



19TH ANNUAL REPORT
2009 - 2010

HITECH PLAST LIMITED

BOARD OF DIRECTORS:

Ashwin S. Dani Chairman
 Rajnikant B. Desai
 Rameshchandra S. Gandhi
 Harish N. Motiwalla
 Ranjan M. Kapur
 Ashwin R. Nagarwadia
 Jalaj A. Dani
 Hasit A. Dani
 Malav A. Dani
 Mrs. Ina A. Dani w.e.f. 30th January 2010
 Ashok K. Goyal Managing Director (CEO)

MANAGEMENT TEAM:

Ashok K. Goyal Gursharan S. Bhamra
 Harshad B. Desai Rajiv T. Gandhe
 Bhupendra P. Dusara Neeraj M. Munjal

REGISTRAR & TRANSFER AGENT:

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

REGISTERED OFFICE & CORPORATE OFFICE

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

AUDIT COMMITTEE:

Rameshchandra S. Gandhi Chairman
 Harish N. Motiwalla
 Ranjan M. Kapur

COMMITTEE OF DIRECTORS:

Ashwin S. Dani Chairman
 Jalaj A. Dani
 Hasit A. Dani
 Malav A. Dani
 Ashok K. Goyal

REMUNERATION COMMITTEE:

Rameshchandra S. Gandhi Chairman
 Harish N. Motiwalla
 Ashwin R. Nagarwadia

INVESTOR'S GRIEVANCE & SHARE TRANSFER COMMITTEE:

Ashwin S. Dani Chairman
 Jalaj A. Dani
 Hasit A. Dani
 Malav A. Dani
 Ashok K. Goyal

SUBSIDIARY COMPANIES:

Clear Mipak Packaging Solutions Limited
 (Formerly known as Clear Plastics Limited)
 Mipak Polymers Limited (Upto 30th September 2009)

STATUTORY AUDITORS:

Shah & Co., Chartered Accountants, Mumbai

INTERNAL AUDITORS:

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

BANKERS & TERM LENDERS:

State Bank of India
 Kotak Mahindra Bank Limited

WEBSITE

www.hitechplast.co.in / www.cmpsl.co.in

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FIVE YEAR REVIEW - HITECH PLAST LIMITED - STANDALONE

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

Results for the Accounting Year	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
REVENUE ACCOUNT					
Gross Sales	17,349.52	15,441.99	12,476.59	11,002.23	7,745.88
Net Sales and Operating Income	15,879.59	13,437.87	10,629.33	9,335.49	6,464.88
Growth Rate (%)	18.17	26.42	13.86	44.40	72.02
Materials Cost	9,460.18	8,366.67	6,351.87	5,573.77	3,325.94
% to Net Sales	59.57	62.26	59.76	59.71	51.45
Overheads	3,698.80	3,025.29	2,574.67	2,315.25	1,815.22
% to Net Sales	23.29	22.51	24.22	24.80	28.08
Operating Profit (PBIDT)	2,856.22	2,220.42	1,794.18	1,533.44	1,359.39
Interest Charges	504.12	658.95	532.02	387.96	238.41
Depreciation	345.94	317.93	353.83	335.14	355.13
Profit Before Tax	2,006.16	1,243.54	908.33	810.34	765.85
% to Net Sales	12.63	9.25	8.55	8.68	11.85
Profit After Tax	1,374.81	925.79	795.82	668.35	507.31
Prior period items	–	–	–	(4.01)	–
Profit after tax and prior period items	1,374.81	925.79	795.82	664.34	507.31
CAPITAL ACCOUNT					
Share Capital	1,317.57	1,317.57	1,317.57	1,317.57	1,189.70
Reserves and Surplus	4,635.96	3,491.60	2,418.71	1,777.05	589.81
Deferred Tax Liability/Asset (Net)	203.40	172.06	1.76	(18.37)	8.02
Loan Funds	4,046.71	1,859.25	2,722.84	2,877.28	2,130.89
Fixed Assets	4,643.74	2,334.22	1,739.91	1,313.48	1,469.80
Investments	2,805.54	1,911.70	1,911.70	2,493.97	821.47
Net Current Assets	2,754.36	2,594.56	2,809.27	2,146.08	1,627.15
Debt - Equity Ratio	0.93	0.63	0.94	1.16	1.82
Market Capitalisation	11,462.86	4,420.45	8,432.45	8,913.36	6,543.35
PER SHARE DATA					
Earning Per Share (₹)	10.43	7.03	6.04	5.16	4.05
Dividend (#)	1.50	1.10	1.00	0.80	0.80
Book Value (₹)	45.19	36.50	28.36	23.49	14.96
OTHER INFORMATION					
Number of Employees	343	299	203	171	285

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

NOTICE

NOTICE is hereby given that the NINETEENTH ANNUAL GENERAL MEETING of HITECH PLAST LIMITED will be held at Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020, on Saturday, the 4th day of September 2010, at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the accounts for the year ended 31st March, 2010 together with the Report of the Board of Directors and Auditors' thereon.
2. To consider and declare payment of dividend on equity shares for the financial year ended 31st March 2010.
3. To appoint a Director in place of Mr. Hasit A. Dani, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ranjan Kapur, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rajnikant B. Desai, who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint M/s. Shah & Co., Chartered Accountants as Auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

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

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mrs. Ina A. Dani, who was appointed by the Board of Directors as an Additional Director with effect from 30th January 2010 under Article 107 of the Articles of Association of the Company and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956, from a member proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT in partial modification to resolution passed in the Annual General Meeting held on 22nd September 2007 and pursuant to the provisions of Sections 198, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, and subject to other provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force and pursuant to recommendation of the Remuneration Committee and approval of the Board of Directors of the Company at their respective meetings held on 8th May 2010, the consent of the members of the Company be and is hereby accorded to the revision of the terms and conditions of the Remuneration payable to Mr. Ashok K. Goyal, Managing Director of the Company with effect from 1st April 2010, till the expiry of residual period as set out in the draft Supplementary Agreement proposed to be entered between the Company and Mr. Ashok K. Goyal, the main terms of which are set out in the Notice, which draft Supplementary Agreement is hereby specifically approved with the liberty to the Board of Directors of the Company to alter and/or vary the terms and conditions of the said draft Supplementary Agreement within the limits, if any, prescribed in the Act and/or any Schedule thereto;

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

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient or desirable.

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

Place : Mumbai
Date : 26th June 2010

By Order of the Board

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses as set out in the Notice is annexed hereto.
3. All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 a.m. and 1.00 p.m upto the date of Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27th August 2010 to 4th September 2010 (both days inclusive).
5. Dividend recommended by Directors, if approved by the Members at the Annual General Meeting, will be paid on and from 6th September 2010 but within the statutory time limit of 30 days, to those Members entitled thereto whose names appear in the Register of Members of the Company as on 4th September 2010. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of business hours on 26th August 2010, as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
6. Members holding shares in physical form are requested to lodge Share Transfer documents and all other correspondence and queries relating to Share Transfer, Share Certificates, Change of Address etc., to the Company's Registrar & Transfer Agent i.e. Link Intime India Private Limited (earlier known as Intime Spectrum Registry Limited) having their office at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai – 400 078. Members are also requested to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request, to the Company. The Securities and Exchange Board of India (SEBI), vide its Circular No.MRD/DoP/Cir-05/2009 dated 20th May 2009 and SEBI/MRD/DoP/SE/RTA/Cir-08/2010 dated January 07, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN card to the Company for registration of physical transfer of shares and for transmission, deletion and transposition of shares in physical form.
7. Members, who still continue to hold shares in physical form, are requested to dematerialise their shares at the earliest and avail of the various benefits of dealing in securities in electronic / dematerialized form. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).
8. Members holding shares in the electronic form are advised to inform changes in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.
9. The Reserve Bank of India (RBI) has provided an Electronic Clearing Scheme (ECS) to the investors as an option to receive dividend through their bank accounts rather than receiving the same in the form of dividend warrants. Under this option, an investor's bank account is directly credited and intimation thereof is sent by the Company to the shareholder.
This service not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate warrants.
10. Investors who would like to avail this facility and are holding shares in physical form may send in their ECS Mandate Form, duly filled in to the Company's Registrar and Transfer Agent, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai – 400 078. The ECS Mandate Form with instructions will be available at the Registered Office of the Company.
11. Investors holding shares in demat or electronic form may send in their ECS mandate to the concerned Depository Participant (DP) directly, in the format prescribed by the DP. Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar and the Transfer Agent cannot make any change in such records received from the Depository.
12. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to send their requests in Form 2B to the Registrar and Transfer Agent of the Company. The Nomination Form with instructions will be available at the Registered Office of the Company. Members holding shares in electronic form are requested to give the nomination request to their respective Depository Participant directly.
13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the CFO & Company Secretary at least seven days prior to the meeting so that the required information can be made available at the meeting.
14. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
15. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.

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

By Order of the Board

Bhupendra P. Dusara

Place : Mumbai
Date : 26th June 2010

Chief Financial Officer &
Company Secretary

4 Hitech Plast Limited

16. Information required under Clause 49 IV G of the Listing Agreements (relating to Corporate Governance) with respect to the Directors who are retiring by rotation and being eligible seeking re-appointment and Director seeking appointment is as under :

	Mr. Hasit A. Dani	Mr. Ranjan Kapur	Mr. Rajnikant B. Desai	Mrs. Ina A. Dani
Date of Birth	14th June 1972	25th November 1942	15th August 1934	19th March 1942
Profile of the Director	<p>Mr. Hasit A Dani holds a Bachelors degree in Business Administration from University of Massachusetts and Masters degree from University of Pittsburgh, USA and has working experience in general administration, having worked with Asian Paints Limited.</p> <p>Presently, he is working as Managing Director of Gujarat Organics Limited.</p>	<p>Mr. Ranjan Kapur is M.A. in English from St. Stephans College, New Delhi. He started his career with Citibank, N.A. and is a veteran of the advertising business having spent 40 years with Ogilvy & Mather India Pvt. Ltd. and held the position of Executive Chairman, India and Vice-Chairman Asia Pacific. He is currently Country Manager - India of WPP. He is also the Chairman of Strategic Planning Group at Bombay First, an NGO that actively works with Government & civic bodies.</p>	<p>Mr. Rajnikant B. Desai, a Non-Resident Indian, Ex-GM of Herdillia Chemicals Limited, is a Director of the Company since 1994. He has rich professional experience in the industry and moulding related field. His experienced suggestions are quite valuable to the Company.</p>	<p>Mrs. Ina A. Dani is a Graduate in fine Arts from M.S. University, Baroda. She is also connected with various social activities.</p>
Date of joining the Board	27th May 2000	29th July 2006	31st March 1994	30th January 2010
Directorships and Committee Memberships in other companies	<ul style="list-style-type: none"> • Asian Paints Ltd.* Member – Investor Grievance Committee • Gujarat Organics Ltd. • Pragati Chemicals Ltd. <p>[* resigned with effect from 3rd June 2010]</p>	<ul style="list-style-type: none"> • MIRC Electronics Ltd. Member – Audit Committee Chairman – Shareholders & Investor Grievance Committee Chairman – Remuneration Committee • Pidilite Industries Ltd. Member – Audit Committee • Abbott India Ltd. Member – Audit Committee • MIC Electronics Ltd. • Nimbus Communications Ltd. 	NIL	<ul style="list-style-type: none"> • Coatings Specialities (India) Ltd. • Dani Finlease Ltd.
No. of Shares held in the Company	30,000	NIL	NIL	35,200

ANNEXURE TO THE NOTICE**I Explanatory Statement**

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

The following explanatory statement sets out all material facts relating to Special Businesses of the accompanying Notice of the Annual General Meeting to be held on 4th September 2010.

Item No. 7:

Mrs. Ina A. Dani was appointed as an Additional Director with effect from 30th January 2010. Pursuant to Section 260 and Article 107 of the Articles of Association of the Company, she holds office upto the date of the ensuing Annual General Meeting.

Mrs. Ina A. Dani, aged 68 years, is a Graduate in Fine Arts from M.S. University, Baroda. She is also connected with various social activities. The experience of Mrs. Ina A. Dani would be of immense help to the Company.

A shareholder has given notice along with deposit of ₹ 500/- under Section 257 of the Companies Act, 1956, proposing the candidature of Mrs. Ina A. Dani as a Director at the ensuing Annual General Meeting. A copy of the above notice is available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company.

The Board recommends appointment of Mrs. Ina A. Dani as a Director of the Company.

Mrs. Ina A. Dani is deemed to be concerned or interested in this Resolution to the extent of her candidature. Mr. Ashwin Dani, Mr. Jalaj Dani, Mr. Hasit Dani and Mr. Malav A. Dani, being relatives of Mrs. Ina A. Dani, may be deemed to be concerned or interested in the Resolution at item no. 7. No director, other than above, may be concerned or interested in the said Resolution.

Item No. 8:

The Company at its 16th Annual General Meeting held on 22nd September 2007, approved re-appointment of Mr. Ashok K. Goyal as a Managing Director for period of 5 years with effect from 2nd April 2007. The terms and conditions of his appointment were detailed in the Agreement dated 24th September 2007.

Mr. Ashok K Goyal is a graduate in Mechanical Engineering from IIT, Kanpur followed by Post Graduation in Business Management from I.I.M., Calcutta. He has wide and varied work experience in the industry for 36 years which includes 20 years at Asian Paints Limited and a stint abroad in the field of trading and distribution. The role and responsibilities of Mr. Ashok K. Goyal have expanded substantially taking into account size of the business and increase in number of units of the Company.

Pursuant to the recommendation of Remuneration Committee at its meeting held on 8th May 2010, the Board of Directors at its meeting held on 8th May 2010, approved, subject to the approval of shareholders at the ensuing Annual General Meeting, the revision in remuneration by execution of a Supplementary Agreement between the Company and Mr. Ashok K. Goyal with effect from 1st April 2010 till the expiry of his residual tenure as a Managing Director of the Company.

In the event of absence or inadequacy of profits for the remainder tenure of Mr Ashok K. Goyal, the Company will pay the remuneration to Mr. Ashok K. Goyal as per the monetary ceiling laid down in the Schedule XIII to the Companies Act, 1956, as may be in force from time to time.

The revised terms and conditions to be mentioned in the draft Supplemental Agreement are as under:

Particulars	Proposed Remuneration
Basic Salary	₹ 2,62,500/- per month
Discretionary Allowance	₹ 1,00,000/- per month
Special Allowance	₹ 1,37,500/- per month
Provident Fund	12% of Basic salary per month
Leave Travel Allowance	₹ 1,03,000/- per annum
Medical Reimbursement	₹ 15,000/- per annum
Performance Linked Bonus	Such percentage of the net profits of the Company or such amounts as may be decided by the Board of Directors for financial year or part thereof.
Proviso : Provided however that the aggregate amount of Salary and Performance Linked Bonus shall be subject to such limits as may be fixed by the Board of Directors for each of the financial year or part thereof.	
Car	Fuel and Maintenance will be provided on company owned car.
Telephone	Provision of telephone at the Residence, personal long distance calls shall be billed by the Company.
Gratuity	Benefits in accordance with the rules and regulations in force in the Company from time to time.
Leave	As per the Rules and Regulations of the Company.

The terms and conditions of Mr. Ashok K. Goyal's appointment as set out above may also be treated as an extract of the terms of draft Agreement between Mr. Ashok K. Goyal and the Company under Section 302 (2) of the Companies Act, 1956.

The Board recommends the Resolution for the approval of the members.

Excepting Mr. Ashok K. Goyal, no other Director of the Company may be deemed to be concerned or interested in the Resolution at item no. 8 of this Notice.

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

By Order of the Board

Place : Mumbai
Date : 26th June 2010

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

MANAGEMENT DISCUSSION & ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March 2010.

Continuing with the accepted good corporate practices, Hitech Plast has been reporting consolidated results - taking into account the results of its subsidiary namely Clear Mipak Packaging Solutions Limited, a combined entity after the merger of Mipak Polymers Limited with Clear Plastics Limited, with effect from 1st October 2009. It also takes into account results of erstwhile Mipak Polymers Limited for the period beginning 1st April 2009 to 30th September 2009.

INDIAN ECONOMY OVERVIEW

The fiscal year 2009-10 was a challenging year for the Indian economy as it began on a discouraging note due to the significant slowdown in the global economy in the latter part of 2008-09. The severe slowdown was due to the financial meltdown that became visible in the industrialised nations in 2008 and went on to spread to other parts of the world. The marked deceleration in the second half of 2008-09, brought the real Indian GDP growth down to 6.7%, from an average of over 9% in the preceding 3 years. There was apprehension that this trend would persist for some time. A delayed subnormal monsoon added to the overall uncertainty. However, the Indian economy, supported by timely fiscal package from Government of India, posted a remarkable recovery not only in terms of overall growth figures but more importantly, in terms of certain fundamentals which justify optimism for the Indian economy in the medium to long term.

This recovery was very encouraging as it came about despite a negative growth in the agricultural sector. More importantly, it is the result of a renewed momentum in the manufacturing sector and marks the rise of this sector as the growth driver of the economy. As per revised estimates of GDP for 2009-10, the economy was expected to grow at 7.4% in 2009-10, with the manufacturing and services sector growing at 10.8% and 8.7% respectively.

EVOLVING PACKAGING INDUSTRY

The packaging industry provides vital inputs to all key sectors of the economy like agriculture, infrastructure, healthcare and consumer goods. The industry offers cost effective products that help improve quality of life for common man.

Rapid growth in markets like food, beverage, pharmaceutical, cosmetics and textile has provided momentum for the need of packaging as all these sectors need specialized packaging. Availability in abundance of most of the raw materials required in packaging industry such as paper, plastic, board, glass, metal adds to the further growth of industry.

Liberalisation of economies across the globe has brought packaging technology to the forefront. Packaging being pervasive, in today's business plays an important role and each member in the supply chain looks forward 'to use packaging as a strategic tool for business development and improved business performance for the present and future needs'. It enhances product value and helps expand market within and outside country. The packaging industry can be now characterized as global. As one of the most globalised sectors of Indian industry, the packaging industry's paramount role in meeting India's developmental challenges is widely acknowledged.

PLASTIC INDUSTRY IN INDIA

The Indian Plastics Industry is expanding at phenomenal pace and expected to open unprecedented opportunities in the global market place. This indicates an immense potential in the industry. The Indian plastics industry is quite upbeat about the future potential of plastics

in India, believing that the Plastics industry will grow between 12% to 15% p.a. As against world average of 25 kg and of 125 kg in USA, an average Indian consumes just around 6 kg per annum of plastic products which is likely to reach over 8 Kg by 2012. This could go up to 12 kg in the next couple of years, mainly due to the increasing usages of plastic.

The consumption level which is presently 8 million tonnes per annum is expected to reach 10 million tonnes per annum by 2011. The department of petrochemicals of the Government of India has projected a level of 12 million tonnes per annum by 2011-2012. The plastic industry is at present gearing up to face the challenges of globalization, changing economic environment and become environmentally conscious.

Over the last few years the industry has moved from "simple processing to manufacturing of specialty and high-performance products." Further, the consumption of engineering plastics would also grow with the demand in the infrastructure building projects, automotive, consumer electronics, etc. The industry provides vital inputs to all key sectors of the economy like agriculture, infrastructure, healthcare and consumer goods. Moreover, the country is expected to turn into an export hub for processed plastic goods, mainly due to its low manufacturing costs. Exports of finished plastic goods from India could reach \$200 billion by 2012, in addition to the estimated domestic market of \$300 billion.

PLASTIC PACKAGING INDUSTRY

Packaging is a strategic business tool, it is the key to developing, building and enhancing product characteristics thereby increasing the value realisation. During the last decade, industry has grown exponentially and one can clearly witness radical quality improvements and better technology adoption. Today, even at town and village places, retail outlets are stacked with packaged stores, though many of them are not necessarily branded.

Also the rapid urbanisation, surge in retail business in populous countries like ours suggest high growth potential for plastics packaging sector, which may cross the half way mark in percentage share (over 50 per cent from the current level of about 30-35 per cent) globally. PET, PP & PE (LLDPE, LDPE and HDPE) would be the three dominant plastics material in the world for the converters as well as end users.

OUTLOOK

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

ON PAINT INDUSTRY

With per capita paint consumption currently at one of the lowest levels in the world, India presents the paint industry with a vast market potential. The per capita consumption of paints in India is still low at 1.25 kg against 51.7 kg in Qatar, 38 kg in Singapore and 25.8 kg in the U.S. Even China has a per capita consumption of 2.5 kg and Sri Lanka 3.5 kg. India has a long way to go. Therefore, the future of the industry in India is quite bright.

The market has been growing at about 15% per year in both value and volume terms and that a rate of 12-15% should be maintainable for the foreseeable future. In general, sales of paints increase at a rate approximately 1.5-2 times that of the overall growth rate for the Indian economy. The sales to paint industry are expected to grow by 15% in volume.

ON FMCG INDUSTRY

FMCG market in India is growing at a fast pace on account of volume growth, expansion of rural reach, low-priced packs and consumer-led promotions in categories like soaps, shampoo, biscuits and packaged tea has helped the FMCG industry post a hefty sales growth during the year 2009-10. It is expected that the FMCG will grow between 15 to 20% during the year 2010-11. The increasing disposable income and improved standard of living in most tier II and tier III cities are spearheading the FMCG growth across the nation. The changing profile and mind set of the consumers has shifted the thought to "Value for Money" from "Money for Value". The growth trend in FMCG sector indicates good growth expectation from this industry.

OPPORTUNITIES AND STRENGTHS

Your Company is pleased to inform that new manufacturing unit located in Rohtak, Haryana has commenced its commercial production in April 2010. The new unit is equipped with latest manufacturing facilities which would help to cater the needs of the paint sector initially. Your Company is also gearing up to set up an additional plant at Sitarganj, Uttarakhand which will help to cater to the FMCG sector, considering the growth potential from that region.

