

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVATIVE TECH PACK LIMITED WILL BE HELD ON THURSDAY, 17TH FEBRUARY, 2011 AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 51, ROZ-KA-MEO INDL. AREA, SOHNA, DISTRICT MEWAT, HARYANA- 122103 TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS**

**1. ADOPTION OF ACCOUNTS**

To receive, consider and adopt the audited Balance Sheet of the Company as at 30th September, 2010, the audited Profit and Loss Account for the period ended on that date together with the Directors' and Auditors' Report thereon.

**2. RE-APPOINTMENT OF SH. ATUL NRIPRAJ BARAR**

To appoint a Director in place of Sh. Atul Nripraj Barar, who retires by rotation, and being eligible, offers himself for re-appointment.

**3. APPOINTMENT OF STATUTORY AUDITORS**

To appoint M/s BGJC & Associates, Chartered Accountants, retiring Auditors, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS**

**4. APPOINTMENT OF ADDITIONAL DIRECTOR AS DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**.

"**RESOLVED THAT** Sh. Anil Kulbhushan Barar who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds such office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company, pursuant to Section 257 of the Companies Act, 1956, proposing his candidature to the office of Director, be and is hereby, appointed as Director of the Company, liable to retire by rotation."

**5. REVISION/ ENHANCEMENT OF REMUNERATION PAID TO SH. K. SATISH RAO, SENIOR MANAGER (CORPORATE)**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**.

"**RESOLVED THAT** pursuant to the provisions of Section 314 (1) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof for the time being in force read with Director's Relatives (Office or Place of Profit) Rules, 2003, consent of the Company be and is hereby given to revise and enhance the consolidated salary payable to Sh. K. Satish Rao, relative (son) of Sh. Ketineni Sayaji Rao, Managing Director of the Company, who hold office or place of profit as Senior Manager (Corporate) of the Company, from Rs. 25,000 per month to Rs. 49,000 per month with effect from 1st March, 2011."

**6. INCREASE IN AUTHORISED SHARE CAPITAL**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:-

"**RESOLVED THAT** pursuant to the provisions of Section 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to provisions of Articles of Association of the Company, the consent of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs only) divided into 85,00,000 (Eighty Five Lacs) Equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity shares of Rs. 10/- (Rupees Ten only) each and consequently the existing clause V of the Memorandum of Association of the Company relating to Authorised Share Capital be altered and following clause be substituted in its place:

V. The Authorised Share Capital of the Company is Rs. 10,00, 00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**FURTHER RESOLVED** that the Board of Directors / Company Secretary of the Company be and are hereby authorized to fill, sign and file any form or such other documents as may be required and to do all such acts and things as may be necessary to give effect to this resolution."

**7. ALTERATION OF ARTICLES OF ASSOCIATION RELATING TO AUTHORISED SHARE CAPITAL**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:-**

**"RESOLVED THAT** pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Article 6 of the Articles of Association of the Company relating to Share Capital of the Company be deleted and the following Article be substituted in its place:-

"The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each, with power to increase or reduce the capital of the Company and divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

**FURTHER RESOLVED** that the Board of Directors / Company Secretary of the Company be and are hereby authorized to fill, sign and file any form or such other documents as may be required and to do all such acts and things as may be necessary to give effect to this resolution."

**8. ALTERATION OF ARTICLE 143 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:-**

**"RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Article 143 of the Articles of Association of the Company be and is hereby deleted and following article be substituted in its place:

**ARTICLE 143- CAPITALISATION OF RESERVES**

The Board may resolve that any amount standing to the credit of the Reserves, Profit and Loss Account, Capital Redemption Reserve Account, or otherwise in the hands of the Company and available for distribution or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same, if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto, if distributed by way of dividend and that all or any part of such capitalized fund be applied on behalf of such shareholders, in paying up in full, any un-issued shares of the Company which shall be distributed accordingly or in or toward payment of the amount, for the time being unpaid, on any shares held by such members and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of Share Premium Account and a Capital Redemption Reserve Account, may for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid Bonus Shares.

**FURTHER RESOLVED** that the Board of Directors / Company Secretary of the Company be and are hereby authorized to fill, sign and file any form or such other documents as may be required and to do all such acts and things as may be necessary to give effect to this resolution."

**9. ESOP SCHEME-2011**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:-**

**"RESOLVED THAT** pursuant to the provisions of section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the Listing Agreement entered in to with the Stock Exchanges, the provisions contained in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines"), including any statutory amendment, modification or re-enactment of the Act or the Guidelines for the time being in force and other rules and regulations prescribed by the Securities and Exchange Board of India ("SEBI") or any other relevant authority from time to time, to the extent applicable, and subject to such approvals, permissions, sanctions by any authority as may be required and further subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and in accordance with the provisions of the Memorandum and Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its power including the power conferred by this resolution), to introduce and implement the proposed Employees Stock Option Scheme, ESOP Scheme- 2011 as detailed in the Explanatory Statement to this Notice and to create, grant, offer, issue and allot in one and more tranches, at such time, such price, in such manner, during such period as the Board may decide, under the said proposed ESOP Scheme- 2011, to or for the benefit of employees and the Directors (including Non-Executive Directors and Independent Directors) of the Company, such numbers of Equity shares of the Company and/or Options giving right to purchase or subscribe such number of Equity shares/ Equity linked instruments which could give rise to the issue of Equity shares, hereinafter collectively referred to as (" Securities") of the Company,

initially not exceeding 10% of the existing paid up share Capital of the Company i.e. up to 2,18,650 Equity shares (10% of the 21,86,500 shares) in aggregate (or such other adjusted option/ exercise price in case of corporate actions such as right issue, bonus issue, merger, sale of division and others) and on such terms and conditions as may be fixed or determined by the Board in accordance with the Guidelines or other provisions applicable, if any, of any law prevailing at that time.

**FURTHER RESOLVED THAT** the maximum number of Securities issued/granted in terms of this resolution, to any single Employee of the Company, during any one year shall be less than 1% of the existing issued and paid up Equity shares of the Company i.e. less than 21,865 Equity shares/options.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect the ESOP Scheme-2011 on such terms and conditions as contained in the relevant Explanatory Statement to this item in the Notice and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP Scheme-2011, from time to time, including but not limited to amendments with respect to vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOP Scheme- 2011.

**RESOLVED FURTHER THAT** Non- Executive Directors of the Company, including Independent Directors, be granted up to maximum of 10,000 options per annum and up to maximum of 50,000 options in aggregate under the scheme.

**RESOLVED FURTHER THAT** the Equity Shares allotted pursuant to the aforesaid ESOP Scheme- 2011, shall rank pari passu in all respects, with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP- 2011 on the Stock Exchanges where the securities of the Company are listed as per the provisions of the Listing Agreement executed with the concerned Stock Exchanges and other guidelines, rules and regulations as may be applicable..

**RESOLVED FURTHER THAT** for the purpose of giving effect to the this resolution, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities, without requiring the Board to secure any further consent or approval of the Members of the Company and that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) including any committee of Directors or any other Officer/ Authorized Representative of the Company, to give effect to the aforesaid resolution."

Place: New Delhi  
Date: 07.01. 2011

By order of the Board of Directors  
for Innovative Tech Pack Ltd

(HEMA KUMARI)  
Company Secretary & Compliance Officer

REGISTERED OFFICE:  
51, ROZ-KA -MEO INDL. AREA,  
SOHNA, DISTRICT MEWAT,  
HARYANA- 122103

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business under Item No. s 4 to 9 above is annexed hereto and forms part of this Notice.
3. Disclosures/Details pursuant to Clause 49 of the Listing Agreement with respect to Persons seeking appointment / reappointment as Directors at the forthcoming Annual General Meeting are given in the annexure attached to this Notice.
4. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting along with their copy of the Annual Report.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 11th February, 2011 to Thursday, 17th February, 2011 (both days inclusive)
6. All statutory Records, Registers and Documents referred to in the Notice and Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on any working day during office hours from 9.30 A.M. to 5.00 P.M. up to the date of the Annual General Meeting.
7. Shareholders seeking any information with regard to Accounts of the Company are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
8. Members are requested to notify:
  - A) Change of address, if any, with Pin Code, quoting reference of their folio number, to the Registrar and Share Transfer Agents at the following address.  
Beetal Financial and Computer Services (P) Limited,  
3rd floor, Beetal House, 99, Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir, New Delhi-110062.
  - B) Members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant

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

**ITEM NUMBER 4.**

Sh. Anil Kulbhushan Barar was co-opted as an Additional Director of the Company with effect from 06th September, 2010. As per the provisions of the Companies Act, 1956, he holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice along with requisite deposit under Section 257 of the Companies Act, 1956, from a Member of a Company signifying his intention to propose the candidature of Sh. Anil Kulbhushan Barar to the office of the Director of the Company. Sh. Anil Kulbhushan Barar is not holding any shares (both own or held by/for other persons on a beneficial basis) of the Company.

