542.34
	<u>754.26</u>	<u>940.11</u>
Changes in inventories	185.85	511.01
Increase/(decrease) in excise duty on Finished Goods	(21.45)	(7.00)
Changes In Inventories of Finished Goods and Work-in-Progress	<u>164.40</u>	<u>504.01</u>

**22 Employee Benefits Expense**

	(₹ in Lakhs)	
	Year 2015-16	Year 2014-15
Salaries and wages	2,202.15	2,277.69
Contribution to Provident Fund	112.19	115.44
Defined Benefit Plan – Gratuity	63.65	48.21
Staff welfare Expenses	217.88	261.99
<b>Total</b>	<u>2,595.87</u>	<u>2,703.33</u>

**23 Other Expenses**

	(₹ in Lakhs)	
	Year 2015-16	Year 2014-15
Consumption of Stores, Spares and Consumables	94.29	238.97
Water, Power and Fuel	2,154.51	2,305.56
Processing Charges	541.81	816.56
Material Handling Charges	1,609.67	1,868.37
Repairs and Maintenance		
- to Building	25.21	106.10
- to Plant and Machineries	218.09	325.75
- Other Assets	64.75	37.39
Freight and Handling Charges	608.27	791.75
Rent	217.66	221.99
Rates and Taxes	62.92	92.35
Insurance	31.87	28.06
Security Charges	177.55	197.53
House-Keeping Expenses	97.19	83.01
Printing and Stationery	40.48	58.35
Postage and Telephone	70.41	66.71
Travelling and Conveyance	234.07	210.94
Directors' sitting fees	11.29	9.17
Payment to Auditors (Refer details below)	47.95	48.52
Commission to Non-Executive directors	7.70	6.75
Provision for doubtful debts	134.62	59.04
Bad debts written off	27.56	-
Management Fees	-	201.00
Legal and Professional Expenses	307.80	218.38
Foreign Exchange differences (Net)	5.83	22.62
Advertisement and Sales Promotional Expenses	35.54	29.35
Corporate Social Responsibility Expenses (Refer Note 45)	5.70	-
Miscellaneous Expenses	161.41	164.04
<b>Total</b>	<u>6,994.16</u>	<u>8,208.26</u>

<b>Payment to Auditors</b>	<b>Year 2015-16</b>	<b>Year 2014-15</b>
As Auditor:		
- Audit Fees	<b>36.20</b>	37.40
- Tax Audit Fees	<b>5.30</b>	5.50
- Corporate Governance	<b>1.10</b>	1.10
- Other services	<b>4.30</b>	3.35
Reimbursement of Expenses	<b>1.05</b>	1.17
<b>Total</b>	<b>47.95</b>	<b>48.52</b>

**24 Depreciation and amortization expense**

(₹ in Lakhs)

	<b>Year 2015-16</b>	<b>Year 2014-15</b>
Depreciation on tangible assets	<b>1,533.07</b>	1,597.11
Amortization of leasehold land	<b>4.11</b>	4.04
Amortization of intangible assets	<b>22.10</b>	22.50
<b>Total</b>	<b>1,559.28</b>	<b>1,623.65</b>

**25 Finance costs**

(₹ in Lakhs)

	<b>Year 2015-16</b>	<b>Year 2014-15</b>
Interests		
- on term loans	<b>140.59</b>	271.69
- on Cash credit and short term borrowings	<b>367.01</b>	525.95
- on Fixed Deposits	<b>24.53</b>	128.99
Bill Discounting Charges	<b>506.08</b>	617.87
Bank Charges	<b>12.25</b>	34.98
<b>Total</b>	<b>1,050.46</b>	<b>1,579.48</b>

**26 Contingent Liabilities and Commitments**
**a) Contingent Liabilities**

(₹ in Lakhs)

	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
1) Claims against the Company not acknowledged as debts - Tax and other matters in dispute under appeal	<b>1,476.54</b>	929.99
2) Bills of exchange discounted with banks (since realized ₹ 2,409.10 Lakhs (31 <sup>st</sup> March, 2015: ₹ 5,562.94 Lakhs))	<b>3,615.14</b>	5,562.94

**b) Commitments**

(₹ in Lakhs)