With a rapid growth in markets like food, beverage, pharmaceutical, cosmetics and paints, it will provide the momentum for your Company as all these sectors need specialized packaging. Your Company sees an excellent opportunity for growth by customer addition and venturing into new segments.

The challenge for your Company in the current financial year would be to keep the pace of growth and maintain the input cost.

RISKS AND CONCERNS

Uncertainties lie at the heart of business, offering opportunities and risks. Consequently, your Company recognises the importance of a well structured system to identify and manage different elements of risk. Three types of risk are recognized for your Company such as risk arising from within the industry itself (structural risk), risks arising from the expected future performance of the industry (growth risk) and risk arising from forces external to the industry (external sensitivity risk).

Your Company reviews Risk Management System periodically and updates to cater to growing and changing business needs. It has introduced the five point Risk Management System i.e. Identifying Risks, Quantifying Risks, Formulating Strategies to contain the Identified Risks, Implementing Strategies, Continuous Monitoring of Risk Containment Tasks. The enterprise-wide risk management system analyses and deals with these risks based on the overall objective with a focus on identifying, assessing and subsequently developing controls to minimise risks. The risks associated with Paint and FMCG Industry will affect your Company as they form large part of the Company's market.

AUDIT AND INTERNAL CONTROL SYSTEMS

Your Company has stringent internal Controls for safeguarding and protecting the assets from losses, financial reporting of various transactions, efficiency of operations and compliance with relevant laws and regulations. The internal control systems are regularly reviewed for strengthening the internal control system and for effective utilization of the available resources.

In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive checks are carried at every stage of production for quality compliances. The internal audits are conducted by professional firms based on the terms of references decided by the Statutory Auditors in consultation with the members of the Audit Committee.

HEALTH, SAFETY AND ENVIRONMENT

Your Company attaches greatest value to its personnel, namely its employees, trainees and contract workers who constitute its most important productive asset.

Your Company further believes that the safety and health of its personnel are a matter of paramount concern and accord it the same importance and priority. Your Company strives to prevent all possible accidents, incidental injuries and occupational illness through various training programmes.

Your Company creates awareness and develops the required level of knowledge and skills in all personnel through need based training and internal communication. Suitable and sufficient information, instruction, training and supervision are provided to all the personnel on a continuous and dedicated basis to protect the environment.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company, believing that quality people are intangible assets and are the prime movers of the organization, makes every effort to recruit the correct talent, train them and provide them with ample opportunities for personal and professional development. Industrial relations in your Company remained cordial and peaceful during the year. The management wishes to place on record the excellent co-operation and contribution made by the employees at all levels in the organization resulting in the continued growth of the Company. The total number of employees at 31st March 2010 was 949 (902 as at 31st March 2009).

FINANCIALS

Net sales for the standalone entity increased to ₹ 159 crores from ₹ 134 crores in the previous year - a growth of 18%. For the group, net sales increased to ₹ 262 crores from ₹ 216 crores - a growth of 21%. The polymer prices in the previous year were very high as compared to the current year. Hence the value growth was muted. The volume growth for standalone entity was 22% and for the group it was 26%.

With such a stupendous growth and strict management of variable cost, the operating profit (PBIDT) margin of the standalone entity rose to 18% from 16.5% in previous year. The profit after tax for the standalone entity in 2009-10 stands at ₹ 13.75 crores as against ₹ 9.26 crores in the previous year, showing an increase of 48%, despite a substantial increase in tax provision of about 98% as compared to previous year. Net profit after tax and minority interest for the group stands at ₹ 14.94 crores, an increase of 47% over the corresponding figure of ₹ 10.19 crores, in the previous year.

QUALITY

In its continuous pursuit for Quality, apart from various steps, your Company has added two more units with upgraded accreditation to ISO 9001:2008 by Det Norske Veritas, Netherlands, at Galonda and Masat (both in Dadra Nagar Haveli) recently.

ANALYSIS OF OPERATING PERFORMANCE: [CONSOLIDATED]

(₹ in Lacs)

Sr. No.	Particulars	2009-2010	2008-2009
1.	Net Sales / Income from Operations	26,192	21,575
2.	Total Operating Income	26,411	21,808
3.	Total Operating Expenses	22,249	18,416
4.	Operating Profit	4,162	3,392
5.	Operating Profit (%)	15.9%	15.7%
6.	Profit after Tax (PAT) (after Minority Interest)	1,494	1,019
7.	PAT (after Minority Interest) to Net Sales (%)	5.7%	4.7%
8.	E.P.S. (₹)	11.3	7.7
9.	ROCE (%)	22.2%	22.1%
10.	Debt : Equity	1.4	1.3

CASH FLOW ANALYSIS

(₹ in Lacs)

Sr. No.	SOURCES OF CASH	2009-2010	2008-2009
1.	Cash Generation before Interest	4,116	3,375
2.	Issue of Capital (Net of Expenses)	596	564
3.	Loans	1,994	–
4.	Gain on commutation of Sales Tax Loan	–	93
	TOTAL	6,706	4,032
UTILISATION OF CASH			
1.	Purchase of Fixed Assets	3,453	1,664
2.	Tax Payments	716	285
3.	Interest	855	1,021
4.	Dividend	169	221
5.	Refund of Loans	–	466
6.	Changes in Working Capital	1,334	183
	TOTAL	6,527	3,840
	Change in Cash and Cash Equivalents	179	192

RISK MANAGEMENT REPORT AND CONCERNS

Your Company has well defined techniques to analyse and control different types of risks, wherein it chooses cost effective approaches to eliminate it. Operating units review is done on month to month basis to evaluate risks for achieving the defined business objectives. The managing director ensures implementation of mitigation measures, if required.

GENERAL SCENARIO

The Indian economy is growing at a promising rate, with growth of outputs in agriculture, industry and tertiary sectors. Overall economic growth has proved to be beneficial for the consumer goods market, with more and more products becoming affordable to a larger section of the population.

The paint industry and FMCG industry are expected to report robust growth in the coming years, on which there is heavy reliance. There are certain risks that can impact the performance of your Company as India comprises of a big rural market and there has been growing focus on rural marketing, whereby manufacturers are introducing low-priced goods in smaller pack sizes. Low priced sachets have proved to be extremely popular in smaller towns and villages, where people do not prefer to buy larger packs due to financial constraints.

The volatility in Europe will linger for several months. It is stated that Greece will be unable to meet the stringent conditions imposed by the EU/IMF bailout package. Its economy simply cannot recover with curbs on spending, higher risk premiums, expensive debt and high rate of unemployment. Other nations, such as Ireland, Spain and Portugal, too, are in the grip of severe financial problems. Though, export by our Country to these nations is only 4%, when sub-prime crisis hit the US, we were not directly linked to it, it became a major financial crisis, and capital outflows started and development supports came down. Hence, we have to watch these developments very closely.

CAUTIONARY STATEMENT

The statements made are based on certain projections, estimates, expectations or outlook may be forward looking. Actual results may differ materially from those stated on account of factors such as change in government regulations, tax regimes, economic developments within India and outside influencing the related policies, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply. The Company assumes no responsibility to publicly amend, modify or revise statements, on the basis of any subsequent developments, information or events.

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF HITECH PLAST LIMITED GROUP ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HITECH PLAST LIMITED AND ITS SUBSIDIARIES.

We have audited the attached Consolidated Balance Sheet of Hitech Plast Limited ('the Company') and its subsidiaries (collectively called 'the Group') as at 31st March 2010, the Consolidated Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of the separate financial statements and other financial information regarding its subsidiaries. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS-21) - Consolidated Financial Statements, (AS-23) Accounting for Investments in Associates in Consolidated

Financial Statements and (AS-27) Financial reporting of interests in Joint Ventures issued by the Institute of Chartered Accountants of India.

Based on our audit of financial statements of the Company and its subsidiaries, included in the consolidated financial statements read with Notes 3 and 4 of schedule O and to the best of our information and according to explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2010;
- b) In the case of consolidated Profit and Loss Account, of the profit for the Group ended on that date;
and
- c) In the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For Shah & Co.
Chartered Accountants
FRN : 109430 W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 26th June 2010

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2010

	Schedules	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
FUNDS EMPLOYED			
SHAREHOLDERS' FUNDS			
Share Capital	A	1,317.57	1,317.57
Reserves & Surplus	B	5,440.88	4,100.64
		6,758.45	5,418.21
LOANS			
Secured Loans	C	5,928.12	4,241.41
Unsecured Loans		1,042.23	735.17
		6,970.35	4,976.58
DEFERRED TAX LIABILITY		492.34	398.63
MINORITY INTEREST		2,214.24	1,487.73
TOTAL		16,435.38	12,281.15
APPLICATION OF FUNDS			
Goodwill (On Consolidation)		293.95	293.95
FIXED ASSETS			
Gross Block	D	13,898.93	11,581.18
Less : Depreciation		6,313.53	5,416.43
Net Block		7,585.40	6,164.75
Add : Capital Work in Progress		1,876.22	636.56
		9,461.62	6,801.31
INVESTMENTS	E	11.00	11.00
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	F	2,730.61	1,878.61
Sundry debtors		4,611.37	3,280.00
Cash and Bank Balances		604.18	425.48
Loans and Advances		1,186.42	1,254.94
		9,132.58	6,839.03
Less : CURRENT LIABILITIES AND PROVISIONS	G	2,463.77	1,664.14
NET CURRENT ASSETS		6,668.81	5,174.89
TOTAL		16,435.38	12,281.15
Accounting Policies	N		
Notes on Accounts	O		

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750
Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee
Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Schedules	For the Year Ended 31.03.2010 (₹ in Lacs)	For the Year Ended 31.03.2009 (₹ in Lacs)
INCOME			
Sales :			
Domestic		28,224.57	24,282.48
Export		8.31	15.13
Gross Sales		28,232.88	24,297.61
Less : Excise Duty Paid		2,040.71	2,722.34
Net Sales		26,192.17	21,575.27
Other Income	H	218.82	232.56
		26,410.99	21,807.83
EXPENDITURE			
Material Consumed	I	15,690.94	12,987.60
Manufacturing Expenses	J	3,307.82	2,638.21
Employees' remuneration and benefits	K	1,633.23	1,338.05
Administrative and Selling Expenses	L	1,617.44	1,452.04
		22,249.43	18,415.90
GROSS PROFIT BEFORE INTEREST, DEPRECIATION & TAX		4,161.56	3,391.93
Less: Interest and Financing Charges	M	855.54	1,030.38
PROFIT BEFORE DEPRECIATION AND TAX		3,306.02	2,361.55
Less : Depreciation	D	948.74	887.22
PROFIT BEFORE TAX		2,357.28	1,474.33
Less : Provision for Tax		690.50	334.42
Provision for Deferred Tax [Refer Note No. 6 of Schedule 'O']		93.71	40.33
Provision for Fringe Benefit Tax		—	16.98
Tax Provision for Earlier Year		(0.11)	1.51
NET PROFIT		1,573.18	1,081.09
Minority Interest		(79.35)	(62.12)
Balance		1,493.83	1,018.97
Add : Depreciation Written Back (Net of Deferred Tax) for the earlier years		—	403.61
Previous year balance brought forward		2,405.82	1,175.95
Amount Available for Appropriations		3,899.65	2,598.53
APPROPRIATIONS			
Proposed Dividend on Equity Shares		197.64	144.93
Tax on Dividend		32.82	24.63
Transfer to General Reserve		68.74	23.15
Balance carried to Balance Sheet		3,600.45	2,405.82
		3,899.65	2,598.53
Earning Per Share [Refer Note No. 11 of Schedule 'O']			
Basic & Diluted (in ₹)		11.34	7.73
Accounting Policies	N		
Notes on Accounts	O		

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750
Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee
Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2010
[PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT]

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra-ordinary Item	2,357.28	1,474.33
Adjustments for :		
Depreciation	948.74	887.22
Loss/(Profit) on Sale of Assets	(28.21)	(4.89)
Interest Expense	855.54	1,030.38
Interest income	(17.62)	(11.63)
Operating Profit before working capital changes	4,115.73	3,375.41
Adjustments for :		
Trade Receivables	(1,331.37)	(44.13)
Other Receivables	102.59	(296.53)
Inventories	(852.00)	(40.95)
Trade Payables	746.63	198.31
Cash Generated from Operations	2,781.58	3,192.11
Income Tax Paid	(715.89)	(285.54)
Net Cash Flow from Operations	2,065.69	2,906.57
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3,541.88)	(1,695.97)
Sale of Fixed Assets	89.17	31.36
Interest Received	9.05	11.41
Sales of Investments	-	1.50
Net Cash used in Investing Activities	(3,443.66)	(1,651.70)
C. CASH FLOW FROM FINANCING ACVTIVITIES		
Prodeeds from Issue of Shares to Minority	595.91	564.40
Gain on commutation of Sales Tax Deferral Loan	-	92.56
Proceeds from Long Term Borrowings	260.34	468.66
Repayment of Long Term Borrowings	-	(165.06)
Proceeds from/(Repayment of) Cash Credit	1,576.52	(890.72)
Proceeds from Short Term Borrowings	156.91	121.28
Dividend Paid	(169.28)	(221.49)
Interest Paid	(863.73)	(1,032.38)
Net Cash used in Financing Activities	1,556.67	(1,062.75)
Net (Decrease)/ Increase in Cash and Cash Equivalents	178.70	192.12
Cash and Cash Equivalents at the beginning of the year	425.48	233.36
Cash and Cash Equivalents at the end of the year	604.18	425.48

Note : Cash and Cash Equivalents at the end of the period include Bank Guarantee Deposits with Banks of ₹ 114.73 Lacs (Previous Year ₹ 70.21 Lacs)

As per our Report of even date

On behalf of the Board of Directors

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashwin S. Dani
Chairman

Ashok K. Goyal
Managing Director

Ashish H. Shah
Partner
Membership No. 103750

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Place : Mumbai
Date : 26th June 2010

Place : Mumbai
Date : 26th June 2010

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS :

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
SCHEDULE "A": SHARE CAPITAL		
AUTHORISED:		
2,00,00,000 Equity Shares of ₹ 10/- each (Previous Year 2,00,00,000)	2,000.00	2,000.00
TOTAL	2,000.00	2,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP :		
1,31,75,700 Equity Shares of ₹ 10/- each fully paid (Previous Year 1,31,75,700)	1,317.57	1,317.57
[Include 28,96,995 Equity Shares of ₹ 10/- each issued as fully paid, pursuant to the Scheme of Amalgamation of Plastic & Precision Machinefabrik Limited, without payment received in cash.] [Out of the above, 80,29,295 Equity Shares of ₹ 10/- each are held by Geetanjali Trading and Investments Private Limited.]		
TOTAL	1,317.57	1,317.57
SCHEDULE "B" : RESERVES & SURPLUS		
Capital Subsidy	25.00	25.00
Capital Reserve		
As per Last Balance Sheet	355.70	355.70
Add : Received on account of Merger (Refer Note No. 12 of Schedule 'O')	128.12	—
Less : Minority Interest	51.25	—
	432.57	355.70
Capital Redemption Reserve	461.20	461.20
Share Premium	737.21	737.21
General Reserve		
As per Last Balance Sheet	23.15	—
Add : Transfer from Profit and Loss Account	68.74	23.15
Add : Transfer of gain on Commutation of Sales Tax Deferral Loan	92.56	—
	184.45	23.15
Profit and Loss Account	3,600.45	2,405.82
Add : Gain on commutation of Sales Tax Deferral Loan	—	92.56
TOTAL	5,440.88	4,100.64
SCHEDULE "C" : SECURED AND UNSECURED LOANS		
SECURED LOANS:		
Long Term :		
Term Loans from Banks (Refer Note No. 1) (Payable within 1 year ₹ 933.44 Lacs, Previous year ₹ 923.54 Lacs)	2,634.02	2,523.83
Short Term :		
Bank Cash Credit	3,294.10	1,717.58
	5,928.12	4,241.41
UNSECURED LOANS:		
Fixed Deposits		
a) Directors	—	—
b) Others	1,022.23	735.17
(Payable within one year ₹ 363.22 Lacs, Previous year ₹ 226.31 Lacs)	1,022.23	735.17
Loans and deposits from Corporate Bodies (Payable within one year ₹ 20 Lacs, Previous year ₹ Nil)	20.00	—
	1,042.23	735.17
TOTAL	6,970.35	4,976.58

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS : (Continued)

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
Note :		
1) Term Loans from Banks		
a) Standard Chartered Bank (Specific charge on Plant & Machinery at Rohtak, Haryana Pari Pasu charge on Factory Land & Building at Rohtak.) (Payable within one year ₹ NIL, Previous year ₹ Nil)	1,000.00	—
b) Haryana State Industrial & Infrastructure Development Corporation (Half yearly Installments given by Haryana State Industrial & Infrastructure Development Corporation) (Payable within one year ₹ 234 Lacs, Previous year ₹ Nil)	351.00	—
c) State Bank of India-Windmill (Primary hypothecation of the asset purchased out of Bank finance at Velarasi, Tripur, Tamilnadu Site of wind mill Project) (Collateral Extension of Equitable Mortgage of factory land & Building located at Gut No. 939 & 940, Nagar Road, Village Sanaswadi, Taluka - Shirur, District - Pune - 412 208 and extension of charge on current assets.) (Payable within one year ₹ 66 Lacs, Previous year ₹ 66 Lacs)	133.12	199.12
d) State Bank of India (Primary hypothecation of the assets purchased out of Bank finance) (Collateral Extension of Equitable Mortgage of factory land & Building located at Gut No.939 & 940, Nagar Road, Village Sanaswadi, Taluka - Shirur, District - Pune - 412 208 and extension of charge on current assets.) (Payable within one year ₹ 199.92 Lacs, Previous year ₹ 242.57 Lacs)	440.08	242.58
e) Kotak Mahindra Bank Limited Exclusive First charge on existing and future land, building and immovable plant and machinery of the borrower. Hypothecation by way of first & exclusive charge on all existing and future current assets and existing and future movable plant and machinery of the Borrower including movable plant and machinery of Plastic & Precision Machinefabrik Division. (Payable within one year ₹ 67.57 Lacs, Previous year ₹ 162.16 Lacs)	67.57	229.73
f) Kotak Mahindra Bank Limited Exclusive charge on land & building and movable and immovable plant & machinery (existing and future). Mortgage to be created on Uttaranchal within 45 days. Hypothecation by way of first & exclusive charge on current assets of the Borrower (existing and future) including movable plant and machinery of Plastic & Precision Machinefabrik (division of the Borrower) and Uttaranchal project. (Payable within one year ₹ 125.81 Lacs, Previous year ₹ 105.10 Lacs)	207.23	370.10
g) Kotak Mahindra Bank Limited First & Exclusive charge on all existing and future current assets of the Borrower. Second charge on all movable fixed assets, present & future of the Company. Second charge by way of Equitable Mortgage on the immovable properties. (Payable within one year ₹ 240.14 Lacs, Previous year ₹ Nil)	435.02	—
h) Kotak Mahindra Bank Limited First & Exclusive charge on all movable fixed assets, present & future of the borrower. Second charge on all existing and future current assets of the Company. First & Exclusive charge by way of Equitable Mortgage on the immovable properties. (Payable within one year ₹ Nil, Previous year ₹ 347.28 Lacs)	—	1,482.30

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS : (Continued)**SCHEDULE "D" : FIXED ASSETS**

(₹ in Lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2009	Additions during the Year	Deductions during the Year	Adjustments	Total as at 31.03.2010	As at 31.03.2009	Additions/ Amortization during the Year	Deductions during the Year	Adjustments	Total as at 31.03.2010	As at 31.03.2010	As at 31.03.2009
Tangible Assets :												
Freehold Land	184.50	—	—	44.55	229.05	—	—	—	—	—	229.05	184.50
Leasehold Land	140.74	1,024.93	—	—	1,165.67	4.71	2.50	—	—	7.21	1,158.46	136.03
Building	2,654.69	43.56	1.08	83.57	2,780.74	894.12	177.55	0.33	—	1,071.34	1,709.40	1,760.57
Mould	1,447.95	220.67	53.95	(0.92)	1,613.75	1,146.08	167.09	8.82	(4.73)	1,299.62	314.13	301.87
Plant & Machinery	6,481.51	850.92	40.32	(2.13)	7,289.98	2,986.79	516.14	29.45	4.73	3,478.21	3,811.77	3,494.72
Furniture	188.40	19.42	—	(2.17)	205.65	93.23	16.77	—	(0.80)	109.20	96.45	95.17
Leasehold Improvements	—	26.68	—	—	26.68	—	3.21	—	—	3.21	23.47	—
Computer	107.01	15.42	—	(0.36)	122.07	74.67	12.10	—	(0.30)	86.47	35.60	32.34
Office Equipment	107.93	20.81	—	(0.24)	128.50	57.62	8.02	—	(0.07)	65.57	62.93	50.31
Vehicle	177.88	41.61	15.22	(0.24)	204.03	108.50	23.16	11.71	(0.16)	119.79	84.24	69.38
Intangible Assets :												
Computer Software	59.12	42.09	0.70	—	100.51	31.77	21.79	—	—	53.56	46.95	27.35
Goodwill	28.93	—	—	—	28.93	17.36	—	—	—	17.36	11.57	11.57
Patent	2.52	0.85	—	—	3.37	1.58	0.41	—	—	1.99	1.38	0.94
TOTAL	11,581.18	2,306.96	111.27	122.06	13,898.93	5,416.43	948.74	50.31	(1.33)	6,313.53	7,585.40	6,164.75
Previous Year	10,575.85	1,113.94	108.61	—	11,581.18	4,611.35	887.22	82.14	—	5,416.43	6,164.75	

As At
31.03.2010
(₹ in Lacs)

As At
31.03.2009
(₹ in Lacs)

SCHEDULE "E": INVESTMENTS**Long Term - unquoted (at cost) : Trade**

11,000 Equity Shares of ₹ 100/- each, fully paid-up in Ho-Plast Pvt. Ltd.,

11.00 11.00

11.00 11.00**SCHEDULE "F": CURRENT ASSETS, LOANS AND ADVANCES****CURRENT ASSETS :**i. Inventories : (lower of cost and market value)
(as taken, valued and certified by Management)

a. Materials Stock:

- Packing Materials
- Raw Materials (includes Stock-in-Transit ₹ 1.18 Lacs, P.Y. ₹ 6.91 Lacs)

101.76 77.63

1,506.58 954.98**1,608.34** 1,032.61

b. Finished Goods

563.33 456.18

c. Work-in-Progress

555.40 383.25

d. Consumables, Stores & Spares

3.54 6.57

2,730.61 1,878.61

ii. Sundry Debtors (Unsecured)

a. Outstanding for more than six months

(considered good)

259.07 312.99

(considered doubtful)

47.86 30.89**306.93** 343.88

Less : Provision for doubtful debts

47.86 30.89**259.07** 312.99

b. Other Debts (considered good)

4,352.30 2,967.014,611.37 3,280.00

iv. Cash and Bank Balances:

a. Cash on hand

6.20 7.95

b. With Scheduled Banks

372.26 252.60

c. Term Deposits (₹ 114.73 Lacs towards Bank Guarantee)

225.72 164.93

604.18 425.48**LOANS AND ADVANCES : (Unsecured, considered good)**

a. Loans to Staff

4.41 1.30

b. Balances with Customs, Central Excise etc.