Details regarding Sh. Anil Kulbhushan Barar and his brief resume have been given in the **Annexure** attached to this Notice. Keeping in view the expertise and experience Sh. Anil Kulbhushan Barar is having, the Board of Directors considers that the continuation of Sh. Anil Kulbhushan Barar on the Board will be beneficial to the Company and his appointment as Director of the Company is recommended by the Board.

None of the Directors of the Company except Sh. Anil Kulbhushan Barar and Sh. Atul Nripraj Barar (relative) of Sh. Anil Kulbhushan Barar is concerned or interested in the proposed resolution.

**ITEM NUMBER 5.**

At the Annual General Meeting held on 30th September, 2009, the Shareholders had approved the appointment of Sh. K. Satish Rao, relative (son) of Sh. Ketineni Sayaji Rao, Managing Director as Senior Manager (Corporate) on a consolidated remuneration of Rs. 25,000 per month.

Sh. K. Satish Rao is Bachelor of Business Administration. He is coordinating the activities of different departments and also oversees the effective implementation of decisions taken by the top management. Board has considered that after the appointment of Sh. K. Satish Rao, Company has undergone into substantial expansion plan which has increased the job and responsibility of Senior Manager (Corporate). Therefore, need was felt that his hard work should be suitably remunerated. Hence it is proposed to increase the consolidated remuneration of Sh. K. Satish Rao from Rs. 25,000 per month to Rs. 49,000 per month with effect from 1st March, 2011.

The Board of Directors accordingly recommends the resolution set out in Item No. 5 for your approval.

None of the Director of the Company except Sh. Ketineni Sayaji Rao, Managing Director being relative (Father) of Sh. K. Satish Rao, is in any way, concerned or interested in the proposed resolution.

**ITEM NUMBER 6. & 7.**

The present Authorized Share Capital of the Company is Rs. 8,50,00,000 (Rupees Eight Crores Fifty Lakhs only). Keeping in view the expected future growth, the Company may require additional capital to finance the upcoming projects and capital expenditure in the years to come. Therefore it is proposed to increase the Authorised Share Capital of the Company from Rs. 8,50,00,000 /- (Rupees Eight Crores Fifty Lakhs only) to Rs. 10,00,00,000/- (Rupees Ten Crores only).

Increase in Authorize Share Capital of the Company would necessitate amendment to the Clause V of the Memorandum of Association and Article 6 of Articles of Association of the Company. The provisions of the Companies Act, 1956 require the Company to seek approval of Members to increase the Authorized Share Capital and for alteration of Memorandum & Articles of Association of the Company. The Board of Director accordingly recommends the resolution set out in item no. 6 & 7 for your approval by way of special resolution.

None of the Director of the Company is in any way, concerned or interested in the proposed resolution.

**ITEM NUMBER 8**

The existing Article 143 of the Articles of Association of the Company requires that it is necessary to get Shareholders approval for capitalizing and distributing any amount standing to the credit of Reserves, Profit & Loss Account, Capital Redemption Reserve Account, Share Premium Account or otherwise in the hands of the Company and available for distribution, for the purpose of issuing any fully paid Bonus shares to the Shareholders or toward payment of the amount, for the time being unpaid, on any shares held by such members. Keeping in view future plans of the Company as well as significant expenditure involved in calling General Meeting of the Shareholders of the Company, it is proposed to empower the Board of Directors in regard to aforesaid matter.

Hence, it is proposed to alter Article 143 of the Articles of Association of the Company, empowering Board to issue Bonus shares/ or payment of the amount, for the time being unpaid, on any shares held by members. Pursuant to provisions of Section 31 of the Companies Act, 1956, alteration of Articles of Association requires the approval of members by way of Special Resolution. The Board of Directors accordingly recommends the resolution set out in Item No. 8 for your approval.

None of the Director of the Company is in any way, concerned or interested in the proposed resolution.

**ITEM NUMBER 9.**

**ESOP SCHEME -2011**

The Company has always believed in rewarding its employees for their continuous hard work, dedication and support, which has led the Company on a growth path. To enable more and more employees to enjoy the fruits of the growth that Company has witnessed in the recent past, it is proposed to implement ESOP Scheme. The main objective of the Scheme is to give employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.

Stock Options have long been recognized internationally, as an effective instrument, to align the interest of employees with those of the Company and its shareholders, providing an opportunity to employees to share the growth of the Company, and to create long-term wealth in the hands of employees.

Stock Options create a common sense of ownership between the Company and its employees, paving the way for a unified approach to the common objective of enhancing overall shareholders value. The Board therefore proposes to evolve an Employee Stock Option Scheme (hereinafter referred to as "ESOP Scheme-2011" for the benefit of permanent employees and Directors (including Non- Executive Directors and Independent Directors) of the Company and such other person/entities as may be prescribed by SEBI from to time, and in accordance with the provisions of prevailing regulations.

The following is the explanatory statement, which sets out the various disclosures as required by Clause 6 of the Securities & Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as 'the Guidelines').

The salient features of the ESOP Scheme are as under:

**(A) Total number of option to be granted**

- a) The total number of options to be granted under this scheme shall initially not exceed 10% of the existing issued & paid up Equity shares of the Company i.e. 2, 18,650 Options.
- b) One option entitles the holder of the options to apply for one Equity share of the Company.

**(B) Identification of classes of employees entitled to participate in the ESOP**

- a) Persons as are in permanent employment in such grade and with such experience/association with the Company as may be decided by "the Board" (which term shall be deemed to include any Committee including Nomination & Compensation Committee of the Board) and Directors (including Non- Executive Directors and Independent Directors),
- b) Employees holding 2% of the outstanding share capital of the Company's Equity share capital at any time after the commencement of this Scheme will not be eligible for grant of options.  
(Employees who are not eligible as per provisions of Clause 4 of the Securities & Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, shall not be eligible for grant of option.)

**(C) Requirements of vesting, period of vesting and maximum period of vesting**

- a) There shall be a minimum period of one year between the grant of options and vesting of options.
- b) The vesting period may extend up to 5 years from the date of grant or such further/other period as the Board/Committee may determine from the Grant Date.
- c) The Vesting shall happen in one or more tranches, subject to the terms and conditions of vesting as may be stipulated by the Board which may include satisfactory performance of the employees, their continued association with the Company, besides other criteria's.

**(D) Exercise Price or Pricing Formula**

At such price, in such manner, during such period, in one or more tranches and on such terms and conditions as the Board may decide in accordance with the applicable guidelines, provided that the Exercise Price per option shall not be less than the par value of the Equity Share of the Company and shall not be more than the market price.

**(E) Exercise Period and the Process of Exercise**

- a) Exercise period will commence from the vesting date and extent up to the expiry period of options as may be decided by the Board. The Exercise period may extend up to 7 years from the date of grant of options or such other period as may be decided by the Board/Committee. The Board will decide about the expiry period of options for employees leaving the Company after grant of options in his /her favour.
- b) The Option will be exercisable by employees by written application to the Company/designated Officer of the Company, to exercise the Options in such manners, and on execution of such documents, as may be prescribed by the Board under the Scheme, subject to conditions for payment of Exercise Price in the manner prescribed by the Board/Committee.
- c) The Options will lapse if not exercised within the specified exercise period.