	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
1) Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>223.48</b>	207.98
2) Letters of Credit and Bank guarantees issued by bankers and outstanding as on 31 <sup>st</sup> March, 2016.	<b>7.50</b>	19.03

**27 Raw Materials Consumed**

(₹ in Lakhs)

	<b>Year 2015-16</b>	<b>Year 2014-15</b>
PCCP, LLDP and Master Batch	<b>20,404.54</b>	26,747.47
Others	<b>4,095.61</b>	2,499.55
<b>Total</b>	<b>24,500.15</b>	<b>29,247.02</b>

**28 Stock and Turnover**

(₹ in Lakhs)

Product	Opening Stock	Closing Stock	Gross Turnover
	Value	Value	Value
Containers, Bottles and Jars	<b>397.76</b>	<b>228.21</b>	<b>43,074.01</b>
	(555.59)	(397.76)	(50,989.45)

(Figures in brackets represent that of Previous Year.)

**29 Value of imports calculated on CIF basis**

(₹ in Lakhs)

	Year 2015-16	Year 2014-15
Raw Materials	<b>2,844.23</b>	4,021.36
Stores, Spares and Consumables	<b>2.38</b>	3.68
Capital Goods	<b>55.47</b>	-
<b>Total</b>	<b>2,902.08</b>	4,025.04

**30 Value of imported and Indigenous Raw Materials and Spares Consumed and percentage of each to total consumption**

	2015-16		2014-15	
	₹ in Lakhs	% to Total	₹ in Lakhs	% to Total
Raw Materials				
- Imported	<b>2,844.23</b>	<b>11.61</b>	4,021.36	13.75
- Indigenous	<b>21,655.92</b>	<b>88.39</b>	25,225.66	86.25
<b>Total</b>	<b>24,500.15</b>	<b>100.00</b>	29,247.02	100.00
Stores and Spares				
- Imported	<b>2.38</b>	<b>2.52</b>	3.68	1.54
- Indigenous	<b>91.91</b>	<b>97.48</b>	235.29	98.46
<b>Total</b>	<b>94.29</b>	<b>100.00</b>	238.97	100.00

**31 Net dividend remitted in foreign currency**

	2015-16			2014-15		
	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 2013-14	-	-	-	9	2,19,900	1.98
Final Dividend 2014-15	<b>9</b>	<b>2,19,900</b>	<b>1.98</b>	-	-	-

**32 Expenditure in foreign currency**

(₹ in Lakhs)

	2015-16	2014-15
Travelling Expenses	<b>2.76</b>	2.20
Business Promotion	-	7.79
Membership & Subscription	-	0.71
<b>Total</b>	<b>2.76</b>	10.70

**33 Earnings in foreign currency**

(₹ in Lakhs)

	2015-16	2014-15
Export at FOB value	<b>35.33</b>	190.85
<b>Total</b>	<b>35.33</b>	190.85

### 34 Research and Development

The Company has recognition for its In-house R & D unit situated at 28/9, D-2 Block, MIDC, Chinchwad, Pune (Unit- Technology Centre) upto 31<sup>st</sup> March, 2017, issued by Government of India, Ministry of Science and Technology, Department of Scientific and Industrial Research, New Delhi. During the year the Company has incurred following expenditure on Research and Development :-

	(₹ in Lakhs)	
	2015-16	2014-15
a) Revenue Expenditure		
Employee Cost	144.94	106.83
Travelling Expenditure	3.49	3.92
Processing charges	19.69	42.53
Power and fuel	3.88	7.52
Stores and Spares	1.83	1.49
Material Consumed	130.37	53.52
Repairs and Maintenance	1.81	5.05
Depreciation on Equipment	9.90	3.44
Rent	13.58	12.36
Others	21.08	48.23
<b>Total</b>	<b>350.57</b>	<b>284.89</b>
b) Capital Expenditure		
For Mould Research and Development facility	167.37	0.24
<b>Total</b>	<b>167.37</b>	<b>0.24</b>

### 35 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2015-16, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	(₹ in Lakhs)	
	As at 31.03.2016	As at 31.03.2015
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year	46.06	224.00
(b) Interest due thereon remaining unpaid	Nil	Nil
(c) The amount of interest paid u/s 16 of MSMED 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 u/s 23 of the Act.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 36 The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. During the year, Company has not entered into any forward exchange contract.