302.58 204.57

c. Sundry deposits

213.92 172.10

d. Advances recoverable in cash or kind

475.30 712.26

e. Advance Payments of Taxes (Net of provisions)

190.21 164.71

1,186.42 1,254.949,132.58 6,839.03

TOTAL

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS : (Continued)

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
SCHEDULE "G": CURRENT LIABILITIES AND PROVISIONS		
LIABILITIES		
Sundry Creditors		
Dues to Micro & Small Enterprises (Refer Note No. 7 of Schedule 'O')	230.54	74.31
Others	1,102.23	783.94
	1,332.77	858.25
Other Liabilities	822.91	578.71
Investor Education & Protection Fund *		
Unpaid / Unclaimed dividend	5.62	5.34
PROVISIONS		
Proposed dividend on Equity Shares (Including Tax on Dividend)	230.46	169.56
Defined benefit obligations (Refer Note No. 5 of Schedule 'O')	4.65	5.68
Provision for accrued leave	67.36	46.60
TOTAL	2,463.77	1,664.14

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March 2010. The amount shall be paid to the fund as and when it become due.

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
SCHEDULE "H" : OTHER INCOME		
Interest Received (Gross)	17.62	11.63
(Tax deducted ₹ 2.13 Lacs, Previous Year ₹ 9.60 Lacs)		
Miscellaneous Income	43.15	40.30
Sales Tax set off received	—	1.04
Sale of Scrap	15.85	18.97
Dividend Received	—	59.86
Income from Wind Power Generator	76.07	70.30
Interest on Income tax refund	—	0.62
Technical Know-how fees	—	12.50
Exchange Difference (Net)	6.78	1.46
Designing charges	14.25	—
Profit on sale of assets (Net)	28.21	4.89
Sundry balances written back (Net)	16.89	10.99
TOTAL	218.82	232.56
SCHEDULE "I" : MATERIAL CONSUMED		
Materials Consumed:		
Opening Stock	1,025.70	1,039.68
Add : Purchases	16,548.69	13,060.56
	17,574.39	14,100.24
Less: Sales	9.55	19.77
	17,564.84	14,080.47
Less : Closing Stock	1,607.16	1,025.70
	15,957.68	13,054.77
Increase/(Decrease) in finished goods and work-in-process :		
STOCK-IN-TRADE (at close)		
Finished Goods	563.33	456.18
Work-in-progress	555.40	383.25
	1,118.73	839.43
STOCK-IN-TRADE (at commencement)		
Finished Goods	456.18	420.90
Work-in-progress	383.25	369.67
	839.43	790.57
	279.30	48.86
Increase / (Decrease) in Excise Duty on Finished Goods	12.56	(18.31)
	266.74	67.17
TOTAL	15,690.94	12,987.60

SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS : (Continued)

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
SCHEDULE "J" : MANUFACTURING EXPENSES		
Processing Charges	1,018.25	750.60
Water, Power and Fuel	1,285.93	1,081.37
Material Handling Charges	585.21	438.85
Stores & Spares Consumed	154.55	143.67
Repairs & Maintenance -		
- to Building	27.00	20.62
- to Plant and Machinery	176.75	124.63
- Other Assets	60.13	78.47
	263.88	223.72
TOTAL	3,307.82	2,638.21
SCHEDULE "K" : EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, Wages, allowances and other benefits	1,379.78	1,151.33
Staff Welfare Expenses	125.87	88.24
Contribution to Provident Fund	85.91	73.56
Gratuity	41.67	24.92
TOTAL	1,633.23	1,338.05
SCHEDULE "L" : ADMINISTRATIVE AND SELLING EXPENSES		
Freight and Transport Charges	647.71	579.85
Rent	195.01	143.98
Rates and Taxes	17.03	47.33
Insurance	17.14	25.91
Security Charges	73.05	60.86
Printing and Stationery	27.07	26.70
Postage and Telephone	56.09	54.70
Travelling and Conveyance Expenses	103.78	97.13
Miscellaneous Expenses	392.51	358.41
Directors' Meeting Fees	5.24	4.07
Auditors' Remuneration & Service Charges	26.72	20.64
Commission to Non Executive Directors (Previous Year commission to Non-Promoters, Non-Executive, independent Resident Directors)	7.20	4.10
Provision for Doubtful Debts	34.51	28.36
Bad Debts	14.38	—
TOTAL	1,617.44	1,452.04
SCHEDULE "M" : INTEREST AND FINANCING CHARGES		
Interest on Term Loans (Net)	218.67	286.32
Interest on Cash Credit	265.60	318.48
Other Financing Charges	325.64	369.79
Bank Charges	45.63	55.79
TOTAL	855.54	1,030.38

SCHEDULE "N" :**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED IN THE COMPILATION OF CONSOLIDATED ACCOUNTS :****1. Basis for preparation of financial statements :****(a) Basis of Accounting :**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates:

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

2. Fixed Assets:

The fixed assets are accounted at the cost of acquisition, which includes taxes, duties (net of centvat, wherever applicable) and other identifiable direct expenses incurred to bring the assets to their present location and condition less accumulated depreciation. Interest on borrowed funds attributable up to the period assets are put to use is included in the cost of qualifying assets.

3. Revenue Recognition:

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

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

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the time proportion basis.

4. Depreciation:

Depreciation on the following classes of fixed assets is provided under Straight Line Method based on estimated useful life of the assets as under:-

Moulds	:	4 years
Furniture & Fixture	:	10 years
Computer	:	5 years
Office Equipment	:	10 years
Vehicle	:	5 years

Depreciation on Plant and Machinery is provided under Straight Line Method; on Building is provided under the Written Down Value Method, at the rates laid down in the Schedule XIV to the Companies Act, 1956.

Depreciation on assets, where actual cost does not exceed ₹ 5,000/- is provided at the rate of hundred per cent.

Expenditure on computer software is amortised over a period of three years. Goodwill on amalgamation is amortised over a period of five years. Depreciation on Plant & Machinery is provided based on triple shift.

5. Inventory:

(a) Inventories are valued at lower of cost and net realisable value. Damaged, unserviceable and inert stocks are suitably depreciated.

(b) In case of raw and packing materials, stores, spares and consumables the cost includes duties and taxes other than credits under CENVAT and is arrived at on weighted average basis.

(c) The Finished Goods and Work-in-progress cost includes the cost of raw material, packing materials and appropriate share of fixed and variable production overheads and excise duty as applicable on the finished goods.

6. Investments:

Long-term investments are stated at cost less permanent diminution, if any, in the value of investments.

7. Transaction in Foreign Exchange:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transaction settled during the year are recognised in the Profit and Loss Account of the year.

Monetary assets and liabilities denominated in foreign currencies, which are outstanding as at the year end are translated at the closing exchange rate and the resultant exchange difference are recognised in the Profit and Loss Account.

The premium or discount on forward exchange contract is recognized over the period of the contract in the Profit and Loss Account.

8. Employee Benefits:**(i) Short Terms Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognised in the period in which the employee render 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.

(ii) Post-employment benefits :**(a) Defined Contribution Plans**

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

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

(b) Defined Benefit Plan**i) Defined Benefit Gratuity Plan**

The Company operates defined benefit gratuity plans for employees. The Company contributes to an insurer managed fund, towards meeting the Gratuity obligation.

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

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

(iii) Other Long Term Employee Benefits :

Entitlements to annual leaves and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leaves. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit Method with actuarial valuations being carried out at each Balance Sheet date.

9. Lease Accounting:

Lease Rentals on assets taken on operating lease are recognised as expense in the Profit & Loss Account on an accrual basis over the lease term.

10. Taxes on Income & Provision for Taxation:

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

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

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

11. Provision 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.

12. Earnings Per Share:

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

13. Proposed Dividend:

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

14. Goodwill:

Goodwill arising on the acquisition of a Subsidiary represents the excess of cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversible in a subsequent period.

SCHEDULE "O" :

NOTES ON CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT:

	2009-2010	2008-2009
	(₹ in Lacs)	(₹ in Lacs)
1. Estimated amount of contracts to be executed on capital account and not provided for	622.46	86.13
2. Contingent liabilities not provided for:		
(a) Bank Guarantees issued on behalf of the Company	114.73	70.21
(b) Bills Discounted	2,794.61	2,196.88
	[Since realized ₹ 2,781.24 Lacs][Previous Year ₹ 1,341.17 Lacs]	
3. Name of the Subsidiaries	% of Voting power	Financial Year
Clear Mipak Packaging Solutions Limited (erstwhile Clear Plastics Limited)	60%	31st March 2010
4. Principles of Consolidation:		
a. The consolidated financial statements are based on audited financial statements of subsidiaries.		
b. The financial statements of the parent company and its subsidiary have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All significant intra group balances and transactions have been eliminated in consolidation.		
c. Goodwill is tested for impairment every year.		
d. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and over events in similar transactions and are presented to the extent possible, in the same manner as the parent company's financial statement.		
e. Minority Interest in the net income and net assets of the consolidated financial statements are computed and shown separately.		
5. Employee Benefits:		
(1) Short Term Employee Benefits:		
The liability towards short term employee benefits for the year ended 31 st March 2010 has been recognised in the Profit & Loss Account.		

(2) Post-Employment Benefits:

The following disclosures are made in accordance with AS-15 (Revised) pertaining to Defined Benefit Plans:

(₹ in Lacs)

Particulars	Gratuity (Funded Plan)	
	2009-2010	2008-2009
Amount recognized in Balance Sheet		
Present value of funded obligations	153.89	105.40
Fair Value of Plan Assets	149.40	111.87
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Amount not recognised as an asset, because of the limit in Para 50(b) of AS -15	-	-
Net Liability/(Asset)	4.49	(6.47)
Amounts in Balance Sheet		
Liability	4.49	-
Assets	-	6.47
Net Liability/(Asset)	4.49	(6.47)

Amount recognised in the statement of Profit & Loss Account :		
Opening defined benefit obligation less benefit paid	-	-
Current service cost	16.82	16.18
Interest on defined benefit obligation	8.99	9.00
Expected return on plan assets	(9.36)	(9.12)
Net actuarial losses/(gains) recognized in year	44.53	(5.09)
Past Service Cost	-	-
Effect of the limit in Para 59(b) of AS-15 (Revised)	-	-
Losses / (gains) on 'Curtailements and Settlements'	-	-
Total included in 'Employee Benefit Expense'	60.98	10.97
Actual return on plan assets	NIL	5.73

Reconciliation of benefit obligations and plan assets for the period :		
Change in defined benefit obligation :		
Opening defined benefit obligation as at 1st April	105.39	104.08
Current Service Cost	16.82	16.18
Interest Cost	8.99	9.00
Actuarial (Gain)/Loss on obligations	35.17	(8.47)
Liabilities extinguished on curtailment	-	-
Liabilities extinguished on settlement	-	-
Liabilities assumed on acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(12.48)	(15.39)
Closing defined benefit obligation as at 31st March	153.89	105.40

Change in fair value of assets :		
Opening fair value of plan assets as at 1st April	111.87	56.35
Expected return on Plan Assets	12.21	9.12
Actuarial Gain/(Loss)	(9.36)	(3.38)
Assets distributed on settlements	-	-
Contributions by employer	47.16	65.17
Assets acquired due to acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(12.48)	(15.39)
Closing Fair Value of Plan Assets as at 31st March	149.40	111.87

(₹ in Lacs)

Particulars	Gratuity (Funded Plan)	
	2009-2010	2008-2009
Investment Details (Assets information) :		
Government of India Securities	Nil	Nil
Public Sector Unit Bonds	Nil	Nil
State/Central Guaranteed Securities	Nil	Nil
Special Deposit Schemes	Nil	Nil
Equity Shares of Listed Companies	Nil	Nil
Property	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil

Assumptions :		
Discounted Rate (per annum)	8.00%	7.75%
Estimated Rate of return on Plan Assets (per annum)	8.00%	8.00%
Rate of Escalation in Salary (per annum)	6.00%	5.00%

Note:-

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.
- The Company estimates that the amount to be contributed to the Gratuity fund in the financial year 2009-2010 will be ₹ 4.65 Lacs.
- Comparative values of defined benefit plans (Gratuity and Pension) for the past one year instead of four financial years, as required by AS-15 (Revised) are provided, this being the third year of adoption of the standard.
- As per the Government Amendment vide Notification No. 15 dated 24.05.2010 monetary ceiling for gratuity as per the Payment of Gratuity Act, 1972 has been increased from ₹ 3.5 Lacs to ₹ 10 Lacs. The Company has not made provision for gratuity based on increased limit of ₹ 10 Lacs.

(3) Long Term Employee Benefits :

The liability towards compensated absences (annual leave and sick leave) as at 31st March 2010, based on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to ₹ 33.02 Lacs (Previous year – ₹ 17.86 Lacs) has been recognised in the Profit & Loss Account.

6. The Deferred Tax Asset/(Liability) comprises of tax effect of timing differences, carried forward business losses and unabsorbed depreciation as shown below:

	31.03.2010 (₹ in Lacs)	31.03.2009 (₹ in Lacs)
A. Deferred Tax Assets		
i. Expenses allowed for tax purpose on payment basis	36.41	17.77
ii. Provision for doubtful debts	16.27	9.64
iii. Losses carried forward under Income Tax Act	–	16.31
Total Deferred Tax Assets	52.68	43.72
B. Deferred Tax Liabilities		
i. Difference between the Written Down Value of assets as per books of accounts and Income Tax Act, 1961.	545.02	442.35
Total Deferred Tax Liabilities	545.02	442.35
Net Deferred Tax Asset / (Liability)	(492.34)	(398.63)
Deferred Tax Benefit / (Expense) for the year	(93.71)	(40.33)

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7. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2010. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- (a) Principal amount and separately the interest due thereon remaining unpaid to any supplier at the end of the financial year—Nil
- (b) The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year—Nil
- (c) 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
- (d) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid—Nil
- (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure—Nil
8. Income tax demand of ₹ 127.80 Lacs for the assessment year 2003-04 on the subsidiary company which was contested before CIT (Appeals) got successfully brought down to ₹ 49.45 Lacs and the same is not provided in the above accounts, since that subsidiary has contested the same in an appeal before Appellate Tribunal.
9. Related Party Disclosures, as required by AS-18, 'Related Party Disclosures' are given below:
1. Relationship:
- (i) Holding Company
Geetanjali Trading and Investments Private Limited
- (iv) Promoter Directors
Mr. Ashwin S. Dani
Mr. Jalaj A. Dani
Mr. Hasit A. Dani
Mr. Malav A. Dani
Mrs. Ina A. Dani
- (ii) Fellow Subsidiaries
Coatings Specialities (India) Limited
Rangudyan Insurance Broking Services Limited
- (v) Companies over which the Directors have controlling interest
Gujarat Organics Limited
S C Dani Research Foundation Private Limited
Suryakant Paint Accessories Private Limited
- (iii) Key Management Personnel
Name of the Directors
Mr. Ashok K. Goyal
Mr. Harshad B. Desai
Mr. Neeraj M. Munjal
2. Related Party Transactions for the Year - 2009-10 and 2008-09 :

(₹ in Lacs)

Particulars	Fellow Subsidiary		Promoter Director Company		Key Management Personnel	
	09-10	08-09	09-10	08-09	09-10	08-09
Sale to Coatings Specialities	0.19	0.12				
Services Received - Coatings Specialities	125.40	108.95				
Interest paid to Rangudyan Insurance	0.94	—				
Interest Paid - Coatings Specialities	1.25	1.42				
Rent Paid - Coatings Specialities	23.12	—				
Sitting Fees			1.41	0.55		
Commission			2.50	—		
Managerial Remuneration					113.33	90.85
Reimbursement of Expenses to Advisor			1.22	—		
Inter Corporate Deposits Recd. - Coatings Specialities	100.00	150.00				
Inter Corporate Deposits Recd. - Rangudyan Insurance	20.00	—				
Inter Corporate Deposits Paid - Coatings Specialities	100.00	150.00				
Inter Corporate Deposits Balance - Rangudyan Insurance	20.00	—				
Balance Receivable for Goods & services	0.18	—				
Balance Payable for Goods & services	2.68	—				

10. The specified disclosures for Operating Leases as required by Accounting Standard 19 – “Lease” as prescribed under the Companies (Accounting Standards) Rules, 2006, are given below:

(₹ in Lacs)

	Particulars	31.03.2010	31.03.2009
a)	Disclosure in respect of agreement for Cars taken on lease :		
1	Lease payments recognised in the Profit & Loss Account for the year	26.17	24.65
2	Future minimum lease payments under non-cancellable operating lease		
	I Not later than one year	20.10	23.23
	II Later than one year but not more than five years	19.96	22.31
	III Later than five years	–	–
3	Significant leasing arrangements		
	I Under the agreement, cars are taken on operating lease basis	–	–
	II The agreement is for a period of forty eight months	–	–

11. Earning Per Share, as required by AS-20, 'Earning Per Share' is given below:

Particulars	Unit	2009-2010	2008-2009
Basic & Diluted Earning Per Share :			
Amount used as the numerator			
Profit After Taxation and Minority Interest	₹ in Lacs	1,493.83	1,018.97
Weighted Average number of Equity Shares used as the denominator	Nos.	1,31,75,700	1,31,75,700
Nominal value of Equity Shares	₹ in Lacs	1,317.57	1,317.57
Basic & Diluted EPS	₹	11.34	7.73

12. The amount of ₹ 128.12 Lacs was transferred to capital reserve during the year, which was difference between the fair value (₹ 1,768.16 Lacs) and the book value (₹ 1,640.04 Lacs) of the fixed assets taken over by Clear Mipak Packaging Solutions Limited (erstwhile Clear Plastics Limited).
13. Since the Company's business activity falls within a single primary business segment, viz., "Plastic Containers" the above results apply to the same for the purpose of Accounting Standard 17 (AS-17) on segment reporting. The capital employed in the reportable segment was ₹ 16,435.38 Lacs as on 31st March 2010 (₹ 12,281.15 Lacs as on 31st March 2009).
14. Previous year's figures have been regrouped wherever necessary.

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

DIRECTORS' REPORT

Dear Members,

HITECH PLAST LIMITED

Your Directors have pleasure in presenting the Nineteenth Annual Report of your Company and the Audited Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS

[₹ in Lacs]

	HITECH PLAST LIMITED			HITECH PLAST CONSOLIDATED		
	2009-10	2008-09	Growth %	2009-10	2008-09	Growth %
GROSS SALES	17,349	15,442	12.3	28,233	24,298	16.6
Sales (Net of Excise)	15,880	13,438	18.2	26,192	21,575	21.4
Other Income	135	174	-22.4	219	233	-6.0
Total Income	16,015	13,612	17.7	26,411	21,808	21.1
Total Expenditure	13,159	11,392	15.5	22,249	18,416	20.8
Operating Profit	2,856	2,220	28.6	4,162	3,392	22.7
Interest and Financing Charges	504	659	-23.5	856	1,031	-17.0
Depreciation	346	318	8.8	949	887	7.0
Profit (Before Tax)	2,006	1,243	61.4	2,357	1,474	59.9
Less: Provision for Tax	600	250	140.0	691	335	106.3
Provision for Deferred Tax	31	55	-43.6	93	40	132.5
Provision for Fringe Benefit Tax	-	11	~	-	17	~
Tax Provision of Earlier Year	-	1	~	~	1	~
Net Profit (After Tax)	1,375	926	48.5	1,573	1,081	45.5
Minority Interest	-	-	-	79	62	27.4
Net Profit after Minority Interest	1,375	926	48.5	1,494	1,019	46.6
Previous year balance brought forward	2,363	1,406		2,406	1,176	
Depreciation Written Back	-	224		-	404	
Disposable Profit	3,738	2,556		3,900	2,599	
Appropriations						
Proposed Dividend on Equity shares	198	145		198	145	
Tax on Equity Dividend	33	25		33	25	
Transfer to General Reserve	69	23		69	23	
Balance carried to Balance Sheet	3,438	2,363		3,600	2,406	

OPERATIONS

Net sales and operating income for the standalone entity increased to ₹ 160 crores from ₹ 136 crores in the previous year - a growth of 17.7%. The operating profit (PBIDT) increased by 28.6% from ₹ 22.20 crores to ₹ 28.56 crores. The profit after tax increased to ₹ 13.75 crores from ₹ 9.26 crores, representing a growth of 48%. With good volume growth of 22.3% and strict management of the variable cost, there was improvement in the operating margins from 16.5% to 18%.