**(F) Appraisal Process for determining the eligibility of employees to the ESOP Scheme**

- a) The Company has a formal performance appraisal system established wherein the performance of the Employees are assessed each year on the basis of various functional and managerial parameters. The appraisal process is revised at regular intervals as per industry standards.
- b) Employees, Directors (including Non Executive Directors and Independent Directors) would be granted Stock Options based on performance linked parameters such as value creation, leadership, work performance, technical knowledge, period of service, designation and such other parameters as may be decided by the Board from time to time.
- c) The Board may at its discretion extend the benefits of the ESOP Scheme- 2011 to a new entrant or any existing employees on such other basis as it may deem fit.

**(G) Maximum number of options to be issued per employees and in aggregate**

- a) The Maximum numbers of options to be granted to each employee will depend upon the rank/designation of the employees as on the date of grant of options. However the maximum number of Options issued/granted to any single Employee of the Company, during any one year shall be less than 1% of the existing issued and paid up Equity shares of the Company i.e. less than 21,865 Equity shares.
- b) The aggregate number of options to be granted under this scheme shall not initially exceed 10% of the existing paid up Equity shares of the Company .i.e. 2, 18,650 options.
- c) The Board shall decide on the numbers of options to be granted to each employee within this limit.
- d) As per the revised Clause 49 of the listing agreement, the resolution for introduction of ESOP Scheme should specify the limits for the maximum number of stock options that can be granted to Non- Executive Directors including Independent Directors, in any financial year and in aggregate. Accordingly, it is proposed to fix the following limits for Non- Executive Directors; including independent Directors;
  - i. Up to 10,000 options per annum
  - ii. Aggregate options to be granted under the Scheme shall be up to 50,000 Options.

**(H) Accounting Methods**

The Company shall conform to the accounting policies specified in Clause 13.1 of the Guidelines, and/or such other guidelines as may be applicable, from time to time.

**(I) Methods of valuation of these options**

The Company shall use/follow the intrinsic value method for valuation of the options.

Since the Company calculates the employees compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that would have been recognized if the fair value of the options had been used, shall be disclosed in the Directors' Report and the impact of this difference on profit and on EPS of the Company will also be disclosed in the Directors' Report.

Clause 6 of the ESOP Guidelines requires that any ESOP Scheme for offering stock options to the employees of the Company must be approved by the shareholders by way of a Special Resolution. Furthermore, as the Scheme will entail further shares to be offered to persons other than existing shareholders of the Company, consent of the members is required by way of a Special resolution pursuant to the provisions of Section 81 (1A) of the Companies Act, 1956.

Accordingly, the Resolution set as item no. 9 is being placed for the approval of shareholders pursuant to the provisions of Section 81 (1A) of the Companies Act, 1956 and clause 6 of the ESOP Guidelines.

The Board of Directors recommends the resolution as set out in item no.9 for your approval.

All the Directors of the Company are concerned or interested in the said resolution, to the extent of the Options/Shares that may be offered to them under the Scheme.

Place: New Delhi  
Date: 07.01. 2011

By order of the Board of Directors  
for Innovative Tech Pack Ltd  
(HEMA KUMARI)  
Company Secretary & Compliance Officer

REGISTERED OFFICE:  
51, ROZ-KA -MEO INDL. AREA,  
SOHNA, DISTRICT MEWAT, HARYANA- 122103

**Annexure  
DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE ANNUAL GENERAL MEETING**

PARTICULARS	DATE OF BIRTH	DATE OF APPOINTMENT	QUALIFICATION	EXPERTISE IN SPECIFIC FUNCTIONAL AREA	NO. OF SHARES HELD IN THE COMPANY	DIRECTORSHIP HELD IN OTHER PUBLIC COMPANY (EXCLUDING FOREIGN COMPANIES)	MEMBERSHIPS/ CHAIRMANSHIP OF OTHER BOARD COMMITTEES OF INDIAN PUBLIC COMPANIES
Sh. Atul Nripraj Barar	01st May, 1962	25th October, 2007	B. Com	27 Years rich experience in various industries	NIL	Innovative Pet Containers Ltd.	Membership-2 Chairmanship-1
Sh. Anil Kulbhushan Barar	26th January, 1960	06th September, 2010	B. Com	30 years rich experience in Business, Management	NIL	-	Membership-0 Chairmanship-0

Place: New Delhi  
Date: 07.01. 2011

By order of the Board of Directors  
for Innovative Tech Pack Ltd  
(HEMA KUMARI)  
Company Secretary & Compliance Officer

REGISTERED OFFICE:  
51, ROZ-KA -MEO INDL. AREA,  
SOHNA, DISTRICT MEWAT,  
HARYANA- 122103

**DIRECTORS' REPORT**

To,  
The Members,

The Directors of your Company have pleasure in presenting the Twenty First Annual Report together with the Audited Accounts for the accounting year ended 30th Sep, 2010 comprising of 18 months.

The accounting period has been extended to 18 months with the approval of Ministry of Corporate Affairs, Government of India, so as to give effect to Hon'ble BIFR order dated 19th July, 2010 by which it approved the Rehabilitation Scheme of the Company.

The summarized results are presented below;

**OPERATING RESULTS AND BUSINESS PERFORMANCE.**

The summarized results are presented below;

**FINANCIAL RESULTS:-**

	<b>2009-10</b>	<b>2008-09</b>
	<b>(18 Months)</b>	<b>(12 Months)</b>
Sales / Other Income	5161.99	3002.34
Gross Profit before interest, depreciation prior Period income and expenditure and impairment Loss and excess provision written back	678.68	473.28
Interest	138.95	100.05
Depreciation	317.24	185.06
Excess Provision Written Back#	558.69	33.90
Profit / (Loss) before prior period adjustment and Tax	781.18	222.07
Provision for Taxation	0.04	12.49
Provision for deferred Tax	244.73	9.80
Profit / (Loss) after Tax	536.41	199.78
Prior Period Expenses	7.50	11.21
Net Profit	528.91	188.57

# Includes exceptional items on account of excess interest provided in earlier year of Rs 540.03 lacs now written back on completion of OTS with financial institution, excess depreciation charged earlier on impaired assets of Rs 14.16 Lakhs and excess income tax provided of Rs 4.50 Lacs aggregating to Rs. 558.69 Lakhs (previous years Rs. 33.90 Lakhs).

For the year ended 30th Sep 2010, the total income of the Company was Rs 5161.99 lakhs as against Rs 3002.34 lakhs in the previous financial year.

The growth achieved was 71.9% on absolute basis, but on annualized basis is 14.6 % (P.Y. 8%)

PBT (Profit before tax and prior period expenses) is Rs 781.18 lakhs, but without considering excess provision written back of Rs 558.69 lakhs is Rs 222.49 lakhs as against corresponding figure of previous year Rs 188.17 lakhs representing a growth of 18.23% on absolute terms.

Production of Bottles and Jars were 2044.51 (numbers in lakhs) as against a production of 1233.03 (numbers in lakhs) Bottles and Jars in the preceding financial year. This represents an increase in production of 65.81% on absolute basis and 10.54% on annualized basis.

During the year under review, the despatches of Bottles and Jars were 2065.64 (numbers in lakhs) as against 1223.62 (numbers in lakhs) Bottles and Jars despatched in the previous financial year. This represents an increase in dispatches of 68.80% on absolute basis, but an increase of 12.5% on annualized basis.

Your Company continues to achieve good growth in sales and profitability and is also gradually increasing its production capacity and modernizing its plant at Rudrapur in spite of no working capital limits / term loans being sanctioned to it by banks / financial institutions.

**DIVIDEND**

Your Directors after considering the requirement of funds for working capital, expansion and modernization of its plant at Rudrapur, OTS repayment obligations and the financial position of the Company, have decided not to recommend any dividend for the year under review.



**STATUS OF DRAFT REHABILITATION SCHEME AND ONE TIME SETTLEMENT WITH SECURED CREDITORS.**

The draft rehabilitation scheme submitted by operating agency i.e. Punjab National Bank to Hon'ble BIFR for its consideration and approval has been sanctioned by Hon'ble BIFR by its order dated 19th July, 2010.