The foreign currency (FC) exposure not hedged as at 31<sup>st</sup> March, 2016 are as under :

Currency	Payable (in FC)		Receivable (in FC)		Payable (₹ in Lakhs)		Receivable (₹ in Lakhs)	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
USD	2,54,100	1,86,655	20,091	1,30,073	169.50	116.83	13.33	82.21
GBP	2,983	-	-	-	2.84	-	-	-

### 37 The manufacturing operations of plant at Rohtak were disrupted from 20<sup>th</sup> February 2016 due to fire resulting into extensive damage to properties. The assets were fully insured and the Company has submitted its claim which is being assessed by the Insurance Company.

The net block of assets of ₹1,640.97 Lakhs and stock of ₹ 330.14 Lakhs aggregating to ₹ 1,971.11 Lakhs (excluding moulds which are being evaluated) were found damaged fully and accordingly have been written off in the books of accounts after considering depreciation upto 19<sup>th</sup> February, 2016 and pending the claims being finalised are shown as Claims receivable.

The Company has already initiated the activities to rebuild the manufacturing facilities at the same site.

**38 Pursuant to Accounting Standard (AS – 19)- Lease, the following information is given****Assets taken on operating lease**

- a. The Company has taken certain assets such as cars and premises on an operating lease basis, the lease rentals are payable by the Company on a monthly basis.
- b. Future minimum lease rentals payable as at 31<sup>st</sup> March, 2016 as per the lease agreements:

	As at 31.03.2016	As at 31.03.2015
Not later than one year	223.76	184.85
Later than one year but not more than five years	304.59	428.04
Later than five years	-	-
<b>Total</b>	<b>528.35</b>	<b>612.89</b>

(₹ in Lakhs)

- c. Lease payments recognised in the Statement of Profit and Loss for the year are ₹ 217.66 Lakhs (31<sup>st</sup> March, 2015: ₹ 221.99 Lakhs).

**39 Employee benefits**

- (1) Short term employee benefits:

The liability towards short term employee benefits for the year ended 31<sup>st</sup> March, 2016 has been recognised in the Statement of Profit and Loss.

- (2) Post employment benefits:

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

Particulars	(₹ in Lakhs)	
	Gratuity (Funded Plan) 2015-16	Gratuity (Funded Plan) 2014-15
<b>Amount recognised in Balance Sheet</b>		
Present value of funded obligations	373.65	325.00
Fair Value of Plan Assets	310.00	192.00
Present value of unfunded obligations	-	-
<b>Net Liability/(Asset)</b>	<b>63.65</b>	<b>133.00</b>
<b>Amounts in Balance Sheet</b>		
Liability	63.65	133.00
Assets	-	-
<b>Net Liability/(Asset)</b>	<b>63.65</b>	<b>133.00</b>
<b>Expense recognised in the Statement of Profit &amp; Loss</b>		
Opening defined benefit obligation less benefit paid	-	-
Current Service Cost	31.39	26.71
Interest on defined benefit obligation	10.69	25.62
Expected return on plan assets	-	(14.09)
Net actuarial losses/(gains) recognised in year	25.06	9.97
Past Service Cost	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>67.14</b>	<b>48.21</b>
Actual return on plan assets	18.58	23.93
<b>Reconciliation of benefit obligations and plan assets for the period:</b>		
<b>Change in defined benefit obligation :</b>		
<b>Opening defined benefit obligation as at 1<sup>st</sup> April</b>	<b>325.00</b>	<b>92.63</b>
Current Service Cost	31.39	26.71
Interest Cost	26.13	25.62
Add : Transfer of Liabilities pursuant to amalgamation of CMPSL	-	191.60
Actuarial (Gain)/Loss on obligations	28.20	19.84
Past Service Cost	-	-
Acquisition/Business combination	-	-
Benefits Paid	(37.08)	(31.40)
<b>Closing defined benefit obligation as at 31<sup>st</sup> March</b>	<b>373.65</b>	<b>325.00</b>