The consolidated net sales and operating income increased to ₹ 264 crores from ₹ 218 crores - a growth of 21%. Net profit after tax and minority interest increased to ₹ 14.94 crores from ₹ 10.19 crores, representing a growth of 47%.

The detailed analysis on the performance of the Company is discussed in Management Discussion and Analysis, in earlier part.

CONSOLIDATED FINANCIAL STATEMENTS

Under the mandatory requirements, as contemplated by Section 219 of the Companies Act, 1956, a consolidated position of your Company including subsidiaries, at a glance, is being provided with the Annual Report of your Company, treating these as abridged accounts. As stipulated by Clause 32 of the Listing Agreements, Consolidated Financial Statements are prepared by your Company in accordance with the requirements of Accounting Standard 21 'Consolidated Financial Statements' prescribed in the Companies (Accounting Standards) Rules, 2006. The Audited Consolidated Financial Statements form part of the Annual Report. This will help save cost in connection with printing and mailing of the Annual Report. Members desirous of receiving the full Annual Report of the subsidiaries will be provided the same on receipt of a written request from them.

DIVIDEND ON EQUITY SHARES

In view of the Company's profitable performance, the Directors are pleased to recommend for approval of the shareholders, an enhanced dividend of ₹ 1.50 per share (at the rate 15%), (Previous year ₹ 1.10 per share), on the Equity Shares of the Company for the year ended 31st March 2010.

The proposed dividend on Equity Share Capital will absorb ₹ 198 Lacs for dividend and ₹ 33 Lacs for Dividend Distribution Tax.

CORPORATE GOVERNANCE

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

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

The "Corporate Governance - Voluntary Guidelines, 2009" was recommended by the Ministry of Corporate Affairs in December 2009. The guidelines broadly outline conditions for appointment of Directors (including Independent Directors), the enhanced role of Audit Committee, guiding principles to remunerate directors, risk management, responsibilities of the Board, rotation of Audit partners and firms and conduct of secretarial audit. Your Company is already complying some of the requirements of said guidelines and initiated appropriate action for balance compliance.

A separate report on Corporate Governance forms part of the Annual Report, pursuant to Clause 49(VII) of the Listing Agreements. Your Company is compliant with the requirements of the Listing Agreements and required disclosures have been made in this regard in the Corporate Governance Report. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

A certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Clause 49 of the Listing Agreements is annexed hereto.

LIQUIDITY

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

HOLDING COMPANY

Your Company is a subsidiary of Geetanjali Trading And Investments Private Limited, which holds 60.94% of the Equity Share Capital of the Company.

SUBSIDIARY COMPANIES

Your Directors are pleased to announce the merger of both unlisted subsidiaries viz. Mipak Polymers Limited ('MPL') and Clear Plastics Limited ('CPL') under section 391 and 394 of the Companies Act, 1956, effective 7th May 2010, with Appointed date of 1st October 2009. Pursuant to the Scheme of Amalgamation, name of the transferee company i.e. CPL changed to "CLEAR MIPAK PACKAGING SOLUTIONS LIMITED" ('CMPS'). The changed name was to reflect synergy of both the companies.

Consequently, the figures for the current year of CMPS reflect the consolidated results of CPL and MPL for six months from 1st October 2009 to 31st March 2010 and therefore are not comparable to those of the previous year. The merger accounting

has been done on the pooling of interests method as prescribed by the Institute of Chartered Accountants of India. The merger will facilitate the integration and consolidation of our packaging of FMCG and Pesticides business and enable us to operate more efficiently and effectively.

Your Company's subsidiary CMPS reported Profit before tax of ₹ 209 Lacs for the financial year ended 31st March 2010 as compared to profit before tax of ₹ 318 Lacs for the previous year.

Your Company's other subsidiary Mipak Polymers Limited reported profit before tax of ₹ 142 Lacs for the period from 1st April 2009 to 30th September 2009 as compared to loss of ₹ 61 Lacs for the previous year.

During the year, no adjustments to the extent of above profit/loss have been made in the books of your Company. The Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956, is given at the end of Notes to the Accounts.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is a responsible corporate citizen, and strives to give back to the community it operates in. The Corporate Social initiatives, which the Company has identified and implemented are as under:

1. Under the patronage of "Deccan Chamber of Commerce Industries & Agriculture", the Company jointly developed the facilities in surrounding village in the Sanaswadi Gram School, - Computer classes for the children.
2. In Anganwadi, near our manufacturing unit, helped in construction of building for women running various programme under the Panchayat.
3. Cashless medical facilities continued covering the employees of the Company, their spouses and upto two children.
4. Eye check-up and Blood donation camp organized jointly with other members through NGO.

LISTING

The Company's securities continue to be listed on two Stock Exchanges viz; Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and applicable listing fees have been paid up to date.

FIXED DEPOSITS

Your Company continued accepting fixed deposits from shareholders, friends, the relatives of directors and business associates which stood at an amount of ₹ 663.67 Lacs, against ₹ 550.80 Lacs at the end of previous fiscal year. The Company had paid interest on all fixed deposits due and claimed. There are no unclaimed Fixed Deposit as on 31st March 2010.

INSURANCE

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

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

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

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Chief Financial Officer and Company Secretary at the Registered Office of the Company.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the management, confirm that:

- a) in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that year;
- c) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the year ended 31st March 2010 on a going concern basis.

DIRECTORS**a) Appointment**

Mrs. Ina A Dani was appointed as an Additional Director with effect from 30th January 2010. As per Section 260 of the Companies Act, 1956, as an Additional Director, she holds office up to the date of the forthcoming Annual General Meeting of the Company and eligible for appointment as Director of the Company, liable to retire by rotation.

The Company has received notice under Section 257 of the Companies Act, 1956, proposing her appointment as a Director of the Company. Resolution seeking approval of the Members for appointment of Mrs. Ina A Dani as a Director of the Company, liable to retire by rotation, has been incorporated in the Notice of the forthcoming Annual General Meeting alongwith brief details about her.

b) Directors retire by Rotation

In accordance with the requirement of the Companies Act, 1956 and as per Article 104 of the Articles of Association, Mr. Hasit A. Dani, Mr. Ranjan Kapur and Mr. Rajnikant B. Desai are liable to retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Corporate Governance Section of this Report.

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

c) Revision in Remuneration of Managing Director

Pursuant to the recommendation of Remuneration Committee, the Board of Directors at its meeting held on 8th May, 2010, approved, subject to the approval of shareholders at the ensuing Annual General Meeting, the revision in remuneration by execution of a Supplementary Agreement between the Company and Mr. Ashok K Goyal with effect from 1st April, 2010 till the expiry of his residual tenure as a Managing Director of the Company. The necessary resolution for the approval of the same is covered in the Notice convening the Annual General Meeting.

d) Group

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

1. Gujarat Organics Limited
2. Omega Properties Private Limited
3. Geetanjali Trading And Investment Company Private Limited
4. Hiren Holdings Private Limited

AUDITORS

M/s. Shah & Co., Chartered Accountants, the present Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as the Statutory Auditors of the Company until the conclusion of the next Annual General Meeting. M/s. Shah & Co., have under Section 224 (1) of the Companies Act, 1956, furnished the certificate of their eligibility for re-appointment. The Statutory Auditors have submitted a certificate that they have subjected themselves for the peer review process of the Institute of Chartered Accountants of India, for the year 2009-10.

ACKNOWLEDGEMENTS

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

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 26th June 2010

ASHWIN S. DANI
CHAIRMAN

Mission Statement

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

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

A. Energy conservation continues to receive top priority in the Company.

Specific Energy conservation measures are:

1. Replacement of Semi Hermetic screw for compressor for chilling plant;
2. Air control units were overhauled to increase the life of compressor;
3. Installation of capacitors;

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

In the month of March 2008, your Company installed Wind Power Generator of 0.6 MW which was operational for the entire year and met the power requirement of unit in Tamil Nadu.

c. Impact of the measures on the cost of production of goods:

The above mentioned measures have resulted in energy saving and subsequent reduction in energy cost and hence in cost of production.

FORM A

Form for Disclosure of particulars with regard to Consumption of Energy:

A. Power and Fuel Consumption:

ELECTRICITY	2009-10	2008-09
a. Purchased - Units ('000 Kwh) Total Amount (₹ in Lacs) Rate / Unit (₹)	10,636 446.14 4.19	9,411 376.57 4.00
b. Own Generation Through Diesel Generator - Units ('000 Kwh) Units per ltr. of diesel oil Cost / Unit (₹)	955 3.11 11.21	902 3.25 10.99
c. Own Generation Through Wind Farm - Units ('000 Kwh) Total Amount (₹ in Lacs) Rate / Unit (₹)	1,363 51.91 3.81	1,252 46.38 3.70

B. Consumption per unit of Production:

	2009-10	2008-09
KWH / kg.	1.07	1.14

FORM B

Disclosure of particulars with regard to Absorption:

Research and Development (R & D):

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

The Company's management believes that continuous effort to establish a strong performance in the fields of R & D vis-à-vis product and process development are of paramount importance to preserve and strengthen the competitive position, the Company holds in coatings containers segment.

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

- a. Developed twin cavity fully hot runner moulds
 - b. Low weight products viz. 10 litre, 1 litre, and 20 litres
2. Benefits derived as a result of the above R & D:
- a. Lower cycle time
 - b. Reduced manpower
3. Future plan of action:

Have a roadmap for 2012-13 with high emphasis on paint containers with low weight of polymers without compromising the specific parameters required by the customers. Making moulds of hard supreme steel in square shape with Be-cu inserts which are robust in design and longer life.

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

(₹ in Lacs)

Particulars	2009-10	2008-09
(a) Capital	-	-
(b) Recurring	57.39	43.81
Total	57.39	43.81
Total R & D expenditure as a % of turnover	0.36%	0.32%

Technology absorption, adaptation and innovation:

1 Efforts, in brief, made towards technology absorption, adoption and innovation.	The Design and Development team has been able to make product design and mould design based on ever changing demand for variety of products from our valued customers.
2 Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.,	This helped the Company in increasing its share in coatings industry segment with innovative products offered based on specific needs of the customers. Further, attainment of higher customer satisfaction / growth and profitability in business.
3 Information regarding technology imported during the last five years.	Not applicable.

Foreign exchange earnings and outgo:

Details of earnings and expenditure in foreign currency have been given separately under Note No. 9 in Schedule 'O' Notes to Accounts.

For and on behalf of the Board of Directors

Place : Mumbai

Date : 26th June 2010

ASHWIN S. DANI

CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance:

Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with the ultimate objective of realizing and enhancing shareholders' values. Accordingly, your Company continuously endeavours to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance.

This improves public understanding of the structure, activities and policies of the organization and it makes good impact on the society which benefits in enhancing corporate image of the Company in general public. Consequently, your Company is striving hard towards excellence through adoption of best governance and disclosure practices so that Your Company is able to attract investors and enhance the confidence of the stakeholders.

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

Board of Directors (Board):

A. Composition:

As on 31st March 2010, the Board comprised of 11 (eleven members), 1 (one) of whom is the Managing Director, 5 (five) Promoter Directors (including Non-Executive Chairman) and 5 (five) Independent Directors, of which 2 (two) are Non-Resident. One of the promoter Directors was appointed in January 2010, and hence the Company needs to appoint one more Independent Director by July 2010, so as to meet the stipulated requirement of having at least one-half of the Board as Independent Directors, since the Chairman of the Company is also a promoter of the Company. All the Directors, except the Managing Director, are liable to retire by rotation and at least one third of the Directors are liable to retire by rotation, and are also eligible for re-election.

Number of Board Meetings:

Your Company's Board of Directors met 5 times during the financial year ended 31st March 2010, on the following dates:

Date(s) on which the meeting(s) were held:	
30th May 2009	30th January 2010
30th July 2009	24th March 2010
26th October 2009	

The Board of Directors meets at least once in every quarter and the maximum time gap between two meetings does not exceed four months in accordance with the Clause 49 of the Listing Agreements. A tentative schedule of the dates of the Board Meetings proposed to be held in the succeeding year are determined in advance to review and declare the quarterly and the annual results of the Company. Additional meetings are convened as and when necessitated.

Composition, nature of Directorship, the number of meetings attended and the Directorships in other Companies, of the Board of Directors as on 31st March 2010 :

Name of the Director	Category	Nature of Directorship	Date of joining the Board	Attendance At the		Directorships in other companies #	Membership and Chairmanship of the Committee of the Board of other companies ##	
				Board Meetings	Last AGM		Committee Member	Committee Chairman
Mr. Ashwin Dani	PD	Chairman	13.01.1992	5	Yes	6	2	2
Mr. R. B. Desai	NED (2)	Director	31.03.1994	-	No	-	-	-
Mr. R. S. Gandhi	NED (1)	Director	31.01.2005	4	Yes	11	-	2
Mr. Ranjan Kapur	NED (1)	Director	29.07.2006	5	Yes	5	3	2
Mr. Harish Motiwalla	NED (1)	Director	10.12.2004	5	Yes	6	3	3
Mr. Jalaj Dani	PD	Director	12.09.1994	5	Yes	4	1	-
Mr. Hasit Dani	PD	Director	27.05.2000	5	Yes	3	1	-
Mr. Malav Dani	PD	Director	01.02.2008	3	Yes	2	-	-
Mrs. Ina Dani @	PD	Director	30.01.2010	1	N. A.	2	-	-
Mr. Ashok K. Goyal *	MD	Managing Director	31.05.1997	5	Yes	3	-	-
Mr. Ashwin Nagarwadia	NED (2)	Director in casual vacancy	31.01.2009	1	No	4	-	-

Note:

PD - Promoter Director, NED - Non-Executive Director, NED (1) - Non-Executive Director - Independent, NED (2) - Non-Executive Director - Independent - Non-Resident, MD - Managing Director, N.A. - Not Applicable

* - 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. Ina Dani was appointed as an Additional Director with effect from 30th January 2010.

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

- For the purpose of considering the limit of the Committee Membership and Chairmanships of a Director, the Membership and Chairmanship of the Committee of Hitech Plast Limited has been excluded and only the Audit Committee, Remuneration Committee, the Shareholders'/Investors Grievance Committee of public limited companies alone has been considered. As per disclosure(s) received from the Directors, the Directors do not hold Membership in more than 10 committees and chairmanships in more than 5 committees.

B. Board Procedures:

For each meeting of the Board of Directors, agenda papers consisting of all the necessary information and material for ensuring effective deliberations and discussions at the meetings of the Board are circulated in advance to all the Directors. Senior Management of the Company is invited to attend the Board Meetings, to make presentations and provide clarifications as and when required. The proceedings of every meeting are recorded and minutes are prepared accordingly. The draft minutes of each meeting is circulated to the members of the Board, for their noting and approval, after which the same is signed by the Chairman.

The Board has unrestricted access to all the information and data, relevant to understand the business of the Company in general as well as the agenda items circulated are comprehensive in nature.

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

- a) Annual operating plans and budgets, capital budgets, updates;
- b) Quarterly results of the Company;
- c) Minutes of meetings of the Audit, Remuneration, Investors' Grievance and Share Transfer Committees, Committee of Directors, as well as abstracts of circular resolutions passed;
- d) General notices of interest;
- e) Information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of CFO and Company Secretary;
- f) Materially important litigations, show cause, demand, prosecution and penalty notices;
- g) Fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems;
- h) Any materially relevant defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- i) Any issue which involves possible public or product liability claims of a substantial nature;
- j) Details of any joint venture or collaboration agreement;
- k) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- l) Significant initiatives and developments on the human resource and industrial relations fronts;
- m) Sale of a material nature of investments, subsidiaries and assets, which are not in the normal course of business;
- n) Investment of funds of the Company;
- o) Details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement;
- p) Status on 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) 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;
- t) Disclosures made by the Senior Management Personnel as to all material financial and commercial transactions, where they have personal interest;
- u) Details of non-compliance of any regulatory, statutory nature or listing requirements and shareholder services such as delays in share transfer; and
- v) All other information which is relevant for decision making by the Board.

C. Committees of the Board:

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to Committees of the Board set up for the purpose. These Committees prepare the groundwork for decision making and report at the subsequent Board Meeting. Currently, the Board has four Committees, namely - (a) the Audit Committee; (b) the Remuneration Committee; (c) the Investors' Grievance and Share Transfer Committee and (d) the Committee of Directors. Terms of reference of the Committee(s) detailing their scope of work are determined by the Board from time to time. The Board periodically reviews the minutes of the meetings of all the Committees. Composition, terms of reference, numbers of meetings and related attendance, etc., of these Committees are detailed below:

1. Audit Committee:**Composition and terms of reference:**

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

The Audit Committee of your Company comprises of 3 (three) Independent Directors. The members of the Audit Committee as on 31st March 2010 were Mr. Rameshchandra Gandhi (Chairman), Mr. Harish Motiwalla and Mr. Ranjan Kapur, all of whom are financially literate, have financial and accounting expertise as well as exposure. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956. Details as to the date(s) on which the meetings were held and the attendance details of the members of the Audit Committee during the financial year ended 31st March 2010 are as below:

Date(s) on which the meeting(s) were held during the financial year 2009-2010	
29th May 2009	30th January 2010
30th July 2009	22nd March 2010
26th October 2009	

Attendance details of the members during the financial year 2009-2010

Sr. No.	Name of Director	Designation	Category	No of Meetings Attended
1	Mr. Rameshchandra Gandhi	Chairman	NED (1)*	4
2	Mr. Harish Motiwalla**	Member	NED (1)*	5
3	Mr. Ranjan Kapur	Member	NED (1)*	5

* NED (1) - Non-Executive Director - Independent

** Mr. Harish Motiwalla had chaired the Meeting held on 30th July 2009 in absence of Mr. Rameshchandra Gandhi.

Name of the Director	Meeting Details		
	Held during the year	Attended	Attendance %
Mr. Rameshchandra Gandhi (Chairman)	5	4	80%
Mr. Harish Motiwalla	5	5	100%
Mr. Ranjan Kapur	5	5	100%

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors, fixing of audit fees and approving payments for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report as per Section 217(2AA) of the Companies Act, 1956.
 - Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report, if any.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing adequacy of internal audit systems and the internal audit department including the structure, staffing, reporting structure and frequency of internal audit.
- Discussion with the internal auditors on any significant findings and follow up thereon.
- Reviewing the Company's financial and risk management policies.

9. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Reviewing reports furnished by the internal auditors and statutory auditors and ensuring suitable follow up thereon.
12. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

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

The powers and terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreements. The Chairman of the Audit Committee attends the Annual General Meeting of the Company.

The Committee invites Mr. Ashok K. Goyal, the Managing Director, M/s Shah & Co. the Statutory Auditors and the Internal Auditors to attend the Audit Committee Meeting(s). The Chief Financial Officer & Company Secretary Mr. Bhupendra P. Dusara acts as Secretary to the Committee.

2. Remuneration Committee:

Composition and terms of reference:

Independent Directors constitute the Remuneration Committee, which is responsible for determining and recommending to the Board, the remuneration payable to the Managing Director of the Company.

The Members of the Committee were Mr. Rameshchandra Gandhi (Chairman), Mr. Ashwin Nagarwadia and Mr. Harish Motiwalla. One meeting of the Committee was held on 8th May 2010.

Attendance detail of the members in meeting held on 8th May 2010 :

Sr. No.	Name of Director	Designation	Category	No of Meetings Attended
1.	Mr. Rameshchandra Gandhi	Chairman	NED (1)*	1
2.	Mr. Harish Motiwalla	Member	NED (1)*	1
3.	Mr. Ashwin Nagarwadia	Member	NED (2)**	-

* NED (1) = Non-Executive Director - Independent

** NED (2) = Non-Executive Director - Independent - Non-Resident

Name of the Director	Meeting Details		
	Held during the year	Attended	Attendance %
Mr. Rameshchandra Gandhi (Chairman)	1	1	100%
Mr. Harish Motiwalla	1	1	100%
Mr. Ashwin Nagarwadia	1	-	-

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

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

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

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

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

Managing Director:

The remuneration payable to the Managing Director of the Company is recommended by the Remuneration Committee to the Board. The criteria adopted by the Committee to determine the remuneration of the Managing Director is the performance of the Company and the industry benchmarks. The Company has entered into agreements with the Managing Director of the Company, which are approved by the Board of Directors as well as the Shareholders of the Company, detailing the terms of the employment and his remuneration. The agreement with the Managing Director is for a period of five years and renewed thereafter, on mutually accepted terms and conditions. The Managing Director was re-appointed on 20th July 2002. By entering into a supplemental agreement, effective 1st October, 2006, the Company started payment of remuneration to Mr. Ashok K. Goyal. The Company terminated the said contract with Mr. Ashok K. Goyal on 1st April 2007 to enter into a new contract with effect from 2nd April 2007, so as to vary the payment

of remuneration amount depending upon the performance of the Company. In accordance with the terms of the agreement, his appointment can be terminated by giving six months notice in writing.

His remuneration structure comprises of salary, discretionary allowance, special allowance, performance linked bonus, perquisites etc. No severance fees is payable to him on termination of employment. No sitting fees for attending the meetings of the Board or Committee(s) thereof shall be paid to the Managing Director.

Advisor:

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

Accordingly, the Chairman is entitled to the following:

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

The amount of expenses reimbursed for the year was ₹ 1.22 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 309 of the Companies Act, 1956 and the limits approved by the Shareholders at their meeting held on 26th September 2009. The commission payable is determined as a percentage to the profits (as determined under Section 349 and 350 of the Companies Act, 1956) of the Company.