As per the revised repayment schedule approved by Haryana State Industrial & Infrastructure Development Corporation (HSIIDC) and Punjab National Bank (PNB), all dues payable under One Time Settlement to Haryana State Industrial & Infrastructure Development Corporation (HSIIDC) has already been paid off resulting in remission of liability of Rs 540.03 Lakhs and to Punjab National Bank, who is the only secured creditor left, payment under revised schedule is under progress and is likely to be completed by February 2011, which will also result in remission of liability to the extent of Rs 1225.48 lakhs.

Also as per Hon'ble BIFR order, reduction of the paid-up share capital was to be effected to the extent of 90% so as to reduce accumulated losses and same has been effected and is approved and taken on record by the concerned Authorities.

Further as required by Hon'ble BIFR order, funds to the extent of Rs. 399 lakhs have been brought in the Company by Promoters & Associates to complete the Rehabilitation Scheme

**RESTORATION OF TRADING**

The Shares of the Company were restored for trading at the Bombay Stock Exchange from 05th May, 2010 and the Company has availed the Amnesty Scheme as is introduced by the Delhi Stock Exchange and had applied for revocation of suspension of trading and the said application is under process.

**CORPORATE GOVERNANCE.**

Your Directors reaffirm their commitment to comply with the Corporate Governance Standards prescribed by the Securities Exchange Board of India (SEBI). A separate Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement along with Auditors' certificate on its compliance has been annexed hereto as part of the Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:**

Your Director's confirm:

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company at the end of the accounting Year and of the Profit / losses of the Company for that period.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they have been prepared the annual accounts on a going concern basis.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management discussion and Analysis Report is present in a separate section forming part of this Annual Report.

**DIRECTORS**

The Board comprises of 5 Directors, one of them is Executive Director (20%), four of them are Independent Non-Executive Directors (80%) representing optimum mix of professionalism. During the period under review, Sh. Sudarshan Singh Viridi, Nominee of Haryana Financial Corporation (HFC) resigned from the Board w.e.f. 27th March, 2010 after the Loan amount due to Haryana Financial Corporation (HFC) was paid by the Company.

Sh. Ketineni Sayaji Rao was appointed as Managing Director of the Company w.e.f. 01st August, 2010 by the Board of Directors at their meeting held on 28th July, 2010, which was subsequently approved by the Shareholders at their Extra- Ordinary General Meeting held on 01st September, 2010.

Sh. Anil Kulbhushan Barar was appointed as Additional Director by the Board of Directors at their Meeting held on 06th September, 2010 to further strengthen the power of the Board. As per the provisions of the Companies Act, 1956, he holds office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received Notice from a members of the Company, along with requisite deposit under Section 257 of the Act, proposing his candidature to the office of the Director of the Company. Accordingly resolution seeking the approval of the Members of the Company for his appointment has been incorporated in the Notice of the forthcoming Annual General Meeting along with brief details about him. The Board recommends his appointment in the interest of the Company.

Sh. Atul Nripraj Barar, retires by rotation, and being eligible, offers himself for re-appointment, which the Directors consider to be in the best interests of the Company and therefore recommend his candidature for the approval of the shareholders.

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

As required by Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 the relevant details pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are contained in Annexure to this report.

**AUDITORS AND AUDITORS' REPORT**

M/s. BGJC & Associates, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. They have furnished a certificate that the re-appointment, if made, will be in accordance with Section 224(IB) of the Companies Act, 1956.

The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

**PERSONNEL**

During the year under review, there were no employees whose particulars are required to be disclosed in accordance with the provisions of Section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules 1975.

**INDUSTRIAL RELATIONS**

The industrial relations have remained cordial and harmonious during the year.

**FIXED DEPOSITS**

Your Company has not accepted any fixed deposits from the public, during the year under review.

**ACKNOWLEDGEMENTS**

The Board of Director express their sincere thanks and wishes to place on record its deep appreciation for the continued support, confidence and co-operation that the Company has received from Punjab National Bank, Haryana State Industrial & Infrastructure Development Corporation, Haryana Financial Corporation, Central and State Government Authorities, Customers, Suppliers and Business Associates.

Your Directors also place on record their deep appreciation of the employees for the valued and continuous support at all levels for their services and commitment during the year.

On behalf of the Board

Place: New Delhi

Date: 07.01.2011

KETINENI SAYAJI RAO  
Chairman & Managing Director

**ANNEXURE 'A' TO DIRECTORS' REPORT**

Particulars as required under Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the accounting year ended 30th September, 2010.

**1. CONSERVATION OF ENERGY**

Your Company is not covered in the Schedule of Industries under rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, requiring furnishing of information relating to conservation of energy. However realizing its importance, the Company has launched a concerted drive for conserving energy. Replacement of worn out wires, control of idle running of engines, and plugging of leakage were some of the measures taken. Besides the measures already taken, efforts are continuing to examine and implement fresh proposals for further conservation of energy. Positive impact of measures already taken has been observed on the costs.

**2. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

- a) Company has indigenously developed moulds thereby saving precious foreign exchange.
- b) The technology imported from Japanese and French Collaborators has been well absorbed by the Company and is being updated on a regular basis by keeping abreast of the latest developments in the field.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not earned any income in foreign exchange nor incurred any expenditure in foreign currency during the year under review except on foreign traveling expenses of Rs 3.40 Lakhs.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE

India has emerged as one of the largest plastic consumer globally as it is growing on a fast track basis. This success is attributed to following factors:

- a) The growth of FMCG, Pharma and Liquor segments
- b) PET bottles and Jars is fast replacing Glass items as the user industries are finding PET items as more convenient for handling and packing purposes.
- c) Further the technologies adopted for manufacture of pet jars and bottles are being constantly upgraded which makes them more competitive in terms of quality and price.

Hence as a result per capita plastic consumption of plastic has increased manifold in India

It is also pertinent that organized sector which is better equipped in terms of technical, managerial and financial capabilities is fast replacing the unorganized small and medium companies in the sector as they are more dependable.

### 2. FUTURE OUTLOOK AND STRATEGIES

The future of Company is quiet bright for the following reasons

- Company's future stands secured as a FMCG major, leader in it's sector has tied up with Company for a five years marketing tie up
- Company has been successful in penetrating another FMCG major after passing stringent quality audit. This will give immense impetus to Company's business in times to come
- Company's proximity to numerous FMCG , Pharma sector companies in area gives it an added advantage to tap the huge market potential
- Company is also gaining financial strength as net worth of Company has already emerged positive, as a result Company is on verge of emerging out of the sickness i.e. after secured loans are fully paid
- Company's entire secured loans is likely to be liquidated by next financial year which will result in remission of huge liabilities under OTS and substantial boost to the Net Worth of the Company

### STRATEGIES

- To upgrade technologies and capacities from time to time, to produce quality product at most competitive price by achieving economies of scale and debottlenecking
- To upgrade ourselves continuously in terms of management, financial and technical resources to the perfection level so that Company can emerge as a most successful, dynamic enterprise in its sector.

### 3. OPPORTUNITIES, CHALLENGES AND THREATS

The opportunities are immense as market has huge potential as explained above

- The challenge however has limitation of financial resources, as still being a BIFR Company, Company do not have access to Banks/Fls. This is a bottle neck towards growth which however will not remain as Company is likely to be out of BIFR by next financial year
- The other challenges are sharp increase in PET prices, erratic power supply resulting in greater dependence on diesel and other input costs. These cost at times cannot be fully passed to our high profile customers as they have own target prices for procurement based on the ultimate efficiency. To coup up with this, we are setting standards for all operational areas of highest level

### 4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

The Company has in place, adequate systems of internal control to safeguard its assets against loss through unauthorized use and pilferage. All payments are made after proper authorization and all purchase orders / contracts are issued / signed after the same has been approved by the authorized persons. The internal control system has been devised to ensure that financial and other records are reliable for preparing the financial statements. Internal Audit reports are placed before the Audit Committee of the Board for consideration and discussions. Necessary action is taken on the points raised by Internal Audit Committee.

**5. HUMAN RESOURCE DEVELOPMENT**

We are committed to create an organization that nurtures the talent and enterprise of our people, helping them to grow and find fulfillment in an open culture. Our business and growth strategies would be based on a strong HR foundation created through a judicious use of innovative HR process and systems.