Particulars	(₹ in Lakhs)	
	Gratuity (Funded Plan) 2015-16	Gratuity (Funded Plan) 2014-15
<b>Change in fair value of assets :</b>		
<b>Opening fair value of plan assets as at 1<sup>st</sup> April</b>	<b>192.00</b>	79.24
Expected return on Plan Assets	<b>15.44</b>	14.09
Actuarial Gain/(Loss)	<b>3.14</b>	9.84
Assets distributed on settlements	-	-
Contributions by employer	<b>136.50</b>	36.32
Add: Transfer of amount pursuant to amalgamation of CMPSL	-	82.80
Assets acquired due to acquisition / Business combination	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	<b>(37.08)</b>	(30.29)
<b>Closing Fair Value of Plan Assets as at 31<sup>st</sup> March</b>	<b>310.00</b>	192.00
<b>Investment Details (Assets information) :</b>		
GOI Securities	Nil	Nil
Public Sector Unit Bonds	Nil	Nil
State/Central Guaranteed Securities	Nil	Nil
Special Deposit Schemes	Nil	Nil
Equity Shares of Listed Companies	Nil	Nil
Property	Nil	Nil
Insurer Managed Funds	<b>100%</b>	100%
Others	Nil	Nil
<b>Assumptions :</b>		
Discounted Rate (per annum)	<b>7.84 %</b>	8.04 %
Estimated Rate of return on Plan Assets (per annum)	<b>7.84 %</b>	8.04%
Rate of Escalation in Salary (per annum)	<b>8.00 %</b>	8.00%

**Experience Adjustments for the current and previous four periods**

Gratuity Funded	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Defined Benefit Obligation	<b>373.65</b>	325.00	92.64	98.77	151.08
Plan Assets	<b>310.00</b>	192.00	79.24	107.49	151.11
Surplus / (Deficit)	<b>(63.65)</b>	(133.00)	(13.40)	8.72	0.03
Experience Adjustment on plan liabilities	<b>28.20</b>	19.84	7.99	(22.78)	44.21
Experience Adjustment on plan assets	<b>3.14</b>	16.73	5.67	0.56	0.82

Notes:—

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The Company estimates that the amount to be contributed to the Gratuity fund upto the financial Year 2015-16 will be ₹ 63.65 Lakhs.
- 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 31<sup>st</sup> March, 2016, based on actuarial valuation carried out by using the Projected Unit Credit Method amounting to ₹ 19.81 Lakhs (31<sup>st</sup> March, 2015: ₹ 36.65 Lakhs ) has been recognised in the Statement of Profit and Loss.

**40 Earnings per Share (EPS)**

	2015-16	2014-15
Profit after tax as per Statement of Profit and Loss (₹ in Lakhs)	<b>1,411.80</b>	678.59
Weighted average number of Equity Shares outstanding	<b>1,55,03,569</b>	1,44,68,851
Earnings per share(₹)—Basic [Face value of ₹ 10/- per share]	<b>8.60</b>	4.69
Add: Weighted average number of potential Equity Shares	-	20,00,000
Weighted average number of Equity Shares (including diluted shares) outstanding	<b>1,55,03,569</b>	1,64,68,851
Earnings per share(₹)—Diluted [Face value of ₹ 10/- per share]	<b>8.60</b>	4.12

**41 Information on related party transactions as required by Accounting Standard (AS-18) for the year ended 31<sup>st</sup> March, 2016.****1. Relationship:**