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

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

Remuneration paid to the Directors and their relationship with each other: (Figures in ₹)

Name of the Director	Relationship with each other	Salary	Perquisites @	Sitting Fees	Performance Linked Bonus	Commission	Total
Ashok K. Goyal	##	30,00,000	8,46,493	—	14,00,000	—	52,46,493
Ashwin Dani	Husband of Mrs. Ina Dani and Father of Mr. Jalaj Dani, Mr. Hasit Dani & Mr. Malav Dani	—	1,22,419	37,000	—	60,000	2,19,419
Ina Dani *	Wife of Mr. Ashwin Dani and Mother of Mr. Jalaj Dani, Mr. Hasit Dani & Mr. Malav Dani	—	—	5,000	—	10,000	15,000
R. B. Desai	##	—	—	—	—	—	—
Rameshchandra Gandhi	##	—	—	42,000	—	1,60,000	2,02,000
Ranjan Kapur	##	—	—	50,000	—	60,000	1,10,000
Harish Motiwalla	##	—	—	52,000	—	1,00,000	1,52,000
Jalaj Dani	Son of Ashwin Dani & Mrs. Ina A Dani, Brother of Hasit Dani and Malav Dani	—	—	37,000	—	60,000	97,000
Hasit Dani	Son of Ashwin Dani & Mrs. Ina A Dani, Brother of Jalaj Dani and Malav Dani	—	—	37,000	—	60,000	97,000
Malav Dani	Son of Ashwin Dani & Mrs. Ina A Dani, Brother of Jalaj Dani and Hasit Dani	—	—	25,000	—	60,000	85,000
Ashwin Nagarwadia	##	—	—	5,000	—	60,000	65,000

* Part of the Year.

There is no relationship with any of the Directors.

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

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Shareholding of the Executive and Non-Executive/Independent Directors of the Company as on 31st March 2010:

Name of the Director	Nature of Directorship	Number of Shares held *	Percentage of the paid-up capital
Ashok K. Goyal	Managing Director	1,08,000	0.82
Ashwin Dani	Non-Executive Chairman - Promoter Director	1,50,095	1.14
R. B. Desai	Non-Executive/ Independent/ Non-Resident	–	–
Rameshchandra Gandhi	Non-Executive/ Independent	5,000	0.04
Ranjan Kapur	Non-Executive/ Independent	–	–
Harish Motiwalla	Non-Executive/ Independent	4,300	0.02
Jalaj Dani	Non-Executive/ Promoter Director	25,100	0.19
Hasit Dani	Non-Executive/ Promoter Director	30,000	0.23
Malav Dani	Non-Executive/ Promoter Director	30,000	0.23
Ashwin Nagarwadia	Non-Executive/ Independent/ Non-Resident	5,000	0.04
Ina Dani	Non-Executive/ Promoter Director	35,200	0.27
TOTAL		3,92,695	2.98

* As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

3. Investor's Grievance and Share Transfer Committee:

The Investor's Grievance and Share Transfer Committee consisted of Mr. Ashwin S. Dani as the Chairman, Mr. Ashok K. Goyal, Mr. Jalaj A. Dani, Mr. Hasit A. Dani and Mr. Malav A. Dani as the members. The Committee monitors redressal of investors' grievances on regular basis.

During the financial year ended 31st March 2010, the Investor Grievance and Share Transfer Committee met 22 times.

The terms of reference of the Committee include the following:

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

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

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31st March 2010 are given as follows:

Nature of Complaints	Received	Replied
Non receipt of dividend warrants	1	1
Non receipt of demat credit / Remat Credit	3	3
Non receipt of Annual Report	1	1
Others / Miscellaneous	1	1
Total	6	6

All the complaints as at the end of the financial year 31st March 2010 stand resolved and no complaints are pending for redressal.

4. Committee of Directors :

The Committee of Directors consisted of Mr. Ashwin S. Dani as the Chairman, Mr. Ashok K. Goyal, Mr. Jalaj A. Dani, Mr. Hasit A. Dani and Mr. Malav A. Dani as the members. The Committee meets for deciding the matters relating to various operations of the Company, when the need arises.

During the financial year ended 31st March 2010, the Committee met 6 times.

The terms of reference of the Committee include the following:

1. power to open and/or close cash credit accounts, current accounts and collection accounts with scheduled banks and authorising officials of the Company for operating the various bank accounts, from time to time. Power also to make addition and/or deletion of names of authorised signatories for operating the various bank accounts, from time to time;
2. power to appoint staff, technical or professional, at a salary exceeding ₹ 25 lacs but not exceeding ₹ 40 lacs, per annum per employee;
3. power to appoint advisors, retainers, consultants;
4. power to approve capital expenditure proposals exceeding ₹ 30 lacs but not exceeding ₹ 80 lacs.
5. power to approve disposal of assets exceeding value of ₹ 5 lacs but not exceeding ₹ 10 lacs;
6. power to borrow moneys otherwise than on debentures, pursuant to section 292(1)(c) of the Companies Act, 1956, to the extent of ₹ 100 crores.
7. power to make loans to subsidiary company namely Clear Plastics Limited with an overall limit of ₹ 15 crores & Mipak Polymers Limited with an overall limit of ₹ 10 crores.
8. power to make loans, pursuant to section 292(1)(e) of the Companies Act, 1956, to any employee of the Company utilising the funds of the Company, within an overall limit of ₹ 30 lacs outstanding at any one time and that the loan given to any employee shall in no case exceed ₹ 5 lacs and the Managing Director of the Company be and is hereby authorised to do such acts, deeds and things as may be necessary for disbursing the loans on behalf of the Company;
9. any other matters as may be delegated by the Board from time to time.

D. Subsidiary Company:

Your Company in terms of Clause 49 (III) of the Listing Agreements, requires at least One Independent Director on the Board of Directors of the holding Company to be a Director on Board of Directors of a material non-listed Indian subsidiary company, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiary in the immediately preceding accounting year. Accordingly, Mr. Rameshchandra Gandhi, an Independent Director of the Company is on the Board of Clear Mipak Packaging Solutions Limited (earlier known as Clear Plastics Limited, a combined entity after the merger of Mipak Polymers Limited with Clear Plastics Limited with effect from 1st October 2009).

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

E. CEO/CFO Certification:

As required by Clause 49 (V) of the Listing Agreements, the CEO/CFO Certificate signed by Mr. Ashok K. Goyal, Managing Director and Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary was placed before the Board of Directors at their meeting held on 26th June 2010 and the same is attached to the report.

F. Auditors Certificate on Corporate Governance:

As required by Clause 49 of the Listing Agreements, the Auditors certificate is given in the Annexure to the Directors' Report section in the Annual Report.

General Body Meetings:

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

Year	Location	Meeting Date	Time	No. of Special Resolutions set out at the AGM	Business Transacted
2008-09	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020	26th September 2009	11.30 a.m.	2	1. To appoint Mr. Ashwin Dani to hold office or place of profit under the Company as Advisor to the Company. 2. Payment of Commission to Non-executive Directors.
2007-08	Sunville, Royal Hall, 3rd Floor, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018.	20th September 2008	11.30 a.m.	1	Approval for keeping Register of Members and copies of Annual Returns with the Company's Registrar and Share Transfer Agent, viz. M/s. Intime Spectrum Registry Limited.
2006-07	Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020	22nd September 2007	11.00 a.m.	1	Appointment of Mr. Ashok K. Goyal as the Managing Director of the Company with effect from 2nd April 2007.

All special resolutions set out in the respective notices for the last three AGMs were passed by the shareholders at their respective meetings unanimously. During the financial year ended 31st March 2010, following two Special Resolutions were passed by the Company's shareholders through Postal Ballot:

Postal Ballot Notice dated 30th July 2009 in respect of the following matters:

1. Special Resolution under Section 372A of the Companies Act, 1956, for confirmation and ratification of the Corporate Guarantee given by the Company to its subsidiary namely Clear Plastics Limited.
2. Special Resolution under Section 372A of the Companies Act, 1956, for giving loans, guarantee and providing securities to the Company's subsidiaries, Clear Plastics Limited and Mipak Polymers Limited.

Mr. Hemendra N. Shah, Partner, M/s Shah & Co., Chartered Accountants being Statutory Auditors of the Company, was appointed as the Scrutinizer for conducting Postal Ballot process in a fair and transparent manner. Based on the report of the Scrutinizer dated 23rd September 2009, the results of voting by Postal Ballot were declared on 26th September 2009. The same is summarised as under:

Particulars	Resolution No. 1			Resolution No. 2		
	No. of Postal Ballot forms	No. of shares	% of total paid up equity capital	No. of Postal Ballot forms	No. of shares	% of total paid up equity capital
	Confirmation and ratification of the Corporate Guarantee given by the Company to its subsidiary namely Clear Plastics Limited.			Giving loans, guarantee and providing securities to the Company subsidiaries, Clear Plastics Limited and Mipak Polymers Limited.		
Total postal ballot forms received	146	90,62,658	68.78	146	90,62,658	68.78
Less : Invalid postal ballot forms (as per register)	25	15,447	0.12	27	15,647	0.12
Net valid postal ballot forms (as per register)	121	90,47,211	68.67	119	90,47,011	68.66
Postal ballot forms with assent for the Resolution	111	90,46,205	68.66	107	90,45,805	68.65
Postal ballot forms with dissent for the Resolution	10	1,006	0.01	12	1,206	0.01

The Company does not propose to pass any resolution through Postal Ballot.

DISCLOSURES:

1. Disclosures on materially significant related party transactions:

The Company has not entered into any transaction of a material nature except transactions with related parties which are furnished under Schedule 'O' of the Notes to the Accounts as stipulated under Accounting Standard 18 (AS-18) with the Promoters, Directors

or the Management, their subsidiaries or relatives etc. All transactions were carried out on an arms length basis and were not prejudicial to the interest of the Company.

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

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

3. Disclosure of Accounting Treatment:

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

4. Details of compliance with mandatory and non-mandatory requirements of Clause 49 of the Listing Agreements:

Your Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreements. Following is the status of the compliance with the non-mandatory requirements of the Clause 49 of the Listing Agreements:

- a There is no fixed or specific tenure for Independent Directors of the Companies.
- b The Company has constituted a Remuneration Committee. The Remuneration Committee determines the remuneration payable to the Managing Director of the Company.
- c During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.
- d The Company does not have a formal Whistle Blower Policy; however, the Company has its intranet portal, wherein all the employees are free to express their feedback/suggestions/complaints, if any at suggestions@hitechplast.co.in and feedback@hitechplast.co.in. The Policy ensures that no employee of the Company is denied access to the chairman or any other member of the Audit Committee.

5. Code of Conduct for the Board of Directors and senior management personnel:

The Board of Directors at their meeting held on 31st January 2005, had adopted a Code of Conduct for all the Board Members and senior management personnel of the Company in consonance with the requirement under Clause 49(I) (D) of the Listing Agreements. The Code of Conduct has been posted on the website of the Company. All the Board members and the senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March 2010. The declaration to this effect signed by Mr. Ashok K. Goyal, Managing Director of the Company forms part of the report.

6. Code of Conduct for Prevention of Insider Trading:

Your Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Mr. Bhupendra P. Dusara, Chief Financial Officer & Company Secretary is the Compliance Officer with effect from 2nd April 2007. All the Directors, Senior Management Personnel (Management Team) and such other designated employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company, are covered under the said code. The Directors, their relatives, senior management personnel, designated employees etc. are restricted in purchasing, selling and dealing in the shares while possession of unpublished price sensitive information about the Company as well as during certain periods known as "Quiet Period".

7. Management Discussion and Analysis:

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

Means of communication:

The quarterly results of Company are taken on record by the Board of Directors and submitted to the Stock Exchange(s) in terms of requirements of Clause 41 of the Listing Agreements and are published in Mumbai editions of Free Press Journal and Navshakti. The results of the Company are also put up on the Company's website: www.hitechplast.co.in. Also, the Annual General Meeting(s) conducted by the Company enable face to face communication by the Board of Directors with the Shareholders of the Company. At present, half-yearly results are not sent to each household of shareholders and no presentations have been made to institutional investors or to the analysts. All important information pertaining to the Company is also mentioned in the Annual Report of the Company containing inter-alia Audited Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and the Corporate Governance Section which is circulated to the members and others entitled thereto for each financial year. The Annual Report, quarterly results, shareholding pattern etc. are posted on the web site: www.sebidifar.nic.in, pursuant to Clause 51 of the Listing Agreements and are also intimated to the Stock Exchange which in turn display the same on its website.

NOTES ON DIRECTORS SEEKING RE - APPOINTMENT / APPOINTMENT:

As per the Companies Act, 1956, at least two-thirds of the Board should consist of retiring Directors. Of these, one-third of the retiring Directors are required to retire every year. All the Directors, excepting the Managing Director, are liable to retire by rotation.

In accordance with Article 104 of the Articles of Association of the Company, Mr. Hasit A. Dani, Mr. Ranjan Kapur and Mr. Rajnikant B. Desai are to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Further, Mrs. Ina A. Dani was appointed as an Additional Director with effect from 30th January 2010 at the Board Meeting held on 30th January, 2010 whose appointment is proposed to be regularized at the ensuing Annual General Meeting of the Company.

A brief resume of the Directors being appointed / re-appointed is as follows:

Details of the Directors retiring by rotation at the ensuing Annual General Meeting as well as seeking appointment, as required pursuant to Clause 49(IV) of the Listing Agreements:

	Mr. Hasit A. Dani	Mr. Ranjan Kapur	Mr. Rajnikant B. Desai	Mrs. Ina A. Dani
Date of Birth	14th June 1972	25th November 1942	15th August 1934	19th March 1942
Profile of the Director	<p>Mr. Hasit A Dani holds a Bachelors degree in Business Administration from University of Massachusetts and Masters degree from University of Pittsburgh, USA and has working experience in general administration, having worked with Asian Paints Limited.</p> <p>Presently, he is working as Managing Director of Gujarat Organics Limited.</p>	<p>Mr. Ranjan Kapur is M.A. in English from St. Stephans College, New Delhi. He started his career with Citibank, N.A. and is a veteran of the advertising business having spent 40 years with Ogilvy & Mather India Pvt. Ltd. and held the position of Executive Chairman, India and Vice-Chairman Asia Pacific. He is currently Country Manager - India of WPP. He is also the Chairman of Strategic Planning Group at Bombay First, an NGO that actively works with Government & civic bodies.</p>	<p>Mr. Rajnikant B. Desai, a Non-Resident Indian, Ex-GM of Herdillia Chemicals Limited, is a Director of the Company since 1994. He has rich professional experience in the industry and moulding related field. His experienced suggestions are quite valuable to the Company.</p>	<p>Mrs. Ina A. Dani is a Graduate in fine Arts from M.S. University, Baroda. She is also connected with various social activities.</p>
Date of joining the Board	27th May 2000	29th July 2006	31st March 1994	30th January 2010
Directorships and Committee Memberships in other companies	<ul style="list-style-type: none"> • Asian Paints Ltd.* Member – Investor Grievance Committee • Gujarat Organics Ltd. • Pragati Chemicals Ltd. <p>[* resigned with effect from 3rd June 2010]</p>	<ul style="list-style-type: none"> • MIRC Electronics Ltd. Member – Audit Committee Chairman – Shareholders & Investor Grievance Committee Chairman – Remuneration Committee • Pidilite Industries Ltd. Member – Audit Committee • Abbott India Ltd. Member – Audit Committee • MIC Electronics Ltd. • Nimbus Communications Ltd. 	NIL	<ul style="list-style-type: none"> • Coatings Specialities (India) Ltd. • Dani Finlease Ltd.
No. of Shares held in the Company	30,000	NIL	NIL	35,200

General Shareholder Information:

Annual General Meeting:	
Date	: 4 th September 2010
Venue	: Indian Merchants' Chamber, 2nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai - 400 020.
Time	: 11.30 a.m.
Financial Calendar:	
Financial year :	: 1 st April to 31 st March.
For the year ended 31 st March 2010 results were announced on:	
30 th July 2009	: First Quarter
26 th October 2009	: Second Quarter
30 th January 2010	: Third Quarter
8 th May 2010 & 26 th June 2010	: Fourth Quarter (Un-audited) and Audited Annual
For the financial year ending on 31 st March 2011 results will be announced tentatively:	
On or around 15 th August 2010	: First Quarter
On or around 15 th November 2010	: Second Quarter
On or around 15 th February 2011	: Third Quarter
On or around 31 st May 2011	: Fourth Quarter and Annual
Book Closure Date:	: 27 th August 2010 to 4 th September 2010 (both days inclusive)

Dividend Payment Date:

A final dividend of ₹ 1.50 (15 per cent) per share has been recommended in the Board of Directors meeting held on 26th June 2010 and subject to the approval of the shareholders at the Annual General Meeting, will be paid on and after 6th September 2010, as follows:

1. 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 27th August 2010.
2. 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 26th August 2010.

Dividend declared and paid during last four years by the Company:

Year	Percentage	₹ per share	(₹ in Lacs)
2005-2006	8%	0.80	105.41
2006-2007	8%	0.80	105.41
2007-2008	10%	1.00	131.76
2008-2009	11%	1.10	144.93

Listing :

The Company' share are listed on:

1. Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, 25th Floor,
Dalal Street, Mumbai 400 001.
Telephone: 022-2272 1233/34
Facsimile: 022-2272 1919/3027
2. National Stock Exchange of India Limited (NSE)
Exchange Plaza, 5th Floor, Plot No. C/1,
"G" Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Telephone: 022-2659 8100 - 14
Facsimile: 022-2659 8237/38

Listing and Custodial fees:

The Company has paid the Listing Fees for the financial year 2009-2010 to the Stock Exchange(s) on which Company's shares are listed. The Company has also paid custodial fees for the year 2009-2010 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is INE120D01012.

The Stock Exchange codes assigned to your Company's share are as follows:

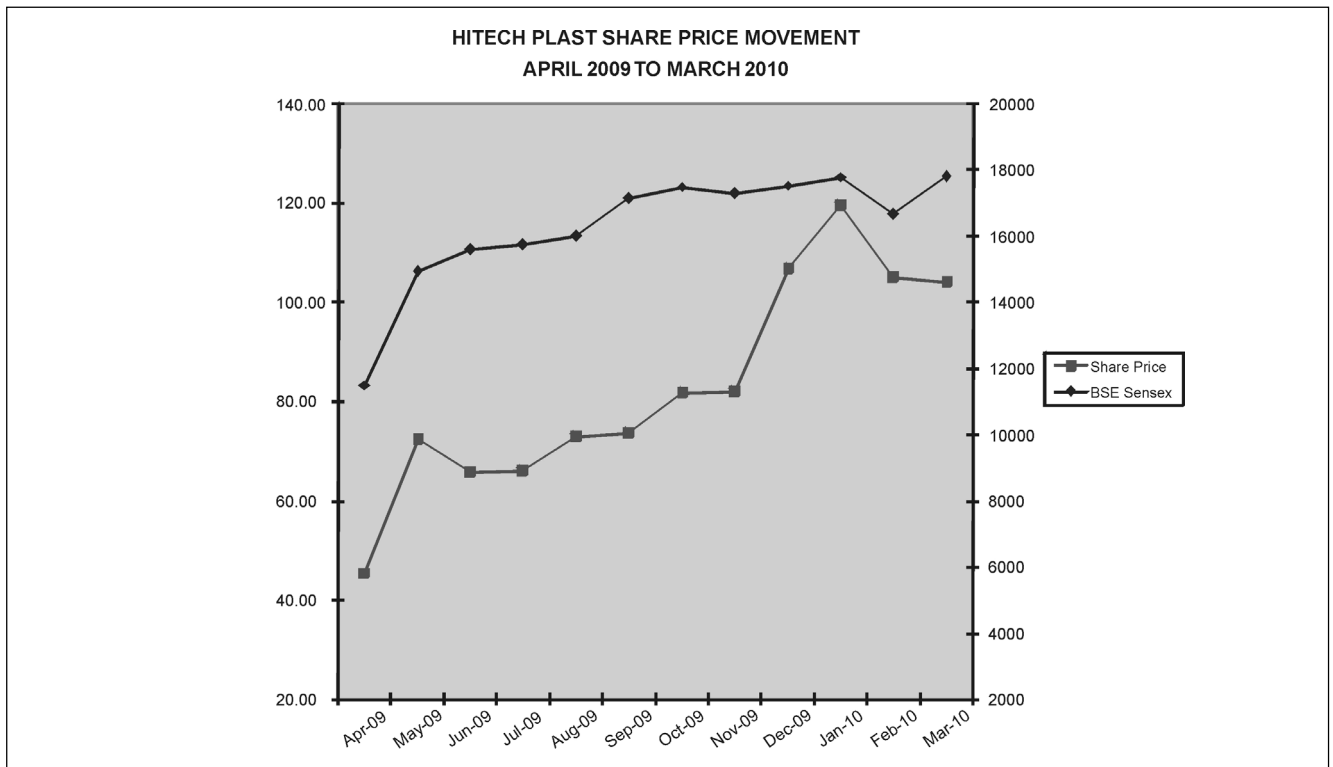
Name of the Stock Exchange	Scrip Code
Bombay Stock Exchange Limited (BSE)	526217
National Stock Exchange of India Limited (NSE)	HITECHPLAS

Stock Price Data:

The monthly high and low prices and volumes of your Company's shares at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March 2010 are given as follows:

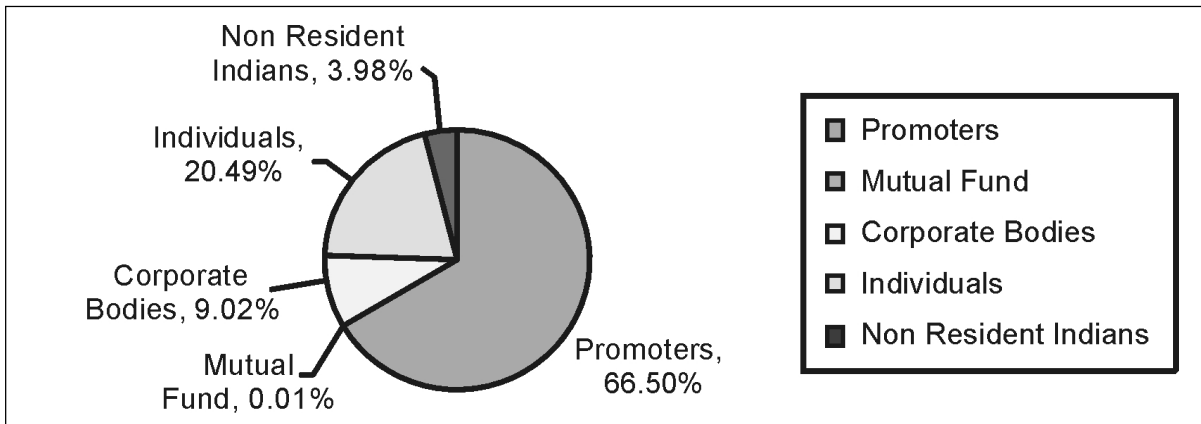
High, low and volumes of Hitech Plasts' shares for 2009-2010:										
Month	High (₹)		Low (₹)		Volume (No. of Shares)		Date on which it touched the high		Date on which it touched the low	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
April	45.50	45.50	33.50	33.25	16,834	12,648	02.04.09	02.04.09	01.04.09	01.04.09
May	72.40	64.80	41.50	39.95	17,684	9,762	19.05.09	22.05.09	08.05.09	07.05.09
June	65.80	64.70	55.00	54.25	17,950	10,683	03.06.09	01.06.09	15.06.09	22.06.09
July	66.00	67.00	46.05	46.00	12,600	11,801	31.07.09	31.07.09	07.07.09	15.07.09
August	72.85	69.00	53.00	46.70	68,072	59,625	24.08.09	24.08.09	12.08.09	18.08.09
September	73.50	75.60	58.30	60.00	1,35,384	1,16,731	10.09.09	25.09.09	08.09.09	04.09.09
October	81.65	81.55	60.10	58.30	1,72,170	79,796	28.10.09	28.10.09	09.10.09	17.10.09
November	82.00	81.00	63.00	62.80	59,155	37,419	24.11.09	24.11.09	16.11.09	09.11.09
December	106.70	107.90	72.55	70.45	1,46,357	2,01,774	31.12.09	31.12.09	02.12.09	02.12.09
January	119.45	115.60	86.20	83.60	1,36,829	56,155	21.01.10	21.01.10	04.01.10	29.01.10
February	105.00	103.50	84.05	82.70	39,884	54,867	18.02.10	18.02.10	26.02.10	25.02.10
March	104.00	103.00	80.05	78.00	1,02,307	93,625	03.03.10	03.03.10	02.03.10	10.03.10

Note : High and low are in rupees per traded share. Volume is the total monthly volume of trade in Hitech Plasts' shares on BSE & NSE. Below mentioned Chart shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of BSE Sensex for the year 2009-2010 :



Share Transfer System:

The Investors' Grievance and Share Transfer Committee has been constituted to approve share transfer, transmission, split, consolidation, etc. of shares / share certificates. The applications and requests received by your Company for transfer of shares held in physical form are processed and the share certificates for the same are sent to the transferee within the stipulated period under the Companies Act, 1956 and the Listing Agreements. A summary of all the transfers, transmissions, deletion requests, etc., approved by the Share Transfer Committee is placed before the Board of Directors from time to time for their review. The Committee ordinarily meets once in 10 days.

Distribution pattern of shareholdings as on 31st March 2010:**Distribution of Shareholder holdings:**

The distribution pattern of shareholding of your Company as on 31st March 2010 by ownership and size class, respectively, is given as follows:

Distribution of shareholdings by ownership:			
	Category of Shareholder	Total No. of Shares	Percentage of total no. of shares
(A)	Shareholding of Promoter and Promoter Group		
	(a) Individuals/Hindu Undivided Family	3,09,095	2.35
	(b) Bodies Corporate	84,52,295	64.15
	Total Shareholding of Promoter and Promoter Group (A)	87,61,390	66.50
(B)	Public Shareholding		
1)	Institutions		
	(a) Mutual Funds/UTI	1,100	0.01
	Sub-Total (B) (1)	1,100	0.01
2)	Non-Institutions		
	(a) Bodies Corporate	11,89,003	9.02
	(b) Individuals		
	(i) Individual shareholders holding nominal share capital up to ₹ 1 Lakh	12,30,340	9.34
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	14,69,033	11.15
	(c) Individual (Non-Resident Individuals)	5,24,834	3.98
	Sub-Total (B) (2)	44,13,210	33.49
	Total Public shareholding (B) = (B) (1) + (B) (2)	44,14,310	33.50
	Total (A) + (B)	1,31,75,700	100.00

Distribution of shareholding of the Company by number of shares held as on 31st March 2010:

	Shareholders		Amount in ₹	% to Total
	Number	% to Total		
Upto 500	5,051	92.95	61,16,210	4.64
501 – 1000	110	2.03	9,55,700	0.73
1001 – 2000	70	1.29	10,72,800	0.81
2001 – 3000	35	0.64	9,42,090	0.72
3001 – 4000	18	0.33	6,42,540	0.49
4001 – 5000	39	0.72	19,25,310	1.46
5001 – 10000	43	0.79	32,47,110	2.46
10001 & above	68	1.25	11,68,55,240	88.69
Total	5,434	100.00	13,17,57,000	100.00

Details about Company's dematerialised shares:

Number of shares	% to total shares	Number of shareholders	% to total shareholders
37,50,484	28.465	2,131	39.22

As per the directions of SEBI, Equity Shares of the Company can be traded by all the investors only in dematerialised form. The Company's Shares are actively traded on BSE and NSE. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Your Company has entered into agreement with both these depositories.

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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 Registrar and Transfer Agent of the Company. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

Break up of shares in physical and demat form as on 31st March 2010:

	No of shares	Percentage of shares
A. Demat Segment		
National Securities Depository Limited (NSDL)	35,43,104	26.89
Central Depository Services (India) Limited (CDSL)	2,07,380	1.58
Total Dematted (A) :	37,50,484	28.47
B. Physical Segment (B) :	94,25,216	71.53
TOTAL (A + B) :	1,31,75,700	100.00

Secretarial Audit Report :

As stipulated by the SEBI a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The 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 Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialized shares and those in the physical mode.

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

The Company does not have any outstanding GDRs/ADRs/warrants/convertible instruments as on 31st March 2010.

Details of public funding obtained in the last three years:

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

Other Information:

Corporate Identification Number (CIN No.):

Our Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs, Government of India is L28992MH1991PLC168235 and the Company Registration Number is 168235. Our Company is registered in the State of Maharashtra, India.

History of IPO/Allotment of shares of the Company:

Build up of the Company's share capital:			
Type of Issue	Year of Issue	No. of Shares	Total Cumulative Shares (No.)
Initial Public Offer (IPO)	1993	49,00,000	49,00,000
Preferential Allotment to Promoters	1994	5,00,000	54,00,000
Preferential Allotment to Promoters for Redemption of Preference Capital	2000	36,00,000	90,00,000
Issue of Shares pursuant to merger with Plastic Precision & Machinefabrik Limited	2004	28,96,995	1,18,96,995
Private allotment of Equity Issue	2006	12,78,705	1,31,75,700
Total paid-up capital as on 31st March 2010			1,31,75,700

Registrar and Transfer Agent:

Securities & Exchange Board of India (SEBI), through its circular No D and CC/FITTC/CIR-5/2002 dated 27th December 2002 has made it mandatory for all work related to share registry, both in physical and electronic form, to be handled either wholly 'in-house' by Companies or wholly by a SEBI registered external registrar and transfer agent. Hitech Plast Limited had appointed Link Intime India Private Limited (earlier known as Intime Spectrum Registry Limited) as its Registrar and Transfer Agent of the Company. Shareholders, beneficial owners and depository participants (DPs) are requested to send / deliver the documents / correspondence relating to the Company's share transfer activity etc. to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the following address:

Link Intime India Private Limited
Unit: Hitech Plast Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), Mumbai - 400 078
Tel. 2596 3838 Fax: 2596 2691
E-mail: mumbai@linkintime.co.in

Members are requested to quote their e-mail address, telephone number and full address for prompt reply to their communication. Members are further informed that a separate cell called Client Co-ordination Department has been set up to serve as single point contacts for the shareholders. The email address is rnt.helpdesk@linkintime.co.in and telephone number is 022-25946970.

Website : www.hitechplast.co.in

The Company's website provides for the benefit of shareholders relevant information.

E-mail ID for Investor's Grievances:

Securities Exchange Board of India (SEBI) vide its amendment in the Listing Agreements by adding a new sub-clause (f) to the Clause 47 of the Listing Agreements, which mandates all listed companies to designate an e-mail address of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors. Your Company has an exclusive e-mail id for registering complaints by the shareholders and quick redressal thereof.

The e-mail address for investor grievance is investor.help@hitechplast.co.in

Unpaid/Unclaimed dividend:

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

Financial Year	Type	Unclaimed dividend amount as on 31.03.2010 (in ₹)	Due Date for transfer to IEPF
2005-2006	Final	1,35,556	29.10.2013
2006-2007	Final	1,30,414	30.10.2014
2007-2008	Final	1,60,229	28.10.2015
2008-2009	Final	1,36,008	01.11.2016

PLANT LOCATIONS :

Company Plants located at

SANASWADI	MASAT	PUDUCHERRY
Gut Nos. 939 & 940, Village : Sanaswadi, Tal. Shirur, Dist. Pune, Maharashtra 412 208.	Silvassa Technopark Bldg, Behind Santogen Mills, Masat, Silvassa 396 230.	RS No. 146/3/4/5 Ariyur Village, Villianur Commune, Puducherry 605 102.
SRI PERUMBUDUR	GALONDA	ROHTAK
F-16/ SIPCOT Industrial Park, Kancheepuram, Sri Perumbudur, Tamil Nadu 602 106.	Survey No. 374/1 Village Galonda, Silvassa Kelvani Road, Silvassa 396 230.	Plot No. 2, Sector 30B, Industrial Model Township (IMT), Rohtak, Haryana 124 001.

Subsidiary company and its plants : CLEAR MIPAK PACKAGING SOLUTIONS LIMITED

NAROLI – I & II	SARIGAM	PPMF	BADDI – I & II
709/3/1/1 Vadfalia, Bhilad Naroli Road, Naroli, Silvassa 396 235.	4923 Plastic Zone Road No. 46A, Manda Village, GIDC Sarigam Gujarat 396 155.	4615/16 Plastic Zone Road, Manda Village, GIDC Sariagm Gujarat 396 155.	Khasra No. 544/151 Village Dhana Tehsil Nalagrah Dist Solan HP 174 101 .
MP	PK	DADRA	SITARGANJ
A-1/912-913, G.I.D.C., Umbergaon, Dist. Valsad, Gujarat - 396 171.	Plot No.G-10, O.I.D.C. Udyog Nagar Indl. Estate, Village Ringanwada, Daman - 396 210.	Survey No. 259/21/1, Demini Road, Arihant Indl. Estate, Dadra - 396 230 (U.T. of D&N.H) 396 230.	Plot No. D-63, Phase - 2 Sitarganj, Uttarakhand 262 405.

Address for correspondence : Registered Office :

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

Tel. +91 22 - 4001 6500

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that the Company had adopted Code of Conduct for all the Board Members and Senior Management Personnel of the Company, in consonance with the requirement under Clause 49(I)(D) of the Listing Agreements. The Code of Conduct had been posted on the website of the Company. I further hereby confirm that the Company has obtained from all the Board Members and the Senior Management Personnel, an affirmation of compliance with the Code of Conduct, for the financial year ended 31st March 2010.

Place : Mumbai

Date : 26th June 2010

Ashok K. Goyal
Managing Director

AUDITORS' REPORT ON CORPORATE GOVERNANCE TO THE MEMBERS OF HITECH PLAST LIMITED

We have examined the compliance of conditions of Corporate Governance by HITECH PLAST LIMITED for the year ended March 31, 2010 as stipulated in clause 49 of the Listing Agreements of the said Company with the Stock Exchanges - Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreements.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor's grievances remaining unattended / pending for more than 30 days as at March 31, 2010.

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 Shah & Co.
Chartered Accountants
FRN: 109430 W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai

Date : 26th June 2010

AUDITORS' REPORT TO THE MEMBERS OF HITECH PLAST LIMITED

We have audited the attached Balance Sheet of Hitech Plast Limited as at 31st March 2010, the Profit and Loss Account of the Company and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

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

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- c) The Balance Sheet, the Profit and Loss Account and the cash flow statement referred to in this report are in agreement with the books of account.

- d) In our opinion the Balance Sheet, the Profit and Loss Account and the cash flow statement referred to in this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956.
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss Account and the cash flow statement, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as on 31st March 2010;
 - (ii) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date;And
 - (iii) In the case of cash flows statement, of the cash flows for the year ended on that date.

For Shah & Co.
Chartered Accountants
FRN: 109430 W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 26th June 2010

Annexure referred in paragraph 3 of the auditors' report to the members of Hitech Plast Limited for the year ended 31st March 2010

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and location of the Fixed Assets.
- (b) There is a regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
- (c) The Company has not disposed of substantial part of fixed assets during the year.
- 2 (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of stocks followed by the management are adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- 3 The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register required to be maintained under Section 301 of the Act.
- 4 In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods and services. There is no major weakness in the internal control procedures.
- 5 (a) The particulars of all contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been properly entered in the register maintained under section 301 of the Act.
- (b) In our opinion, and according to the information and explanations given to us, the contracts and arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market price.
- 6 In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, in respect of the Company's products.
- 9 (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities.
- (b) There are no disputed dues to be deposited at various forums.
- 10 The Company has not incurred cash loss in the current year and in the immediately preceding financial year and there are no accumulated losses in the balance sheet as at 31/3/2010.
- 11 The Company has not defaulted during the year in repayment of dues to any financial institutions, banks or debenture holders.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 As the Company is not a chit fund, nidhi, mutual benefit fund or society the provision of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 14 As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 15 The Company has given a guarantee on behalf of its subsidiary. In our opinion based on the information and explanations received, the terms and conditions of these guarantees are not prejudicial to the interest of the company.
- 16 The term loans obtained during the year are applied for the purpose for which it was obtained.
- 17 According to the information and explanations received the Company has not applied short term borrowings for long term use.
- 18 The Company has not made any preferential allotment of shares during the year to the parties and company covered under section 301 of the Companies Act.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money by way of public issue during the year.
- 21 As per the information and explanation given to us no material fraud on or by the Company has been noticed during the year.

For Shah & Co.Chartered Accountants
FRN : 109430 W**Ashish H. Shah**

Partner

Place : Mumbai

Date : 26th June 2010

Membership No. 103750

BALANCE SHEET AS AT 31st MARCH 2010

	Schedules	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
FUNDS EMPLOYED			
SHAREHOLDERS' FUNDS			
Share Capital	A	1,317.57	1,317.57
Reserves & Surplus	B	4,635.96	3,491.60
		5,953.53	4,809.17
LOANS			
Secured Loans	C	3,363.04	1,308.45
Unsecured Loans		683.67	550.80
		4,046.71	1,859.25
DEFERRED TAX LIABILITY			
		203.40	172.06
TOTAL		10,203.64	6,840.48
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	6,119.16	4,854.41
Less : Depreciation		2,880.99	2,546.82
Net Block		3,238.17	2,307.59
Add : Capital Work in Progress		1,405.57	26.63
		4,643.74	2,334.22
INVESTMENTS			
	E	2,805.54	1,911.70
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	F	1,280.76	907.54
Sundry debtors		1,877.58	1,551.25
Cash and Bank Balances		325.05	243.41
Loans and Advances		544.03	877.97
		4,027.42	3,580.17
Less : CURRENT LIABILITIES AND PROVISIONS	G	1,273.06	985.61
NET CURRENT ASSETS		2,754.36	2,594.56
TOTAL		10,203.64	6,840.48
Accounting Policies	N		
Notes on Accounts	O		

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750
Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee
Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010

	Schedules	For the Year Ended 31.03.2010 (₹ in Lacs)	For the Year Ended 31.03.2009 (₹ in Lacs)
INCOME			
Sales :			
Domestic		17,349.52	15,441.99
Export		—	—
Gross Sales		17,349.52	15,441.99
Less : Excise Duty Paid		1,469.93	2,004.12
Net Sales		15,879.59	13,437.87
Other Income	H	135.61	174.51
		16,015.20	13,612.38
EXPENDITURE			
Material Consumed	I	9,460.18	8,366.67
Manufacturing Expenses	J	1,750.88	1,425.85
Employees' remuneration and benefits	K	866.05	682.04
Administrative and Selling Expenses	L	1,081.87	917.40
		13,158.98	11,391.96
GROSS PROFIT BEFORE INTEREST, DEPRECIATION & TAX		2,856.22	2,220.42
Less: Interest and Financing Charges	M	504.12	658.95
PROFIT BEFORE DEPRECIATION AND TAX		2,352.10	1,561.47
Less : Depreciation [Refer Note Nos. 15 to 17 of Schedule 'O']	D	345.94	317.93
PROFIT BEFORE TAX		2,006.16	1,243.54
Less : Provision for Tax		600.00	250.64
Provision for Deferred Tax [Refer Note No. 14 of Schedule 'O']		31.35	54.90
Provision for Fringe Benefit Tax		—	10.70
Tax Provision for Earlier Year		—	1.51
NET PROFIT		1,374.81	925.79
Depreciation Written Back (net of Deffered Tax) for the earlier years		—	224.11
Previous year balance brought forward		2,362.69	1,405.50
Amount Available for Appropriations		3,737.50	2,555.40
APPROPRIATIONS			
Dividend :			
Proposed Dividend on Equity Shares		197.64	144.93
Tax on Dividend		32.82	24.63
Transfer to General Reserve		68.74	23.15
Balance carried to Balance Sheet		3,438.30	2,362.69
		3,737.50	2,555.40
Earning Per Share [Refer Note No. 22 of Schedule 'O']			
Basic & Diluted (in ₹)		10.43	7.03
Accounting Policies	N		
Notes on Accounts	O		

As per our Report of even date

On behalf of the Board of Directors

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashwin S. Dani
Chairman

Ashok K. Goyal
Managing Director

Ashish H. Shah
Partner
Membership No. 103750

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Place : Mumbai
Date : 26th June 2010

Place : Mumbai
Date : 26th June 2010

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010
[PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT]**

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary Item	2,006.16	1,243.54
Adjustments for :		
Depreciation	345.94	317.93
Loss/(Profit) on Sale of Assets	(0.50)	(1.52)
Interest Expense	504.11	658.95
Interest Income	(67.09)	(37.47)
Operating Profit before working capital changes	2,788.62	2,181.43
Adjustments for :		
Trade Receivables	(326.32)	(49.21)
Other Receivables	375.74	93.40
Inventories	(373.22)	20.38
Trade Payables	247.89	170.54
Cash Generated from Operations	2,712.71	2,416.54
Income Tax paid	(638.01)	(206.93)
Net Cash Flow from Operations	2,074.70	2,209.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,660.37)	(587.03)
Sale of Fixed Assets	5.42	15.82
Interest Received	63.31	54.61
Purchase of Investments (Equity Shares of Subsidiary Company)	(893.84)	-
Net Cash used in Investing Activities	(3,485.48)	(516.60)
C. CASH FLOW FROM FINANCING ACVTIVITIES		
Gain on commutation of Sales Tax Deferral Loan	-	92.56
Proceeds from Long Term Borrowings	1,675.58	6.75
Repayment of Long Term Borrowings	-	(248.87)
Proceeds from/ (Repayment of) Cash Credit	572.08	(718.94)
Proceeds from Short Term Borrowings	20.00	124.64
Repayment of Short Term Borrowings	(80.21)	(27.18)
Dividend & Tax on Dividend	(169.28)	(151.45)
Interest Paid	(525.75)	(650.28)
Net Cash used in Financing Activities	1,492.42	(1,572.77)
Net (Decrease)/ Increase in Cash and Cash Equivalents	81.64	120.24
Cash and Cash Equivalents at the beginning of the year	243.41	123.17
Cash and Cash Equivalents at the end of the year	325.05	243.41

Note : Cash and Cash Equivalents at the end of the period include Bank Guarantee Deposits with Banks of ₹ 28.30 Lacs (Previous Year ₹ 20.80 Lacs)

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

SCHEDULES FORMING PART OF THE ACCOUNTS :

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
SCHEDULE "A": SHARE CAPITAL		
AUTHORISED:		
2,00,00,000 Equity Shares of ₹ 10/- each (Previous Year 2,00,00,000)	2,000.00	2,000.00
TOTAL	2,000.00	2,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP:		
1,31,75,700 Equity Shares of ₹ 10/- each fully paid (Previous Year 1,31,75,700)	1,317.57	1,317.57
[Includes 28,96,995 Equity Shares of ₹ 10/- each issued as fully paid, pursuant to the Scheme of Amalgamation of Plastic & Precision Machinefabrik Limited, without payment received in cash.] [Out of the above, 80,29,295 Equity Shares of ₹ 10/- each are held by Geetanjali Trading and Investments Private Limited.]		
TOTAL	1,317.57	1,317.57
SCHEDULE "B" : RESERVES & SURPLUS		
Capital Subsidy	25.00	25.00
Capital Redemption Reserve	251.00	251.00
Share Premium	737.21	737.21
General Reserve		
As per Last Balance Sheet	23.15	—
Add : Transfer from Profit and Loss Account	68.74	23.15
Add : Transfer of gain on Commutation of Sales Tax Deferral Loan	92.56	—
	184.45	23.15
Profit and Loss Account	3,438.30	2,362.69
Add : Gain on commutation of Sales Tax Deferral Loan	—	92.55
	3,438.30	2,455.24
TOTAL	4,635.96	3,491.60
SCHEDULE "C" : SECURED AND UNSECURED LOANS		
SECURED LOANS:		
Long Term :		
Term Loans from Banks (Note No. 1) (Payable within One year ₹ 499.92 Lacs, Previous year ₹ 308.57 Lacs)	1,924.20	441.70
Short Term :		
Bank Cash Credit	1,438.84	866.75
	3,363.04	1,308.45
UNSECURED LOANS:		
Fixed Deposits		
a) Directors	—	—
b) Others (Payable within one year ₹ 143 Lacs, Previous year ₹ 223.21 Lacs)	663.67	550.80
	663.67	550.80
Loans and deposits from Corporate Bodies (Payable within one year ₹ 20 Lacs, Previous year ₹ Nil)	20.00	—
	683.67	550.80
TOTAL	4,046.71	1,859.25