The Company has a good team of marketing personnel; ITPL's human resource base has a devoted team of employees and experts. During the year, ITPL has taken several significant initiatives in further strengthening its human capital including recruitment of middle level management

**6. CAUTIONARY / FUTURISTIC STATEMENTS.**

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects' or other words of similar meaning. Forward-looking statements are based on certain assumptions and expectations of future events. Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be " forward looking statements " within the meaning of applicable laws and regulations and futuristic in nature. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put in to realize certain goals. The success in realizing these depends on various factors both internal and external. Investors are therefore requested to make their own independent judgments before taking any investment decisions.

**MANAGING DIRECTOR AND A.V.P. (FINANCE & ACCOUNTS) CERTIFICATION IN TERMS OF CLAUSE 49 (V) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES:**

We Ketineni Sayaji Rao, Managing Director and Sanjay Saigal, A.V.P. (Finance & Accounts) of Innovative Tech Pack Ltd., hereby certify to the Boards that:

- [a] We have reviewed financial statements and the cash flow statement for the year ended 30th Sep, 2010 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- [b] There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- [c] We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- [d] We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By order of the Board of Directors  
for Innovative Tech Pack Ltd

Place: New Delhi  
Date: 07.01. 2011

(KETINENI SAYAJI RAO)  
Managing Director

(SANJAY SAIGAL)  
A.V.P. (Finance & Accounts)

**REPORT ON CORPORATE GOVERNANCE**

**1. Company's philosophy on Code of Governance:**

Corporate Governance is an insight into the management of affairs of the Company. It implies governance with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. Company is committed to and firmly believes in, following good corporate governance practices, as they are critical for meeting its obligations towards shareholders and other stakeholders.

**2. Board of Directors**

**a) Composition of the Board**

In compliance with the Corporate Governance requirements, presently the Board comprises of 5 Directors, one of them is Executive Director (20%), four of them are Independent Non-Executive Directors (80%) representing optimum mix of professionalism. During the period under review, Sh. Sudarshan Singh Virdi, Nominee of Haryana Financial Corporation (HFC) resigned from the Board w.e.f. 27th March, 2010 after the Loan amount due to Haryana Financial Corporation (HFC) had been paid by the Company. Sh. Ketineni Sayaji Rao was appointed as the Managing Director of the Company w.e.f. 01st August, 2010 by the Board of Directors at their meeting held on 28th July, 2010, which was subsequently approved by the Shareholders at their Extra- Ordinary General Meeting held on 01st September, 2010. Sh. Anil Kulbhushan Barar was appointed as Additional Director by the Board of Directors at their Meeting held on 06th September, 2010. Sh. Atul Nripraj Barar, retires by Rotation and being eligible offers himself for re-appointment.

**b) Number of Board meetings**

During the 18 months accounting period ending September 30, 2010, the Board met 19 (Nineteen) times on 30th May, 2009, 12th Aug, 2009, 31st Aug, 2009, 18th Nov, 2009, 27th Nov, 2009, 8th Jan, 2010, 20th Jan, 2010, 27th Jan, 2010, 18th Feb, 2010, 23rd Mar, 2010, 27th Mar, 2010, 14th May, 2010, 7th Jun, 2010, 28th Jun, 2010, 1st July, 2010, 28th July, 2010, 13th Aug, 2010, 06th Sept., 2010 and 27th Sept., 2010. The Board meet quiet regularly to keep close monitoring of Company's operations, which are at crucial stage for turnaround.

**c) Directors' attendance record and Directorship in other public limited companies**

Name of the Director	Category	Board meetings held during the year	Board meetings attended during the year	Whether last AGM attended	Directorships in other public limited companies	No. of Member-ships/ Chairmanships of other Board Committees *	
						Member	Chairman
Sh. Ketineni Sayaji Rao	Managing Director (Promoter)	19	19	No	1	2	-
Sh. Atul Nripraj Barar	Non-Executive Independent Director	19	19	No	1	2	1
Sh. Sanjay Dhawan	Non-Executive Independent Director	19	19	Yes	5	2	1
Sh Mahavir Singh	Nominee Director	19	1	No	4	1	-
Sh. Sudarshan Singh Virdi**	Nominee Director	19	-	No	1	2	-
Sh. Anil Kulbhushan Barar**	Non-Executive Independent Director	19	2	No	-	-	-

\* None of the Directors is a member of more than ten Board Committees or a Chairman of more than five such committees, as required under clause 49 of the Listing Agreement.

\*\* Sh. Sudarshan Singh Virdi resigned from the Directorship w. e. f. 27th March, 2010 and Sh. Anil Kulbhushan Barar was appointed as Additional Director w.e.f. 06th September, 2010.

**d) Code of Conduct**

The Board had laid down a code of conduct for all the Board members and senior management personnel of the Company, which is also posted on the web-site of the Company (www.itplgroup.com).

All Board members and senior management personnel have affirmed compliance with the code of conduct.

**3. Audit Committee**

**a) Composition**

The Company has reconstituted the Audit Committee as Sh. Sudarshan Singh Viridi resigned from the Directorship. The Present Audit Committee comprises of Sh. Sanjay Dhawan as Chairman, Sh. Atul Nripraj Barar, Sh. Ketineni Sayaji Rao, as members. All the members of the Committee are Independent, Non Executive Directors except for Sh. Ketineni Sayaji Rao. The composition of the Committee is in conformity with Clause 49(II) (A) of the Listing Agreement.

All members of the Committee are financially literate and have accounting or related financial management expertise.

**b) Terms of Reference, Powers & Role of the Committee**

The terms of reference of the Audit Committee including its role & powers are as specified in Clause 49 of the listing agreement with the stock exchanges, and in Section 292A of the Companies Act, 1956 as amended from time to time, besides other terms as may be referred to it by the Board of Directors.

The terms of reference of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.
- Recommending the appointment and removal of statutory and internal auditors (wherever required), fixation of audit fee and approval for payment for any other services. Reviewing with management the quarterly and the annual financial statements before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by Management.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with Stock Exchange(s) and Legal requirements concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of material nature, with Promoters or the Management, or relatives etc. that may have potential conflict with the interest of the Company at large.
- Reviewing with the management, statutory and internal auditors, the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where they are suspected about any fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors about the scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the lenders, shareholders (in case of non payment of declared dividends) and other creditors.

**c) Number of Committee Meetings & Attendance**

The Committee met 8 times during the 18 months period ending on 30th Sep, 2010 i.e. on 30th May, 2009, 12th Aug., 2009, 31st Aug, 2009, 27th Nov, 2009, 27th Jan, 2010, 18th Feb, 2010, 14th May, 2010 & 13th Aug, 2010. As apparent, the gap between two meetings was not more than four months.

The attendance record of the members is as follows:

Name of the Director	Status	No. of meetings held	No. of meetings attended
Sh. Sanjay Dhawan	Chairman	8	8
Sh. Atul Nripraj Barar	Member	8	8
Sh. Ketineni Sayaji Rao *	Member	8	2
Sh. Sudarshan Singh Virdi *	Member	8	-

\* Audit committee was reconstituted as Sh. Sudarshan Singh Virdi resigned w.e.f. 27th March, 2010 and Sh. Ketineni Sayaji Rao was appointed as member of the committee.

**4) Remuneration Committee**

The Remuneration Committee was also reconstituted as Sh. Sudarshan Singh Virdi, resigned .The new committee comprised of Sh. Sanjay Dhawan as Chairman, Sh. Atul Nripraj Barar and Sh. Mahavir Singh as members.

The Remuneration committee met on 28th July 2010, to approve the appointment of Sh. Ketineni Sayaji Rao as Managing Director with effect from 01st Aug, 2010. The said appointment was subsequently approved by the shareholders at their Extra Ordinary General Meeting held on 01st September, 2010

**a) Remuneration Policy & Remuneration of Directors:**

No remuneration has been paid to Directors except to Sh. Ketineni Sayaji Rao, Managing Director whose present salary is Rs 1,35,000 per month w.e.f 1st Aug 2010 and is entitled to the perquisites of Rs. 1,44,000 per annum. He is not entitled to any other commission. The current salary is as per the terms and conditions specified under Schedule XIII of the Companies Act, 1956 and has been approved by shareholders in their Extraordinary General Meeting held on 01st September, 2010.