- (i) **Holding Company**  
Geetanjali Trading and Investments Private Limited
- (ii) **Fellow Subsidiaries**  
Hitech Specialities Solutions Ltd  
Hitech Insurance Broking Services Ltd  
Vijal Holding and Trading Co. Pvt. Ltd.  
Smiti Holding and Trading Pvt. Ltd.  
Isis Holding and Trading Company Pvt. Ltd.  
Rayirth Holding and Trading Company Pvt. Ltd.  
Hitech Skills Development Pvt. Ltd.
- (iii) **Key Management Person:**  
Malav A. Dani (Managing Director)  
Mr. Mehernosh A. Mehta (Whole Time Director Appointed on 17/3/2016)  
Mr. Bharat Gosalia (Chief Financial officer)  
Mrs. Namita R. Tiwari (Company Secretary)
- (iv) **Companies controlled by Directors/Relatives of Directors :**  
Dani Finlease Ltd.  
Gujarat Organics Ltd.  
Haish Holding and Trading Company Pvt. Ltd.  
S C Dani Research Foundation Pvt. Ltd.  
Pragati Chemicals Ltd.  
Resins and Plastics Ltd.  
Asian Paints Ltd.
- (v) **Promoter Directors**  
Mr. Ashwin S. Dani  
Mr. Jalaj A. Dani  
Mrs. Ina A. Dani (Resigned on 30/6/2015)
- (vi) **Relatives of promoters**  
Mrs. Ina A. Dani  
Mrs. Vita J. Dani
- (vii) **Employee Benefit funds where control exists:**  
Hitech Plast Employees' Gratuity Trust  
Mipak Industries Employees' Group Gratuity Assurance Scheme  
Plast-Kul Industries Employees' Group Gratuity Assurance Scheme  
Clear Plastics Employees' Gratuity Trust  
Mipak Polymers Ltd Employees' Group Gratuity Assurance Scheme

**2. Related Party Transactions**

(₹ in Lakhs)

Particulars	Fellow subsidiary		Key Management Personnel		Holding Company	
	15-16	14-15	15-16	14-15	15-16	14-15
Services Received- (Hitech Specialities Solutions Ltd)	89.62	291.33	-	-	-	-
Rent Paid-( Hitech Specialities Solutions Ltd)	24.00	24.00	-	-	-	-
Sales of Goods (Hitech Specialities Solutions Ltd)	-	0.25	-	-	-	-
Managerial Remuneration –(a)	-	-	39.79	30.79	-	-
Managerial Remuneration –(b)	-	-	0.70	-	-	-
Managerial Remuneration –(c)	-	-	38.40	42.07	-	-
Managerial Remuneration –(d)	-	-	10.54	8.19	-	-
Equity Shares Issued (a)	-	-	6.84	6.84	-	-
Convertible Warrants (a)	-	-	5.13	1.71	-	-
Equity Shares Issued	-	-	-	-	1,094.40*	1,094.40
Convertible Warrants	-	-	-	-	820.80	273.60
Preference Shares to be issued	-	110.14	-	-	-	2,984.28
Preference Share issued	110.14	-	-	-	2,984.28	-
Preference Share Dividend	2.30	-	-	-	62.38	-

(₹ in Lakhs)

Particulars	Fellow subsidiary		Key Management Personnel		Holding Company	
	15-16	14-15	15-16	14-15	15-16	14-15
Deposits Received (a)	-	-	-	6.00	-	-
Deposits Repaid (a)	-	-	1.00	190.00	-	-
Deposits Balance (a)	-	-	-	1.00	-	-
Interest paid on deposits (a)	-	-	-	21.05	-	-
Inter Corporate Deposits Repaid	-	-	-	-	1,250.00	-
Inter Corporate Deposits Balance Payable	-	-	-	-	-	1,250.00
Interest Paid	-	-	-	-	92.65	150.00

(a) Amount paid to Managing Director Mr. Malav Dani

(b) Amount paid to Whole Time Director Mr.Mehernosh A. Mehta( Appointed on 17/3/2016)

(c) Amount paid to Chief Financial Officer- Mr. Bharat Gosalia & Mr .Satish Samant (upto 2<sup>nd</sup> July,2014)

(d) Amount paid to Company Secretary - Mrs. Namita Tiwari

\*On Conversion of Convertible Warrant

(₹ in Lakhs)

Particulars	Promoter Directors of the Company		Companies over which Directors have controlling interest		Employee Benefit Plans where control Exists		Relative of promoter	
	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
Sales to Asian Paints	-	-	20,912.27	23,349.22	-	-	-	-
Balance Receivable-Asian Paints	-	-	2,326.08	1,171.47	-	-	-	-
Sitting Fees	1.84	2.27	-	-	-	-	-	-
Commission	0.90	0.75	-	-	-	-	-	-
Reimbursement of Expenses to advisor (Mr. Ashwin S. Dani)	5.22	4.59	-	-	-	-	-	-
Deposits Repaid (Mr. Ashwin S. Dani)	-	250.00	-	-	-	-	-	-
Interest paid on deposits (Mr. Ashwin S. Dani)	-	6.20	-	-	-	-	-	-
Equity Shares Issued	27.36*	34.77	-	-	-	-	11.40*	3.99
Convertible Warrants	20.52	8.69	-	-	-	-	8.55	1.00
Amount Paid	-	-	-	-	133.00	36.32	-	-
Amount Payable	-	-	-	-	63.65	133.00	-	-