SCHEDULES FORMING PART OF THE ACCOUNTS : (Continued)

As At
31.03.2010
(₹ in Lacs) **As At**
31.03.2009
(₹ in Lacs)

Note :

1) Term Loans from Banks

a) Standard Chartered Bank	1,000.00	—
<small>(Specific charge on Plant & Machinery at Rohtak, Haryana Pari Pasu charge on Factory Land & Building at Rohtak.) (Payable within one year ₹ NIL, Previous year ₹ Nil)</small>		
b) Haryana State Industrial & Infrastructure Development Corporation	351.00	—
<small>(Half yearly Installments given by Haryana State Industrial & Infrastructure Development Corporation) (Payable within one year ₹ 234 Lacs, Previous year ₹ Nil)</small>		
c) State Bank of India-Windmill	133.12	199.12
<small>(Primary hypothecation of the asset purchased out of Bank finance at Velarasi, Tripur, Tamilnadu Site of wind mill Project) (Collateral Extension of Equitable Mortgage of factory land & Building located at Gut No. 939 & 940, Nagar Road, Village Sanaswadi, Taluka - Shirur, District - Pune - 412 208 and extension of charge on current assets.) (Payable within one year ₹ 66 Lacs, Previous year ₹ 66 Lacs)</small>		
d) State Bank of India	440.08	242.58
<small>(Primary hypothecation of the assets purchased out of Bank finance) (Collateral Extension of Equitable Mortgage of factory land & Building located at Gut No.939 & 940, Nagar Road, Village Sanaswadi, Taluka - Shirur, District - Pune - 412 208 and extension of charge on current assets.) (Payable within one year ₹ 199.92 Lacs, Previous year ₹ 242.57 Lacs)</small>		

SCHEDULE "D" : FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2009	Additions during the Year	Deductions during the Year	Total as at 31.03.2010	As at 31.03.2009	Additions/ Amortization during the Year	Deductions during the Year	Total as at 31.03.2010	As at 31.03.2010	As at 31.03.2009
Tangible Assets :										
Freehold Land	83.81	—	—	83.81	—	—	—	—	83.81	83.81
Leasehold Land	14.50	960.29	—	974.79	0.59	0.15	—	0.74	974.05	13.91
Building	641.11	2.71	—	643.82	292.21	32.74	—	324.95	318.87	348.90
Mould	520.71	21.90	—	542.61	425.30	40.43	—	465.73	76.88	95.41
Plant & Machinery	3,184.69	160.93	1.90	3,343.72	1,582.91	216.46	0.39	1,798.98	1,544.74	1,601.78
Furniture	86.94	7.15	—	94.09	49.71	6.34	—	56.05	38.04	37.23
Leasehold Improvements	—	26.68	—	26.68	—	3.21	—	3.21	23.47	—
Computer	66.27	8.67	—	74.94	46.64	7.35	—	53.99	20.95	19.63
Office Equipment	65.95	18.52	—	84.47	37.93	4.86	—	42.79	41.68	28.02
Vehicle	115.16	35.22	14.78	135.60	65.90	17.38	11.38	71.90	63.70	49.26
Intangible Assets :										
Computer Software	46.34	39.36	—	85.70	28.27	17.02	—	45.29	40.41	18.07
Goodwill	28.93	—	—	28.93	17.36	—	—	17.36	11.57	11.57
TOTAL	4,854.41	1,281.43	16.68	6,119.16	2,546.82	345.94	11.77	2,880.99	3,238.17	2,307.59
Previous Year	4,378.45	564.09	88.13	4,854.41	2,302.72	317.93	73.83	2,546.82	2,307.59	

[Refer Note Nos. 15 to 17 of Schedule 'O']

SCHEDULES FORMING PART OF THE ACCOUNTS : (Continued)

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
SCHEDULE "E": INVESTMENTS		
Long Term - unquoted (at cost) : Trade		
Shares in subsidiary companies		
21,13,305 (P.Y. 9,96,000) Equity Shares of ₹ 10/- each in Clear Mipak Packaging Solutions Limited (erstwhile Clear Plastics Ltd.) (During the year, 11,17,305 Rights Equity Shares (Partly paid-up of ₹ 5/- each) @ ₹ 80/- per share including a premium of ₹ 75/- per share, were allotted.)	2,805.54	821.47
(During the year Mipak Polymers Limited got merged into erstwhile Clear Plastics Limited and upon merger 5,69,715 Equity Shares of ₹ 10/- each fully paid-up is being received in exchange of 17,09,145 Equity shares of ₹ 10/- each fully paid-up held in Mipak Polymers Ltd.)	—	1,090.23
	<u>2,805.54</u>	<u>1,911.70</u>
SCHEDULE "F": CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS :		
i. Inventories : (lower of cost and market value) (as taken, valued and certified by Management)		
a. Materials Stock:		
- Packing Materials	30.49	21.24
- Raw Materials (includes Stock-in-Transit ₹ 1.18 Lacs, P. Y. ₹ 4.91 Lacs)	697.55	423.89
	728.04	445.13
b. Finished Goods	125.92	141.56
c. Work-in-Progress	423.35	314.39
d. Consumables Stores & Spares	3.45	6.46
	1,280.76	907.54
ii. Sundry Debtors (Unsecured)		
a. Outstanding for more than six months (considered good)	59.98	136.58
(considered doubtful)	33.64	25.47
	93.62	162.05
Less : Provision for doubtful debts	33.64	25.47
	59.98	136.58
b. Other Debts (considered good)	1,817.60	1,414.67
	1,877.58	1,551.25
iii. Cash and Bank Balances:		
a. Cash on hand	3.86	3.57
b. With Scheduled Banks	250.49	183.35
c. Term Deposits (₹ 28.30 Lacs towards Bank Guarantee)	70.70	56.49
	325.05	243.41
LOANS AND ADVANCES : (Unsecured, considered good)		
a. Loans to Staff	0.50	—
b. Balances with Customs, Central Excise etc.	141.85	101.63
c. Sundry deposits	101.29	68.17
d. Advances recoverable in cash or kind	252.92	533.71
e. Loans to subsidiary companies	—	165.00
f. Advance Payments of Taxes (Net of Provisions)	47.47	9.46
	544.03	877.97
TOTAL	<u>4,027.42</u>	<u>3,580.17</u>

SCHEDULES FORMING PART OF THE ACCOUNTS : (Continued)

	As At 31.03.2010 (₹ in Lacs)	As At 31.03.2009 (₹ in Lacs)
SCHEDULE "G": CURRENT LIABILITIES AND PROVISIONS		
LIABILITIES		
Sundry Creditors		
Dues to Micro & Small Enterprises (Refer Note No. 18 of Schedule 'O')	110.82	30.98
Others	549.99	401.43
	660.81	432.41
Other Liabilities	329.47	347.04
Investor Education & Protection Fund *		
Unpaid / Unclaimed dividend	5.62	5.34
PROVISIONS		
Proposed dividend on Equity Shares (Including Tax on Dividend)	230.46	169.56
Defined benefit obligations (Refer Note No. 13 of Schedule 'O')	1.02	—
Provision for accrued leave	45.68	31.26
TOTAL	1,273.06	985.61
* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31st March 2010. The amount shall be paid to the fund as and when it become due.		

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
SCHEDULE "H" : OTHER INCOME		
Interest Received (Gross)	67.09	37.48
(Tax deducted at source ₹ 7.73 Lacs, Previous Year ₹ 7.67 Lacs)		
Miscellaneous Income	2.78	17.04
Sale of Scrap	9.94	12.23
Dividend Received	—	59.86
Income from Wind Power Generator	51.91	46.38
Exchange Difference (Net)	1.93	—
Designing charges	1.46	—
Profit on sale of assets (Net)	0.50	1.52
TOTAL	135.61	174.51
SCHEDULE "I" : MATERIAL CONSUMED		
Materials Consumed:		
Opening Stock	440.23	483.12
Add : Purchases	9,839.15	8,345.91
	10,279.38	8,829.03
Less : Closing Stock	726.86	440.23
	9,552.52	8,388.80
Increase/(Decrease) in finished goods and work-in-process:		
STOCK-IN-TRADE (at close)		
Finished Goods	125.92	141.56
Work-in-progress	423.35	314.39
	549.27	455.95
STOCK-IN-TRADE (at commencement)		
Finished Goods	141.56	117.28
Work-in-progress	314.39	320.54
	455.95	437.82
	93.32	18.13
Increase / (Decrease) in Excise Duty on Finished Goods	0.98	(4.00)
	92.34	22.13
TOTAL	9,460.18	8,366.67

SCHEDULES FORMING PART OF THE ACCOUNTS : (Continued)

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
SCHEDULE "J" : MANUFACTURING EXPENSES		
Processing Charges	744.98	557.22
Water, Power and Fuel	559.34	488.04
Material Handling Charges	242.54	187.30
Stores & Spares Consumed	66.19	72.01
Repairs & Maintenance -		
- to Building	13.03	10.77
- to Plant and Machinery	95.86	67.95
- Other Assets	28.94	42.56
	137.83	121.28
TOTAL	1,750.88	1,425.85
SCHEDULE "K" : EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, Wages, allowances and other benefits	735.58	584.73
Staff Welfare Expenses	68.83	56.33
Contribution to Provident Fund	42.67	31.75
Gratuity	18.97	9.23
TOTAL	866.05	682.04
SCHEDULE "L" : ADMINISTRATIVE AND SELLING EXPENSES		
Freight and Transport Charges	447.94	407.26
Rent	140.78	107.94
Rates and Taxes	8.57	12.47
Insurance	5.32	7.49
Security Charges	37.19	34.07
Printing and Stationery	13.91	14.29
Postage and Telephone	30.59	29.19
Travelling and Conveyance Expenses	61.80	61.24
Miscellaneous Expenses	290.97	201.35
Directors' Meeting Fees	2.90	2.45
Auditors' Remuneration & Service Charges	18.55	13.50
Commission to Non Executive Directors (Previous Year commission to Non-Promoters, Non-Executive, independent Resident Directors)	6.30	3.20
Provision for Doubtful Debts	12.70	22.95
Bad Debts	4.35	—
TOTAL	1,081.87	917.40
SCHEDULE "M" : INTEREST AND FINANCING CHARGES		
Interest on Term Loans (Net)	93.85	91.94
Interest on Cash Credit	100.80	178.91
Other Financing Charges	282.74	344.22
Bank Charges	26.73	43.88
TOTAL	504.12	658.95

SCHEDULE "N":**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED IN THE COMPILATION OF THE ACCOUNTS:****1. Basis for preparation of financial statements :****(a) Basis of Accounting :**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates :

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

2. Fixed Assets :

The fixed assets are accounted at the cost of acquisition, which includes taxes, duties (net of cenvat, wherever applicable) and other identifiable direct expenses incurred to bring the assets to their present location and condition less accumulated depreciation. Interest on borrowed funds attributable up to the period assets are put to use is included in the cost of qualifying assets.

3. Revenue Recognition :

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

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

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the time proportion basis.

4. Depreciation :

Depreciation on the following classes of fixed assets is provided under Straight Line Method based on estimated useful life of the assets as under:-

Moulds	:	4 years
Furniture & Fixture	:	10 years
Computer	:	5 years
Office Equipment	:	10 years
Vehicle	:	5 years

Depreciation on Plant and Machinery is provided under Straight Line Method; on Building is provided under the Written Down Value Method, at the rates laid down in the Schedule XIV to the Companies Act, 1956.

Depreciation on assets, where actual cost does not exceed ₹ 5,000/- is provided at the rate of hundred per cent.

Expenditure on computer software is amortised over a period of three years. Goodwill on amalgamation is amortised over a period of five years. Depreciation on Plant & Machinery is provided based on triple shift.

5. Inventory :

(a) Inventories are valued at lower of cost and net realisable value. Damaged, unserviceable and inert stocks are suitably depreciated.

(b) In case of raw and packing materials, stores, spares and consumables the cost includes duties and taxes other than credits under CENVAT and is arrived at on weighted average basis.

(c) The Finished Goods and Work-in-progress cost includes the cost of raw material, packing materials and appropriate share of fixed and variable production overheads and excise duty as applicable on the finished goods.

6. Investments :

Long-term investments are stated at cost less permanent diminution, if any, in the value of investments.

7. Transaction in Foreign Exchange :

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transaction settled during the year are recognised in the Profit and Loss Account of the year.

Monetary assets and liabilities denominated in foreign currencies, which are outstanding as at the year end are translated at the closing exchange rate and the resultant exchange difference are recognised in the Profit and Loss Account.

The premium or discount on forward exchange contract is recognized over the period of the contract in the Profit and Loss Account.

8. Employee Benefits :**(i) Short Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognised in the period in which the employee render 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.

(ii) Post-employment benefits :**(a) Defined Contribution Plans**

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the Profit and Loss Account in the financial year to which they relate. The Company contributes to the Government administered provident funds on behalf of its employees.

(b) Defined Benefit Plan**(i) Defined Benefit Gratuity Plan**

The Company operates defined benefit gratuity plans for employees. The Company contributes to an insurer managed fund, towards meeting the Gratuity obligation.

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

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

(iii) Other Long Term Employee Benefits :

Entitlements to annual leaves and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leaves. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit Method with actuarial valuations being carried out at each Balance Sheet date

9. Lease Accounting :

Lease Rentals on assets taken on operating lease are recognised as expense in the Profit & Loss Account on an accrual basis over the lease term.

10. Taxes on Income & Provision for Taxation :

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

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

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

11. Provision 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.

12. Earnings Per Share :

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

13. Proposed Dividend :

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

SCHEDULE "O" :

NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT:

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
1. Estimated amount of contracts to be executed on capital account and not provided for	344.56	9.21
2. Contingent liabilities not provided for:		
(a) Bank Guarantees issued on behalf of the Company	28.30	20.80
(b) Bills Discounted [Since realised ₹ 2,701.33 Lacs] [Previous Year ₹ 1,283.27 Lacs]	2,714.70	2,138.97
(c) Call Money (Refer Note No. 23 of Schedule 'O')	603.34	Nil
3. Auditors' Remuneration: (exclusive of Service Tax and Education Cess)		
(a) Audit Fees	10.80	6.00
(b) Tax Audit Fees	1.50	1.50
(c) Out of Pocket Expenses	0.40	0.70
(d) Fees for Other Services	5.85	5.30
4. Production - Item : Containers		
Installed Capacity (in MT)	11,875	11,875
Production (in MT)		
a) In-house #	10,818	9,199
b) Contract Process	2,004	2,635
# Capacities are expressed in terms of triple shift working.		
5. Stock of Finished Goods & Turnover :		
Opening Stock	Quantity MT 146 Value ₹ in Lacs 141.56	102 117.28
Closing Stock	Quantity MT 110 Value ₹ in Lacs 125.92	146 141.56
Turnover	Quantity MT 12,801 Value ₹ in Lacs 15,879.59	10,381 13,437.87
6. Materials Consumed:		
a. Plastic Resins & Master Batch	Quantity MT 13,165 Value ₹ in Lacs 8,367.71	10,545 6,204.45
b. Others (Lot)	Value ₹ in Lacs 1,184.81	2,184.35
TOTAL	Value ₹ in Lacs 9,552.52	8,388.80
7. CIF value of Direct Imports:	(₹ in Lacs)	(₹ in Lacs)
a. Raw Materials	1,882.77	2,799.12
b. Capital Goods	4.83	8.88
c. Others	18.67	13.54

8. Value of Imported and Indigenous raw materials and spares consumed and Percentage of each to total consumption :

	2009-2010		2008-2009	
	(₹ in Lacs)	% to Total	(₹ in Lacs)	% to Total
a. Raw materials :				
Direct Imports	1,882.77	19.71	2,799.12	33.37
Indigenous	7,669.75	80.29	5,589.68	66.63
TOTAL	9,552.52	100.00	8,388.80	100.00
b. Stores and Spares :				
Direct Imports	12.76	19.28	1.29	1.80
Indigenous	53.42	80.72	70.71	98.20
TOTAL	66.18	100.00	72.00	100.00

	Year 2009-2010 (₹ in Lacs)	Year 2008-2009 (₹ in Lacs)
9. Earnings/Expenditure in Foreign Currency		
Earnings :	Nil	Nil
Expenditure :	Nil	Nil
10. Net Dividend remitted in foreign currency :		(₹ in Lacs)

	2009-2010			2008-2009		
	Number of Non-resident Shareholders	Number of Equity Shares held	Dividend Remitted	Number of Non-resident Shareholders	Number of Equity Shares held	Dividend Remitted
Final Dividend 2007-08	–	–	–	16	3,63,500	3.63
Final Dividend 2008-09	15	3,28,500	3.61	–	–	–

11. Computation of the Profit for year ended 31st March 2010 under Section 349 of the Companies Act, 1956.

	2009-2010 (₹ in Lacs)	2008-2009 (₹ in Lacs)
Net Profit as per Profit & Loss Account	1,374.81	925.79
Add:		
Provision for Taxation	600.00	250.64
Provision for Deferred Tax	31.35	54.90
Provision for FBT	–	10.70
Provision for Doubtful Debt	12.70	22.95
(Profit)/Loss on sale of assets	(0.50)	(1.52)
	<u>2,018.36</u>	<u>1,263.46</u>
Add:		
Managerial Remuneration/Sitting Fees	62.88	54.53
Profit under Section 198 of the Companies Act, 1956	<u>2,081.24</u>	<u>1,317.99</u>
Commission to Non Executive Directors:		
Subject to ceiling of 1% of profit as computed above	20.81	13.18
Restricted to sum as determined by the Board of Directors	6.30	3.20
Remuneration to Managing Director:		
Subject to a ceiling of 5% of profit as computed above	104.06	65.90
Amount paid / payable by the Company as remuneration for services rendered in any capacity:		
Managing Director:		
Salary	30.00	28.50
Contribution to PF	3.60	3.42
Other perquisites and benefits	4.86	4.20
Performance Linked Bonus	14.00	12.76
	<u>52.46</u>	<u>48.88</u>
Advisor :		
Remuneration / Reimbursement of Expenses (for which opinion of the Central Government u/s 309 was obtained)	1.22	–
Non - Executive Directors:		
Sitting fees	2.90	2.45
Commission (Previous Year - commission paid to non promoter, non executive, independent, resident directors)	6.30	3.20
	<u>9.20</u>	<u>5.65</u>
Total	<u>62.88</u>	<u>54.53</u>

The above remuneration does not include contribution to gratuity fund and leave encashment/entitlement as this contribution is a lump sum amount based on actuarial valuation.

The Company depreciates certain fixed assets at higher rates of depreciation based on estimated useful lives which are lower or equal to the implicit estimated useful lives prescribed by Schedule XIV of the Companies Act, 1956. The above higher value of depreciation has been considered as deduction for the computation of managerial remuneration.

12. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes. There are no forward exchange contracts outstanding as at 31st March 2010.

The foreign currency exposure not hedged as at 31st March 2010 for payables is USD NIL [Previous year USD Nil (₹ Nil)] and for receivables is NIL (Previous year NIL).

13. Employee Benefits:

(1) Short Term Employee Benefits:

The liability towards short term employee benefits for the year ended 31st March 2010 has been recognised in the Profit & Loss Account.

(2) Post-Employment Benefits:

The following disclosures are made in accordance with AS-15 (Revised) pertaining to Defined Benefit Plans:

(₹ in Lacs)

Particulars	Gratuity (Funded Plan)	
	2009-2010	2008-2009
Amount recognised in Balance Sheet		
Present value of funded obligations	58.11	36.45
Fair Value of plan assets	57.14	38.64
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Amount not recognised as an asset, because of the limit in Para 50(b) of AS-15	-	-
Net Liability/(Asset)	0.97	(2.19)
Amounts in Balance Sheet		
Liability	0.97	-
Assets	-	2.19
Net Liability/(Asset)	0.97	(2.19)

Amount recognised in the statement of Profit & Loss Account :		
Opening defined benefit obligation less benefit paid	-	-
Current service cost	8.57	6.73
Interest on defined benefit obligation	3.39	2.72
Expected return on plan assets	(4.67)	(2.93)
Net actuarial losses/(gains) recognized in year	16.90	0.51
Past Service Cost	-	-
Effect of the limit in Para 59(b) of AS-15 (Revised)	-	-
Losses / (gains) on 'Curtailements and Settlements'	-	-
Total included in 'Employee Benefit Expense'	24.19	7.03
Actual return on plan assets	-	3.23

Reconciliation of benefit obligations and plan assets for the period :		
Change in defined benefit obligation :		
Opening defined benefit obligation as at 1st April	36.45	28.36
Current Service Cost	8.57	6.73
Interest Cost	3.39	2.72
Actuarial (Gain)/Loss on obligations	12.23	0.81
Liabilities extinguished on curtailment	-	-
Liabilities extinguished on settlement	-	-
Liabilities assumed on acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(2.53)	(2.17)
Closing defined benefit obligation as at 31st March	58.11	36.45

Particulars	Gratuity (Funded Plan)	
	2009-2010	2008-2009
Change in fair value of assets :		
Opening fair value of plan assets as at 1st April	38.64	28.18
Expected return on Plan Assets	4.67	2.93
Actuarial Gain/(Loss)	(4.67)	0.30
Assets distributed on settlements	-	-
Contributions by employer	20.94	9.40
Assets acquired due to acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits Paid	(2.53)	(2.17)
Closing Fair Value of Plan Assets as at 31st March	57.05	38.64

Investment Details (Assets information) :		
Government of India Securities	13.88%	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	Nil	100%
Others	86.12%	Nil

Assumptions :		
Discounted Rate (per annum)	8.00%	7.75%
Estimated Rate of return on Plan Assets (per annum)	8.00%	8.00%
Rate of Escalation in Salary (per annum)	6.00%	5.00%

Note :-

- The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors.
- The Company estimates that the amount to be contributed to the Gratuity fund in the financial year 2009-2010 will be ₹ 1.02 Lacs.
- Comparative values of defined benefit plans (Gratuity and Pension) for the past one year instead of four financial years, as required by AS-15 (Revised) are provided, this being the third year of adoption of the standard.