**b) Shares held by Non-executive Directors**

There is none of the Non Executive Director of the Company who is holding any shares in his name, of the Company.

**5. Share Transfer Committee**

**(i) Composition**

The committee comprises of Sh. Ketineni Sayaji Rao (Managing Director) as Chairman of the Committee. Sh. Sanjay Dhawan (Director), Sh. Sanjay Saigal, A.V.P. (Finance & Accounts) and Ms. Hema Kumari (Company Secretary) are the members of the said committee.

**ii) Terms of Reference**

The committee approves and monitors transfer, transmission, split-up and consolidation of shares, issue of duplicate shares and other allied matters. Meetings are called once in a fortnight, if share transfers are required to be approved.

**6. Shareholders/Investors Grievance Committee**

**i) Composition**

The committee comprises of Sh. Atul Nripraj Barar, Sh. Ketineni Sayaji Rao and Sh. Sanjay Dhawan. Sh. Atul Nripraj Barar is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The composition of the Committee is in conformity with Clause 49 (IV) (G) (iii) of the Listing Agreement.

**ii) Terms of Reference**

The Committee has been constituted to specifically look into issues relating to redressal of the Investors/ Shareholders complaints including complaints relating to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends and/or any other matter relating to Shareholders/Investors. The Committee meets as and when required.

Investor Grievance committee looks into the following matters;

- a) To look into the investors grievances and redressal thereof.
- b) To see that investors queries are replied timely and no investor grievance is kept pending.
- c) To see that the shares are transferred within the specified time limit.
- d) To register the change of address, transposition of names, dematerialization of shares, loss of share certificate, issue of duplicate share certificate and other investor grievances.
- e) To see that the statutory books are kept open for inspection of shareholders and extracts, copies thereof furnished within specified time limit in accordance with the provisions of the Companies Act, 1956.

**iii) Name & Designation of Compliance officer**

Ms. Hema Kumari (Company Secretary) is the Compliance Officer.

**iv) Investors complaints received and resolved during the year**

During the year under review, 11 complaints were received and were duly resolved

**7. General Body Meetings**

**a) Details of the last three Annual General meetings are as under:**

Financial Year	Date	Time	Venue	Details of special resolutions passed, if any
2006-07	27.09.07	11.00 A.M.	51, Roz-Ka-Meo Industrial Area, Sohna, District Gurgaon, Haryana.	None
2007-08	25.09.08	11.00 A.M.	51, Roz-Ka-Meo Industrial Area, Sohna, District Gurgaon, Haryana.	None
2008-09	30.09.09	10.00 A M	51, Roz-Ka-Meo Industrial Area, Sohna, District Gurgaon, Haryana.	<p>a) Appointment of Shri K. Satish Rao, relative (son) of Sh. Ketineni Sayaji Rao, Managing Director to hold office or Place of Profit w.e.f 10th September 2008 on a consolidated salary of Rs. 25,000 per month as Senior Manager (Corporate) u/s 314(1) of the Companies Act, 1956.</p> <p>b) Consent u/s 293(1) (d) of the Companies Act, 1956 to Board of Directors for borrowings from time to time, subject to the condition that such borrowings shall not exceed Rs. 50 Crores and u/s 293(1) (a) of the Companies Act, 1956, to secure the aforesaid borrowings.</p>

**b) Extra Ordinary General Meeting(s) (EGMs)**

During the period under review, EGM was held on 01st September, 2010 at Hakim Ji Ki Choupal, Village Ujina, Police Station Nuh, Dist Mewat, Haryana. Following Special Resolutions were passed in the said meeting:

- i) Consent for reduction of existing Paid up Equity Share Capital by 90% pursuant to Section 18 of the Sick Industrial Companies (Special Provisions) Act, 1985, the Rehabilitation Scheme as sanctioned by Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide their order dated 19th July, 2010.
- ii) Consent for appointment of Sh. Ketineni Sayaji Rao as Managing Director for a period of three years commencing from 1st Aug, 2010 on a salary of Rs 1.35 Lakhs per month and perquisites of Rs 1.44 Lakhs per annum.

**c) Postal Ballot**

During the accounting year ended 30th September 2010, no special resolution was passed through postal ballot.

**8. Disclosures**

- ((i) The details of all significant transactions with related parties are periodically placed before Audit Committee.
- (ii) The Company has not entered into any transactions of a material nature with the promoters, Directors, or the management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.
- (iii) No penalties or strictures have been imposed on the Company by SEBI or any other statutory authority on any matter related to capital markets for non-compliance by the Company during the year.
- (iv) The Company has no whistle blower policy. However, no personnel were denied access to the Audit Committee.
- (v) The Company has laid down Risk Management Policy to inform Board Members about the Risk assessment and minimization procedures.
- (vi) All mandatory requirement as applicable to the Company are being complied with.



- (vii) Management Discussion and Analysis forms part of the Annual Report.
- (viii) The Company has not received any proceeds from Public Issues, Rights Issues, and Preferential Issues.
- (ix) The Company is complying with all applicable accounting standards and generally accepted accounting principles.

**9. Means of Communication**

- a) At present quarterly/half yearly reports are not being sent to each household of shareholders as it is not a mandatory requirement.
- b) Annual Results: Published in English and Hindi newspapers and intimated to stock exchanges immediately.
- c) Quarterly Results: Published in English and Hindi Newspapers intimated to stock exchanges immediately.
- d) News papers normally published in: The Pioneer and Vir Arjun.
- e) Whether Management Discussion and Analysis is a part of the Annual Report: Yes.

**10. General Shareholder information**

**a. Annual General Meeting (AGM)**

Date : THURSDAY, 17TH FEBRUARY, 2011  
 Venue : 51, Roz-Ka-Meo Industrial Area, Sohna, District Mewat, Haryana  
 Time : 10.00 A.M

**b. Book Closure**

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 11th February, 2011 to Thursday, 17th February, 2011 (both days inclusive)

**c. Listing in stock exchanges and stock codes**

The names of the Stock Exchanges at which the Equity shares are listed and the respective stock codes are as under:

Name of the Stock Exchanges	Stock Code/Symbol
Bombay Stock Exchange Limited	523840
*Delhi Stock Exchange	109084

\* The Company has availed the Amnesty Scheme as is introduced by the Delhi Stock Exchange and had applied for revocation of suspension of trading and the said application is under process.

Listing fees for the financial year 2010-11, as payable to the aforesaid Stock Exchanges, have already been paid.

**Scrip Name :** INNOVATIVE TECH PACK LIMITED  
**Demat ISIN No in NSDL & CDSL :** INE 965 C 01020

**d. Financial Calendar**

Innovative Tech Pack Ltd. follows the financial year from April to March. However, current financial year was extended to 18 months i.e. 01st April, 2009 to 30th September, 2010. The Un-audited Financial Results for the six quarters were taken on record and approved by the Board in its meeting(s) held on the following dates:

Quarter Ended	Date of Board Meeting
June 2009	31st Aug, 2009
September 2009	27th Nov, 2009
December 2009	27th Jan, 2010
March 2010	14th May, 2010
June 2010	13th Aug, 2010
September 2010	12th Nov, 2010

**e. Market Price Data**

The shares of the Company were restored for trading at the Bombay Stock Exchange from 05th May, 2010 and continued up to 15th September, 2010. On 16th September 2010, the trading was suspended as record date was fixed on 17th

September, 2010 for reduction of share capital and procedure for reduction of share capital was to be completed as per the order of Hon'ble BIFR. Subsequently after the completion of procedure trading was restored on 22nd November, 2010

**Stock Market price data for the year 2009-10 is as follows:**

Month	Innovative Tech Pack Share Price on BSE		Volume (No. of shares)
	High (Rs)	Low (Rs)	
May-10	60.00	17.43	12,54,555
June-10	18.10	8.25	11,48,940
July-10	10.81	7.25	10,49,476
August-10	7.58	6.30	4,46,641
September-10	7.42	6.35	1,55,751

Shares traded during 1st April 2009 to 30th September 2010

Shares traded during 5th May.10 to 30th Sep.10	BSE
No of shares traded	4,055,363
Highest Share Price (Rs.)	60.00
Lowest Share Price (Rs.)	6.30
Closing Share Price (as on 30.09.2010) (Rs.)	6.98
Market Capitalization (as on 30.09.2010) (Rs in Lakhs)	479.17

**f) Registrar & Share Transfer Agent**

M/s Beetal Financial and Computer Services (P) Ltd., Beetal House, 99, Madangir, Behind Local Shopping Centre, New Delhi- 62 are our Registrar and Share Transfer Agents. Members are requested to send their correspondence regarding transfer of shares, demat of shares and other queries to the above stated Registrar and Share Transfer Agents instead of sending it to the Company.