\*On Conversion of Convertible Warrant

- 3 Key management person who is under the employment of the Company is entitled to post employment benefits and other long term employee benefits recognised as per AS – 15 (Revised) Employee benefits in the financial statements. As these employee benefits are lumpsum amount provided on the basis of actuarial valuation, the same is not included above.
- 4 Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

Sale of Goods	2015-16	2014-15
Asian Paints Limited	20,912.27	23,349.22
<b>Sitting Fees</b>	<b>2015-16</b>	<b>2014-15</b>
Mr. Ashwin S. Dani	1.52	0.85
Mr. Jalaj A. Dani	0.22	0.40
Mrs. Ina A. Dani	0.10	0.62
Mr. Malav A. Dani	-	0.40
	<b>1.84</b>	<b>2.27</b>
<b>Commission</b>	<b>2015-16</b>	<b>2014-15</b>
Mr. Ashwin S. Dani	0.50	0.25
Mr. Jalaj A. Dani	0.20	0.25
Mrs. Ina A. Dani	0.20	0.25
	<b>0.90</b>	<b>0.75</b>

<b>Equity Share and Convertible Warrant</b>	<b>2015-16</b>	<b>2014-15</b>
Mr. Ashwin S. Dani	<b>17.10</b>	28.50
Mr. Jalaj A. Dani	<b>3.42</b>	5.70
Mrs. Ina A. Dani (Resigned on 30/6/2015)	-	9.26
	<b>20.52</b>	<b>43.46</b>

#### 42 Segment Reporting

As the Company 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 31<sup>st</sup> March, 2016, the capital employed in the reportable segment was ₹ 20,337.97 Lakhs (31<sup>st</sup> March, 2015: ₹ 21,500.86 Lakhs).

43 The Company is eligible for Industrial Promotion Subsidy under the Package Scheme of Incentive (PSI) 2007. Accordingly, in terms of the Accounting Standard ("AS 12") "Accounting for Government Grants" as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014, the Company is eligible for an incentive of ₹ 56.65 Lakhs (Previous Year - ₹ 61.51 Lakhs) and the same is accounted on accrual basis.

44 Dividend on 9% Non Convertible Redeemable Cumulative Preference shares have been provided on prorata basis from 7<sup>th</sup> January, 2016 being date of allotment.

#### 45 Corporate Social Responsibility (CSR) Expenses

The Company has identified the area and initiated CSR activities during the year. The Company was required to spend ₹ 20.23 Lakhs in FY 2014-15 & ₹ 16.72 Lakhs in FY 2015-16 of which a sum of ₹ 5.70 Lakhs have been spent during the year.

46. The previous year's figures have been re-grouped / re-classified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date

For and on behalf of the Board of Directors  
**Hitech Plast Limited**  
 CIN: L28992MH1991PLC168235

#### For Manubhai & Shah LLP

Chartered Accountants  
 FRN:106041W/W100136

#### Ashwin S. Dani

Chairman  
 DIN: 00009126

#### Malav A. Dani

Managing Director  
 DIN: 01184336

#### Ashish H. Shah

Partner  
 M.No.103750

#### Bharat I. Gosalia

Chief Financial officer

#### Namita R. Tiwari

Company Secretary

Mumbai  
 23<sup>rd</sup> May, 2016

Mumbai  
 23<sup>rd</sup> May, 2016





## Hitech Plast Limited

CIN:L28992MH1991PLC168235

Regd. Office: Unit No. 201, 2<sup>nd</sup> Floor Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013.

Website: [www.hitechgroup.com](http://www.hitechgroup.com); Email: [investor.help@hitechgroup.com](mailto:investor.help@hitechgroup.com).

