

HITECH PLAST LIMITED

25th ANNUAL GENERAL MEETING (Friday, 23rd September, 2016)

CHAIRMAN'S SPEECH

Dear Shareholders,

It's with great pleasure that I extend a warm welcome to all of you for the 25th Annual General Meeting of your Company. On behalf of the Board of Directors, I thank all of you for your presence here today as well as for your trust in the Company during this journey of last 25 years.

The Audited Annual Accounts of the Company for the financial year ended 31st March, 2016, along with the Directors' report, Auditors' report and Management Discussion and Analysis report have already been circulated to you. With your kind permission, I would like to take them as read.

I take this opportunity to share with you the highlights of the progress made by Hitech Plast Ltd. since the last AGM.

YEAR 2015-16 PERSPECTIVE:

The revival of economic growth which increased at a reasonable rate continued during 2015-16 despite a subdued monsoon. The rapid decline in international oil prices boosted domestic industries. The various initiatives and other financial reforms taken by the Government to protect the exploitation of domestic industries have yielded positive results. The Indian economy has emerged as one of the fastest growing economies in the world, with a promising outlook due to lower inflation, rise in domestic demand and decline in oil prices. The GDP growth of the country was at 7.6% in the financial year 2015-16, one of the highest growth rates over the last five years.

BUSINESS PERFORMANCE:

The growth of your Company was satisfactory despite the unfortunate incident during last year's Haryana agitation resulting in a fire at our manufacturing facility at Rohtak leading to extensive damage. The profit before tax for the financial year 2015-16 stood at Rs.20.25 Crores as compared to Rs. 9.10 Crores in the financial year 2014-15. This satisfactory growth registered by the Company was due to improved efficiency in production while reducing costs and stabilising growth in various sectors in which your Company operates, namely decorative paints, agro chemicals, FMCG, auto lubricants, construction chemicals, etc. in addition to lower financial cost.

MACRO ECONOMIC OUTLOOK 2016-17:

In light of the continuing economic outlook as mentioned earlier along with the current year's good monsoon, the Government is hopeful for achieving 8% GDP growth in the next two years. During the current year i.e. 2016-17, the Indian economy began with improved overall demand and growth in investments. Economic growth is projected to remain strong. Private consumption is likely to be boosted by expected large increase in public wages and declining inflation. Private consumption in urban areas has been buoyed by prospects of higher public wages and pensions combined with Government investments, especially towards infrastructure and related sectors leading to increased consumption. There has been stable growth in the economy. Foreign investments are rising with the hope of higher growth after the passage of the long awaited tax reform of GST. The Government is expecting a two digit growth in the coming years after the stabilisation of GST.

Growth in consumer segments such as FMCG especially in the home care and personal care and other segments like health care are expected to lead to an overall growth in the packaging industry. Increase in awareness, easier access and trends towards a healthier lifestyle should help the consumer market to grow further and thereby benefit the packaging industry.

BUSINESS PERFORMANCE 2016-17:

In the present scenario, your Company is following a strategy to move towards advanced technologies, automate processes while focusing on innovative product creation through Research & Development. Your Company has planned to concentrate on attractive consumer segments to increase its market share. Your Company is poised to adopt newer technologies, newer designs, high capacity moulds and equipments to achieve lower costs and improved efficiencies.

The loss of assets at the Rohtak, Haryana factory due to the fire was extensive and resulted in the entire building, plant & machinery, furniture & equipment being burnt down. However, your Company has taken up rebuilding of the factory at Rohtak which is going on as per schedule. Production is expected to recommence in the last quarter of current financial year 2016-17.

DIVIDEND:

In view of further expansion of the Company, the Board of Directors have recommended dividend of 9%, i.e. Rs. 0.90 per equity share, for the financial year ended 31st March, 2016. It would be my pleasure to receive your approval for the dividend payment, as recommended by the Board.

CORPORATE SOCIAL RESPONSIBILITIES:

After ascertaining and identifying areas, the Company has initiated CSR activities and has already spent a sum of Rs 5.70 lacs during the financial year 2015-16 and Rs 1.60 lacs during the current financial year.

ACKNOWLEDGMENTS:

I would like to sincerely thank all my colleagues on the Board for their continued support and wise counsel. I am thankful to the company's employees for their dedication and commitment. I would also like to take this opportunity to express my gratitude to all stakeholders, namely our customers, suppliers and banks for encouraging us to climb great heights. Most importantly, I want to thank you, our shareholders, personally and on behalf of the Board, for your sustained faith and confidence in the management of your Company.

We look forward to accomplishing great achievements, together. As always, we appreciate your investments and deeply value your continued patronage.

Chairman

Place: Mumbai

Date: 23rd September, 2016

Registered Office:

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Kamla City, Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400013.