**g) Share Transfer Systems**

The Company's Equity shares are admitted with the depository system of National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) as an eligible security under the Depository Act, 1996.

To expedite the compliance, authority has been delegated to the Share Transfer Agents. In compliance with the listing agreement, after every three months, a practicing Company Secretary audits share transfer system and a certificate to this effect is issued by him. Nominal value of the share is Rs. 10/- (Rupees Ten only) each.

**Distribution of shareholding as on 30th September 2010**

Number of Equity Shares held	Shareholders		Shareholding	
	Numbers	%	No. of Shares	%
Up to 5000	15132	99.35	369578	53.84
5001 to 10000	57	0.37	41901	6.10
10001 to 20000	17	0.11	23938	3.49
20001 to 30000	7	0.05	16529	2.41
30001 to 40000	4	0.03	14446	2.10
40001 to 50000	3	0.02	14076	2.05
50001 to 100000	7	0.05	46194	6.73
100001 and above	4	0.03	159838	23.28
<b>Total</b>	<b>15231</b>	<b>100.00</b>	<b>686500</b>	<b>100.00</b>

**h) Shareholding Pattern for the accounting year ended: 30th September 2010**

Category	Number of Shares Held	Shareholdings in %
<b>Promoter's Holding</b>		
Indian Promoters	110594	16.11
Foreign Promoters	Nil	Nil
Persons Acting in concert	Nil	Nil

Sub Total (A)	110594	16.11
<b>Non Promoter's Holding</b>		
Institutional Investors		
Mutual Funds / UTI	1300	0.19
Financial Institutions / Banks	25000	3.64
Central Government / State Government(s)	Nil	Nil
Venture Capital Fund(s)	Nil	Nil
Insurance Companies	Nil	Nil
Foreign Institutional Investors	Nil	Nil
Any others	Nil	Nil
Sub Total (B)	26300	3.83
<b>Others</b>		
Bodies Corporate	66149	9.64
Indian Public	468813	68.29
NRIs / OCBs	14644	2.13
Any other	Nil	Nil
Sub Total ( C )	549606	80.06
<b>Total</b>	<b>686500</b>	<b>100.00</b>

**i) Shares held in physical and dematerialised form**

The shares of the Company are compulsorily traded in dematerialized form with effect from 1st April, 2001. Details of shares of the Company as on 30th September, 2010 in physical and demat form are as follows;

Particular	Number of Shares	%
Shares in Physical Form	318363	46.38
Shares in Demat Form	368137	53.62
<b>TOTAL</b>	<b>686500</b>	<b>100.00</b>

**j) Plant Location**

- a) 51, ROZ - KA - MEO INDL. AREA, SOHNA, DISTRICT MEWAT, HARYANA- 122103
- b) RUNGTA INDUSTRIAL COMPOUND, RUDARPUR, UTTARANCHAL.

**k) Address for Correspondence:**

CORPORATE OFFICE: 1109-1110, CHIRANJIV TOWER, 43, NEHRU PLACE, NEW DELHI 110019.

Place: New Delhi

Date:07.01.2011

**For Innovative Tech Pack Limited**

KETINENI SAYAJI RAO  
(Managing Director)

**DECLARATION**

I, Ketineni Sayaji Rao, Managing Director of the Company, do hereby declare that the Company has laid down a code of conduct for its Board Members and senior management personnel and all the Board Members and senior management personnel have affirmed compliance with the said code of conduct for the accounting year ended 30th September, 2010.

Place: New Delhi

Date:07.01.2011

**For Innovative Tech Pack Limited**

KETINENI SAYAJI RAO  
(Managing Director)

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members  
Innovative Tech Pack Ltd.

We have examined the Compliance of conditions of Corporate Governance by Innovative Tech Pack Ltd. for the Year ended 30th September 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges. The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the condition of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of the information and according to the explanation given to us, we certify that the Company had complied with the Conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company, based on the record maintained by the Investors Services Department and as certified by the Compliance Officer of the Company.

We state that such compliance is neither as 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 BGJC & Associates  
CHARTERED ACCOUNTANTS**

PLACE: New Delhi  
DATE: 07.01.2011

**Darshan Chhajer  
(PARTNER)  
M.No. 88308**

**AUDITORS' REPORT****TO THE MEMBERS OF INNOVATIVE TECH PACK LIMITED**

We have audited the attached balance sheet of **Innovative Tech Pack Limited ("the Company")** as at September 30th, 2010 and the profit & loss account and the cash flow statement of the Company for the period 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 have conducted our audit in accordance with the 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.

1. As required by Companies (Auditor's Report) Order, 2003, ("the order"), as amended, issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 (" the Act"), we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 & 5 of the said Order as under.
2. Further to our comments in paragraph 1 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 company so far as appears from our examination of those books;
  - c) the balance sheet, the profit & loss account and cash flow statement dealt with this report are in agreement with the books of accounts;
  - d) in our opinion, the balance sheet , profit & loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act 1956, in so far as they apply to the company;
  - e) on the basis of the written representations received from the directors as on 30th September'2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th September 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act; and
  - f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and other notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. in the case of balance sheet, of the state of affairs of the Company as at September 30, 2010;
    - ii. in the case of profit & loss account, of the profit of the Company for the period ended on, that date and
    - iii. in the case of Cash flow statements, of the cash flows of the Company for the period ended on that date.

**For BGJC & Associates  
CHARTERED ACCOUNTANTS  
(Firm Registration No: 003304N)**

PLACE: New Delhi  
DATE: 07.01.2011

**DARSHAN CHHAJER  
(PARTNER)  
Membership No: 088308**

**ANNEXURE TO AUDITOR'S REPORT**

Annexure referred to in Paragraph 1 of the Auditor's Report To The Members of **INNOVATIVE TECH PACK LIMITED** on the Accounts for the period ended 30th September 2010

- i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the explanation and information given to us certain fixed assets have been physically verified by the management during the period under audit. .
- c) During the period, the company has not disposed off substantial part of its fixed asset that affect the going concern status of the company.
- ii) a) The inventory (except stocks lying with third parties) has been verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedure of verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- c) On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification were not material in relation to the operations of the company and the same has been properly dealt with the books of accounts.
- iii) a) The company has not granted any loans, secured or unsecured to companies, firms or other parties as covered in the register maintained under section 301 of the Act . Accordingly, the provisions of clause 4(iii) (b) to (d), of the Order are not applicable.
- e) The company has taken interest free unsecured loans from three parties covered in the register maintained under section 301 of the Act during the period under audit. Accordingly the provisions of clause 4(iii) (f) & (g), of the Order are not applicable. The maximum amount outstanding was Rs.128.50 lacs.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control.
- v) a) According to the information and explanation given to us, we are of the opinion that the transaction made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies act, 1956 and exceeding the value of rupee five lakhs in respect of any party during the period have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit during the period from public within the meaning of section 58A, 58AA or any other relevant provisions of the companies Act'1956.
- vii) In our opinion, the company has an internal audit system commensurate with its size and nature of business.
- viii) As explained to us by the management and according to the information given to us, maintenance of cost records as prescribed under section 209(1) (d) of the Companies Act, 1956 is not applicable to the company.
- ix) a) 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 etc have generally been regularly deposited with the appropriate authorities though there was delay in few cases.