Phone: +91 224001 6500/2481 6500, Fax: +91 22 2495 5659

### ATTENDANCE SLIP

Regd. Folio No.....

DP ID / Client ID . . . . .

No. of Shares held .....

(To be filled by the shareholder)

I/We hereby record my / our presence at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company being held on Friday, 23<sup>rd</sup> September, 2016 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:

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



## Hitech Plast Limited

CIN:L28992MH1991PLC168235

Regd. Office: Unit No. 201, 2<sup>nd</sup> Floor Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013.

Website: [www.hitechgroup.com](http://www.hitechgroup.com); Email: [investor.help@hitechgroup.com](mailto:investor.help@hitechgroup.com).

Phone: +91 224001 6500/2481 6500, Fax: +91 22 2495 5659

### PROXY FORM

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

Name of the Member (s)	:
Registered address	:
E-mail Id	:
Folio No/ Client Id	:
DP ID	:

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

- Name : .....  
Address : .....  
E-mail Id : ....., or failing him;
- Name : .....  
Address : .....  
E-mail Id : ....., or failing him;
- Name : .....  
Address : .....  
E-mail Id : ....., or failing him;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Friday, 23<sup>rd</sup> September 2016 at 11.30 a.m. at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020, and at any adjournment thereof in respect of such Resolutions as are indicated overleaf:

✂

✂

Resolution No.	RESOLUTIONS	FOR	AGAINST
1.	<b>Ordinary Business</b> Adoption of the audited financial statements for the period ended 31 <sup>st</sup> March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Declaration of dividend on equity shares.		
3.	Appointment of a Director in place of Mr. Jalaj A. Dani (DIN 00019080), who retires by rotation and being eligible, offers himself for reappointment.		
4.	Appointment of M/s Manubhai & Shah LLP, Chartered Accountants (FRN 106041W/W100136) as the Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next AGM and fixing their remuneration.		
5.	<b>Special Business</b> Re-appointment of Mr. Malav A. Dani (DIN: 01184336) as the Managing Director of the Company for a period of 5 years.		
6.	Appointment of Mr. Mehernosh A. Mehta (DIN:00372340) as a Director of the Company.		
7.	Appointment of Mr. Mehernosh A. Mehta (DIN: 00372340) as a Whole Time Director for a period of 5 Years.		
8.	Appointment of Mr. Bomi Pesi Chinoy (DIN: 07519315) as an Independent Director for a period of 5 years.		
9.	Appointment of Ms. Vaishali Sharma (DIN: 07531200) as an Independent Director for a period of 5 years.		

Signed this ..... day of..... 2016

\_\_\_\_\_  
Signature of Shareholder

Affix Revenue Stamp
---------------------------

.....  
Signature of the first Proxy holder

.....  
Signature of the second Proxy holder

.....  
Signature of the third Proxy holder

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

## Awards & Recognitions

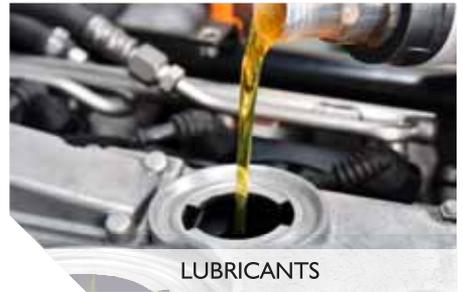
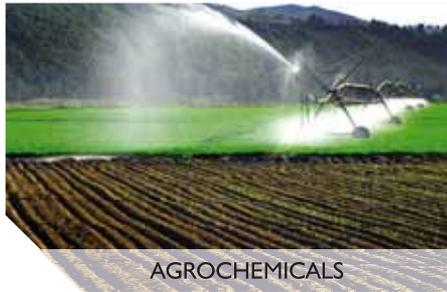


Hitech Plast Ltd. won the 'Gold Level of Arogya Healthy Workplace Award 2015'. This award has been presented to your company in recognition of its sedulous efforts towards not only maintaining a clean office environment but also creating a psychologically healthy workplace, thus fostering wellness of employees while enhancing organisational performance.

## Proposed Rohtak Facility



This is a 3D view of the proposed factory building at Rohtak. Efforts to rebuild and restore the facility are underway so as to resume operations at the earliest.



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