As per the Government Amendment vide Notification No.15 dated 24.05.2010 monetary ceiling for gratuity as per the Payment of Gratuity Act, 1972 has been increased from ₹ 3.5 Lacs to ₹ 10 Lacs. Company has not made provision for gratuity based on increased limit of ₹ 10 Lacs.

(3) Long Term Employee Benefits :

The liability towards compensated absences (annual leave and sick leave) as at 31st March 2010, based on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to ₹ 18.65 Lacs (Previous year – ₹ 12.13 Lacs) has been recognised in the Profit & Loss Account.

14. The Deferred Tax Asset/(Liability) comprises of tax effect of timing differences, carried forward business losses and unabsorbed depreciation as shown below:

	31.03.2010 (₹ in Lacs)	31.03.2009 (₹ in Lacs)
A. Deferred Tax Assets		
i. Expenses allowed for tax purpose on payment basis	23.42	10.62
ii. Provision for Doubtful Debts	11.44	7.80
Total Deferred Tax Assets	34.86	18.42
B. Deferred Tax Liabilities		
i. Difference between the Written Down Value of assets as per books of accounts and Income Tax Act, 1961 upto 31st March 2009	190.48	125.25
iii. Difference between the Written Down Value of assets as per books of accounts and Income Tax Act, 1961 for Current Year	47.78	65.23
Total Deferred Tax Liabilities	238.26	190.48
Net Deferred Tax Asset / (Liability)	(203.40)	(172.06)
Deferred Tax Benefit / (Expense) for the year	(31.34)	(54.90)

15. During the year 2008-09, the Company had changed the method of charging depreciation on plant & machinery retrospectively from the 1st April 2003, from written down value (WDV) method to straight line method as per the rates laid down in Schedule XIV to the Companies Act, 1956. The assets purchased prior to 31st March 2003 are continued to be depreciated on written down value as per the rates laid down in Schedule XIV to the Companies Act, 1956. The impact on account of this resulted in lower depreciation and higher profits of ₹ 217.87 Lacs for that year.
16. During the year 2008-09, the Company had changed the method of charging depreciation on Moulds retrospectively from the 1st April 2003, from written down value (WDV) method to straight line depreciation rates, considering the useful life of 4 years. The assets purchased prior to 31st March 2003 are continued to be depreciated on written down value as per the rates laid down in Schedule XIV to the Companies Act, 1956. The impact on account of this resulted in lower depreciation and higher profits of ₹ 6.23 Lacs for that year.
17. During the year 2008-09, the Company had changed the method of charging depreciation on Furniture & Fixtures, computers, office equipments and vehicles from the 1st April 2008, from written down value (WDV) method to straight line depreciation rates, considering the useful life as per details given below. The assets purchased prior to 31st March 2008 are continued to be depreciated on written down value as per the rates laid down in Schedule XIV to the Companies Act, 1956.

Furniture & Fixture	:	10 years
Computer	:	5 years
Office Equipment	:	10 years
Vehicle	:	5 years

The impact on account of this resulted in lower depreciation and higher profits of ₹ 110.87 Lacs for that year.

18. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2010. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- (a) Principal amount and separately the interest due thereon remaining unpaid to any supplier at the end of the financial year—Nil
- (b) The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year—Nil
- (c) 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
- (d) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid—Nil
- (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure—Nil
19. Related Party Disclosures, as required by AS-18, 'Related Party Disclosures' are given below:

1. Relationship :

(ii) Holding Company
Geetanjali Trading and Investments Private Limited

(iv) Key Management Personnel :
Name of the Director
Mr. Ashok K. Goyal

(ii) Fellow Subsidiaries
Coatings Specialities (India) Limited
Rangudyan Insurance Broking Services Limited

(v) Promoter Directors
Mr. Ashwin S. Dani
Mr. Jalaj A. Dani
Mr. Hasit A. Dani
Mr. Malav A. Dani
Mrs. Ina A. Dani

(iii) Subsidiaries of the Company
Clear Mipak Packaging Solutions Limited
(erstwhile Clear Plastics Limited)
Mipak Polymers Limited
(ceased to be subsidiary from 1st October 2009)

(vi) Companies over which the Directors have controlling interest
Gujarat Organics Limited
S C Dani Research Foundation Private Limited
Suryakant Paint Accessories Private Limited

2. Related Party Transactions for the Year - 2009-10 and 2008-09 :

(₹ in Lacs)

Particulars	Fellow Subsidiary		Subsidiaries of Company		Key Management Personnel		Promoter Director Company	
	09-10	08-09	09-10	08-09	09-10	08-09	09-10	08-09
Sale of Fixed Assets			–	11.28				
Sale of Raw Material - Clear Mipak Packaging Solutions Ltd.			2.65	0.04				
Interest Received - Clear Mipak Packaging Solutions Ltd.			61.88	35.59				
Purchases of Fixed Assets			0.25	1.71				
Purchase of Goods/Services - Clear Mipak Packaging Solutions Ltd.			131.75	78.65				
Purchase of Raw Material			–	0.88				
Services Received - Coatings Spl (I) Ltd.	93.00	43.00						
Services Received - Clear Mipak Packaging Solutions Ltd.			2.88	0.86				
Interest Paid - Clear Mipak Packaging Solutions Ltd.	0.94	–	–	0.89				
Commission Paid - Clear Mipak Packaging Solutions Ltd.			7.18	–				
Rent Paid - Coatings Spl (I) Ltd.	23.15	2.64						
Sitting Fees							1.41	0.55
Commission							2.50	–
Managerial Remuneration					52.46	48.88		
Reimbursement of Expenses to Advisor							1.22	–
Investment in Equity Shares - Clear Mipak Packaging Solutions Ltd.			893.84	–				
Inter Corporate Deposits Recd. - Clear Mipak Packaging Solutions Ltd.			2,593.99	2,874.59				
Inter Corporate Deposits Recd. - Coatings Spl (I) Ltd.	40.00	–						
Inter Corporate Deposits Recd. - Rangudyan Insurance	20.00	–						
Inter Corporate Deposits Paid - Coatings Spl (I) Ltd.	40.00	–						
Inter Corporate Deposits Paid - Clear Mipak Packaging Solutions Ltd.			2,428.99	2,534.64				
Inter Corporate Deposits Balance - Rangudyan Insurance	20.00	–						
Inter Corporate Deposits Balance - Clear Mipak Packaging Solutions Ltd.			–	165.00				
Balance Payable for Goods & services			32.30	31.34				

20. The specified disclosures for Operating Leases as required by Accounting Standard (AS-19) – “Lease”, are given below:

(₹ in Lacs)

	Particulars	31.03.2010	31.03.2009
a)	Disclosures in respect of agreement for Cars taken on lease :		
1	Lease payments recognised in the Profit and Loss Account for the year	26.17	24.65
2	Future minimum lease payments under non-cancellable operating lease		
	I Not later than one year	20.10	23.23
	II Later than one year but not more than five years	19.96	22.31
	III Later than five years	–	–
3	Significant leasing arrangements		
	I Under the agreement, cars are taken on operating lease basis	–	–
	II The agreement is for a period of forty eight months.	–	–

21. Disclosure of loans/advances and investments in its own shares, subsidiary and associate companies as required by Clause 32 of the Listing Agreement.

(₹ in Lacs)

No.	Particulars	31.03.2010	31.03.2009
1	Loans and advances in the nature of loans to subsidiary Company by name and amount : (a) Clear Mipak Packaging Solutions Limited (erstwhile Clear Plastics Limited) – Loan Account (Interest Rate : 12% per annum) (b) Mipak Polymers Ltd * – Loan Account (Interest Rate : 12% per annum) *(ceased to be subsidiary w.e.f. 1st October 2009)	Nil Nil	60.00 105.00
2	Loans & advances in the nature of loans to associates by name and amount :	Nil	Nil
3	Loans & Advances in the nature of loans where there is: 1. no repayment schedule or repayment beyond seven years; or 2. no interest or interest below Section 372A of loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount	Nil Nil	Nil Nil

22. Earning Per Share, as required by AS-20, 'Earning Per Share' is given below:

Particulars	Unit	2009-2010	2008-2009
Basic & Diluted Earning Per Share: Amount used as the numerator Profit After Taxation	₹ in Lacs	1,374.81	925.79
Weighted Average number of Equity Shares used as the denominator Nominal value of Equity Shares	Nos. ₹ in Lacs	1,31,75,700 1,317.57	1,31,75,700 1,317.57
Basic & Diluted EPS	₹	10.43	7.03

23. During the year, the Company subscribed to 11,17,305 Equity Shares (partly paid) issued as Rights Shares by Clear Mipak Packaging Solutions Ltd. (CMPS), erstwhile Clear Plastics Ltd., Subsidiary of the Company @ ₹ 80/- per share, including premium of ₹ 75/- per share. Further, on amalgamation of erstwhile Mipak Polymers Ltd. (MPL) another subsidiary of the Company with CMPS, the Company is being allotted 5,69,715 Equity Shares of CMPS, in the exchange ratio of one share for every three shares held i.e. against its existing holding of 17,09,145 Equity Shares in MPL. Hence, total holding of Equity Shares in CMPS was 21,13,305 Equity Shares from earlier holding of 9,96,000 Equity Shares as at 31st March 2009. On call an amount of ₹ 603.34 Lacs (including premium of ₹ 547.48 Lacs) is payable.
24. Vide Order of Honourable High Court of Bombay dated 7th May 2010, the Scheme of Amalgamation of both subsidiaries of the company i.e Mipak Polymers Limited with Clear Plastics Limited got approved. As per the Scheme, the name of the transferee company also got changed to Clear Mipak Packaging Solutions Limited.
25. Since the Company's business activity falls within a single primary business segment, viz., "Plastic Containers" the above results apply to the same for the purpose of Accounting Standard - 17 (AS-17) on segment reporting. The capital employed in the reportable segment was ₹ 10,203.64 Lacs as on 31st March 2010 (₹ 6,840.48 Lacs as on 31st March 2009).
26. Previous year's figures have been regrouped wherever necessary.

As per our Report of even date

For **Shah & Co.**
Chartered Accountants
FRN : 109430W

Ashish H. Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 26th June 2010

On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

Place : Mumbai
Date : 26th June 2010

Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Statement pursuant to Section 212 of the Companies Act, 1956

(₹ in Lacs)

1	Name of the Subsidiary	Clear Mipak Packaging Solutions Limited (erstwhile Clear Plastics Limited)
2	Financial Year of the Subsidiary	31st March 2010
3	Shares of the subsidiary held by Hitech Plast Limited on the above date	
	a) Number of Shares and Face Value	21,13,305 Equity Shares of ₹ 10/- each
	b) Extent of Holding	60%
4	Net aggregate amount of profit / (loss) of the subsidiary so far as they concern the members of Hitech Plast Limited	
	a) Dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2010	Nil
	b) Not dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2010	64.27
5	Net aggregate amount of profit / (loss) for previous financial years of the subsidiary since it became a subsidiary so far as they concern the members of Hitech Plast Limited	
	a) Dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2010	Nil
	b) Not dealt with in the accounts of Hitech Plast Limited for the year ended 31st March 2010	554.68

On behalf of the Board of Directors

Ashwin S. Dani
Chairman**Ashok K. Goyal**
Managing Director**Ramesh S. Gandhi**
Director &
Chairman of Audit Committee**Bhupendra P. Dusara**
Chief Financial Officer &
Company SecretaryPlace : Mumbai
Date : 26th June 2010

PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details:

CIN No.

L	2	8	9	9	2	M	H	1	9	9	1	P	L	C	1	6	8	2	3	5
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 State Code

1	1
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Balance Sheet Date

3	1
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0	3
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2	0	1	0
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Date Month Year

II. Capital raised during the year (Amount in ₹ thousand):

Public Issue	Rights Issue																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L		
			N	I	L												
			N	I	L												
Bonus Issue	Private Placement																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L		
			N	I	L												
			N	I	L												
Share Issue pursuant to Amalgamation	Cancellation of Shares																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L			<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L		
			N	I	L												
			N	I	L												

III. Position of Mobilisation and Deployment of Funds (Amount in ₹ thousand):

Total Liabilities	Total Assets																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td>1</td><td>0</td><td>2</td><td>0</td><td>3</td><td>6</td><td>4</td></tr></table>		1	0	2	0	3	6	4	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td>1</td><td>0</td><td>2</td><td>0</td><td>3</td><td>6</td><td>4</td></tr></table>		1	0	2	0	3	6	4
	1	0	2	0	3	6	4										
	1	0	2	0	3	6	4										
Sources of Funds	Reserves & Surplus																
Paid-Up Capital	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>6</td><td>3</td><td>5</td><td>9</td><td>6</td></tr></table>			4	6	3	5	9	6								
		4	6	3	5	9	6										
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>1</td><td>3</td><td>1</td><td>7</td><td>5</td><td>7</td></tr></table>			1	3	1	7	5	7	Unsecured Loans								
		1	3	1	7	5	7										
Secured Loans	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>6</td><td>8</td><td>3</td><td>6</td><td>7</td></tr></table>			6	8	3	6	7									
		6	8	3	6	7											
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>3</td><td>6</td><td>3</td><td>0</td><td>4</td></tr></table>			3	3	6	3	0	4	Investments								
		3	3	6	3	0	4										
Deferred Tax Liability	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>2</td><td>8</td><td>0</td><td>5</td><td>5</td><td>4</td></tr></table>			2	8	0	5	5	4								
		2	8	0	5	5	4										
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>2</td><td>0</td><td>3</td><td>4</td><td>0</td></tr></table>				2	0	3	4	0	Misc. Expenditure								
			2	0	3	4	0										
Application of Funds	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L										
			N	I	L												
Net Fixed Assets	Accumulated Losses																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>6</td><td>4</td><td>3</td><td>7</td><td>4</td></tr></table>			4	6	4	3	7	4	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td><td> </td><td> </td></tr></table>				N	I	L		
		4	6	4	3	7	4										
			N	I	L												
Net Current Assets																	
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>2</td><td>7</td><td>5</td><td>4</td><td>3</td><td>6</td></tr></table>			2	7	5	4	3	6									
		2	7	5	4	3	6										

IV. Performance of the Company (Amount in ₹ thousand):

Turnover	Total Expenditure																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td>1</td><td>7</td><td>3</td><td>4</td><td>9</td><td>5</td><td>2</td></tr></table>		1	7	3	4	9	5	2	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td>1</td><td>5</td><td>3</td><td>4</td><td>3</td><td>3</td><td>6</td></tr></table>		1	5	3	4	3	3	6
	1	7	3	4	9	5	2										
	1	5	3	4	3	3	6										
+ - Profit / (Loss) Before Tax	+ - Profit / (Loss) After Tax																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td>✓</td><td> </td><td>2</td><td>0</td><td>0</td><td>6</td><td>1</td><td>6</td></tr></table>	✓		2	0	0	6	1	6	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td>✓</td><td> </td><td>1</td><td>3</td><td>7</td><td>4</td><td>8</td><td>1</td></tr></table>	✓		1	3	7	4	8	1
✓		2	0	0	6	1	6										
✓		1	3	7	4	8	1										
Earning Per Share in ₹	Dividend Rate %																
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>1</td><td>0</td><td>.</td><td>4</td><td>3</td></tr></table>			1	0	.	4	3	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>1</td><td>5</td><td>.</td><td>0</td><td>0</td></tr></table>			1	5	.	0	0		
		1	0	.	4	3											
		1	5	.	0	0											

V. Generic Names of Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)

3	9	2	3	9	0	0	0
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Product Description

P	L	A	S	T	I	C		C	O	N	T	A	I	N	E	R	S
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On behalf of the Board of Directors

Ashwin S. Dani
Chairman

Ramesh S. Gandhi
Director &
Chairman of Audit Committee

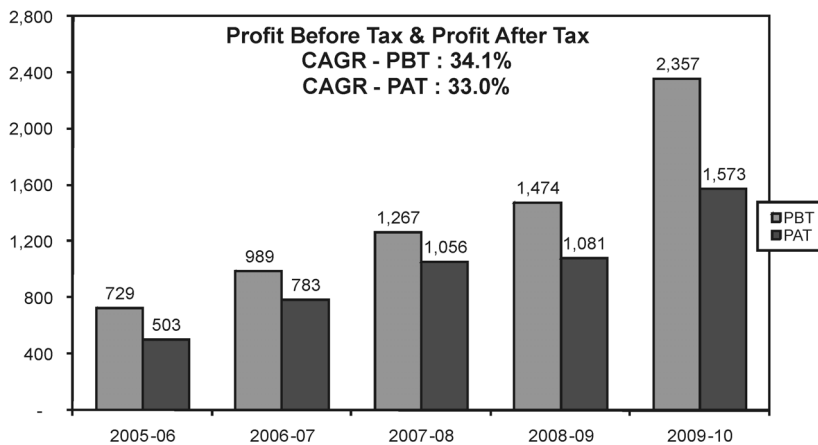
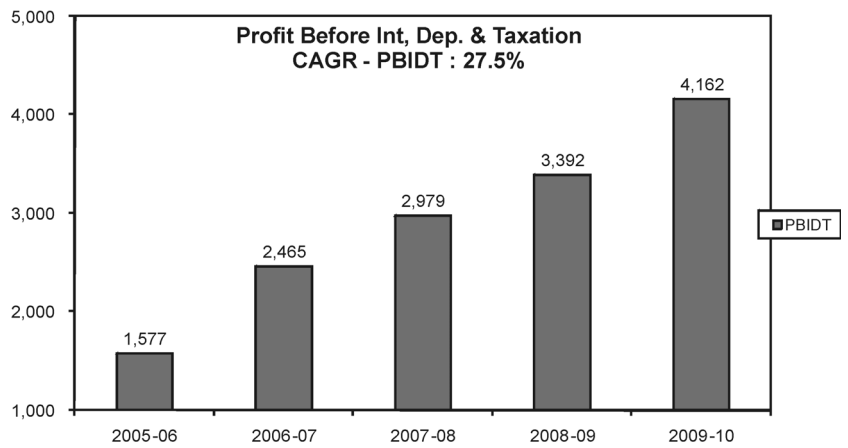
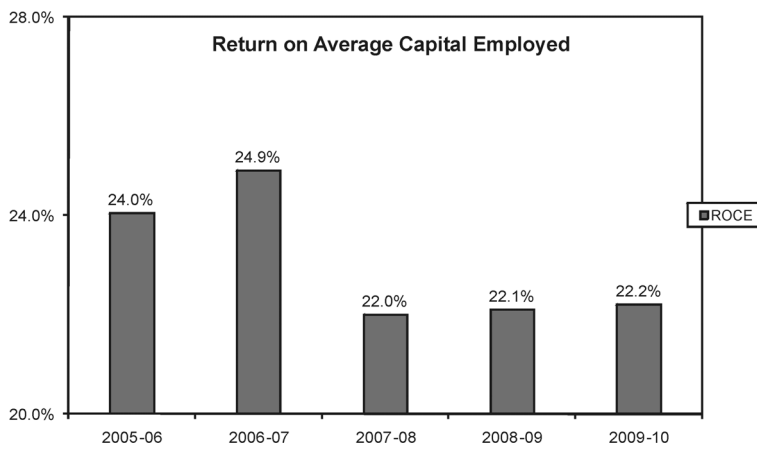
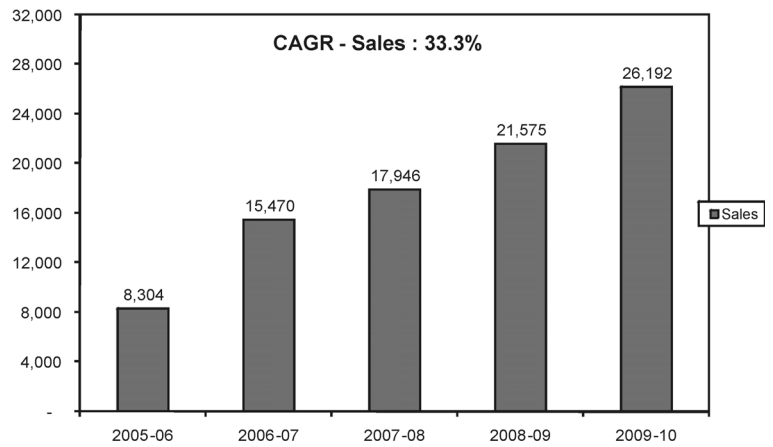
Ashok K. Goyal
Managing Director

Bhupendra P. Dusara
Chief Financial Officer &
Company Secretary

Place : Mumbai
Date : 26th June 2010

HITECH PLAST – CONSOLIDATED

(₹ in Lacs)



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