According to the information and explanation given to us, following undisputed amounts are payable were in arrears as at 30.09.2010 for a period of more than six month from the date they became payable:-

Particulars	Amount outstanding ( in Rs.)
Wealth Tax	157,790
Fringe Benefit Tax	723,007

- b) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except given below:

Name statute	Nature of Dues	Amount Unpaid ( in Rs.)	Related Period	Forum where Dispute is Pending
Central Excise Act'1944	Demand for Modvat Claim	15,42,750	2008-09	CESTAT
FERA	Penalty	15,00,000	1993-1998	Tribunal

- x) The company has accumulated losses amounting to Rs.248.00 Lacs as on 30.09.2010 but the company has not incurred cash losses in the financial period ended on that date or in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank as at the balance sheet date.
- xii) According to the information given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund /society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- xiv) In our opinion and according to the information and explanations given to us, proper records have been maintained with respect to transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments, and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company in its own name.
- xv) According to the information and explanations given to us the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi) According to the information given to us the company has used term loans for the purpose for which it were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investment. No long-term funds have been used to finance short-term assets .
- xviii) According to the information and explanations given to us, during the period covered by our audit report the company has not made any preferential allotment of shares.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- xx) According to the information and explanations given to us, during the period covered by our audit report no money has been raised by public issues.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For BGJC & Associates  
CHARTERED ACCOUNTANTS  
(Firm Registration No: 003304N)**

PLACE: New Delhi  
DATE: 07.01.2011

**DARSHAN CHHAJER  
(PARTNER)  
Membership No: 088308**

**BALANCE SHEET AS AT 30TH SEPTEMBER, 2010**

PARTICULARS	SCHEDULE	AS AT 30TH SEPTEMBER, 2010 (Rs.)	AS AT 31ST MARCH, 2009 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUND</b>			
Share Capital (Refer Note # 6 to Notes To Accounts)	1	6,865,000	68,322,500
Share Application Money		15,000,000	-
Reserves & Surplus	2	2,524,500	2,524,500
<b>LOAN FUNDS</b>			
Secured Loan	3	142,964,241	231,308,320
Unsecured Loan	4	32,150,423	27,626,219
<b>TOTAL</b>		<b>199,504,164</b>	<b>329,781,539</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
<b>Gross Block</b>	5	334,726,001	304,250,405
Less: Depreciation		177,609,633	156,352,935
Net Block		157,116,368	147,897,470
Less: Impairment of Assets		8,463,622	8,463,622
<b>Net Assets</b>		<b>148,652,746</b>	<b>139,433,848</b>
INVESTMENT IN GOVERNMENT SECURITIES (Trade Investment Long Term at cost) (Refer Note # 13 to Notes To Accounts)		50,000	50,000
<b>DEFERRED TAX ASSETS</b> (Refer Note # 24 to Notes To Accounts)		<b>8,351,242</b>	<b>32,824,947</b>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	6	20,272,787	15,548,140
Sundry Debtors	7	60,453,933	77,023,349
Cash & Bank Balances	8	6,005,277	1,171,589
Loans & Advances	9	23,675,903	16,167,408
		<b>110,407,900</b>	<b>109,910,486</b>
<b>LESS : CURRENT LIABILITIES AND PROVISION</b>			
Liabilities	10	90,475,495	89,239,141
Provision		2,282,239	2,674,910
		<b>92,757,734</b>	<b>91,914,051</b>
<b>NET CURRENT ASSETS</b>			
Profit & Loss Account	10-A	24,800,010	139,476,309
<b>TOTAL</b>		<b>199,504,164</b>	<b>329,781,539</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

17

Schedule 1 to 17 form an Integral part of the accounts

As per our report of even date attached.

**For BGJC & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO. - 003304N**

**DARSHAN CHHAJER  
(PARTNER)  
MEMBERSHIP NO: 88308**

**For and on behalf of Board**

**K. S. RAO  
MANAGING DIRECTOR**

**SANJAY DHAWAN  
DIRECTOR**

PLACE : New Delhi  
DATE : 07.01.2011

**SANJAY SAIGAL  
A.V.P. (F& A)**

**HEMA KUMARI  
COMPANY SECRETARY**



**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30TH SEPTEMBER, 2010**

PARTICULARS	SCHEDULE	18 MONTHS PERIOD ENDED 30TH SEPTEMBER, 2010 (Rs.)	YEAR ENDED 31ST MARCH, 2009 (Rs.)
<b>INCOME</b>			
Sales		514,674,264	294,062,807
Less: Excise Duty		215,043	178,785
<b>Net Sales</b>		<b>514,459,221</b>	<b>293,884,022</b>
Job Work {TDS of Rs. 93529 (P/Y Rs. 3,77,374)}		1,141,412	5,669,547
Interest {Includes TDS of Rs. 4,893 (P/Y Rs.13,990)}	11	122,185	67,916
Other Income		56,345,603	4,003,017
Increase/(Decrease) in Inventory	12	(2,788,427)	1,682,852
<b>TOTAL</b>		<b>569,279,994</b>	<b>305,307,354</b>
<b>EXPENDITURE</b>			
Raw Material Consumed		266,463,767	144,164,565
Manufacturing & Other Expenses	13	95,155,481	58,584,471
Personnel Expenses	14	48,719,102	26,880,014
Administration Expenses	15	35,201,241	24,961,492
Finance Charges	16	13,895,583	10,004,795
Depreciation		31,724,993	18,505,511
<b>TOTAL</b>		<b>491,160,166</b>	<b>283,100,848</b>
Profit before prior period adjustment & Tax		<b>78,119,828</b>	<b>22,206,506</b>
Prior Period Expenditure (Net)		750,328	1,121,130
<b>Net Profit Before Tax</b>		<b>77,369,500</b>	<b>21,085,376</b>
Less: <b>Tax Expenses</b>			
Current Tax		-	-
Earlier Period Tax adjustment			510,531
Fringe Benefit Tax		-	723,007
Deferred Tax		24,473,705	980,309
wealth tax		4,496	14,850
<b>Net Profit after tax</b>		<b>52,891,299</b>	<b>18,856,679</b>
Brought Forward Profit / (Loss)		(139,476,309)	(158,332,988)
<b>Net Loss Transferred to Balance Sheet</b>		<b>(86,585,010)</b>	<b>(139,476,309)</b>
<b>EARNING PER SHARE (RS.)</b>			
Basic		77.04	27.47
Diluted		65.17	27.47

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

Schedule 1 to 17 form an integral part of the accounts

As per our report of even date attached.

17

**For BGJC & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO. - 003304N**

**DARSHAN CHHAJER  
(PARTNER)  
MEMBERSHIP NO: 88308**

**For and on behalf of Board**

**K. S. RAO  
MANAGING DIRECTOR**

**SANJAY DHAWAN  
DIRECTOR**

PLACE : New Delhi  
DATE : 07.01.2011

**SANJAY SAIGAL  
A.V.P. (F& A)**

**HEMA KUMARI  
COMPANY SECRETARY**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**

	AS AT 30.09.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>SCHEDULE-1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
85,00,000 (P. Y. 85,00,000) Equity Shares of Rs. 10/- Each	85,000,000	85,000,000
<b>Issued</b>		
6,86,500 (P.Y. 68,65,000) Equity Shares of Rs. 10/- Each	6,865,000	68,650,000
<b>Subscribed &amp; Paid up*</b>		
6,86,500 (P.Y. 68,32,250) Equity Shares of Rs. 10/- Each fully paid up	6,865,000	67,995,000
Share Suspense Account	-	327,500
<b>TOTAL</b>	<b>6,865,000</b>	<b>68,322,500</b>
* As per Secretarial Records of the company		
<b>SCHEDULE-2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>CAPITAL RESERVES</b>		
Capital Investment Subsidy from Govt. of Haryana*	2,524,500	2,524,500
<b>TOTAL</b>	<b>2,524,500</b>	<b>2,524,500</b>
<i>*Notes</i>		
State subsidy by Govt of Haryana are secured by third charge by way of mortgage and hypothecation of immovable and movable properties both present and future (save and except book debts) and further guaranteed by personal guarantee of Managing Director of the company and three shareholders.		
<b>SCHEDULE-3</b>		
<b>SECURED LOANS</b>		
<b>Term Loans :</b>		
From Bank	13,192,716	37,175,552
From Financial Institutions	2,947,703	12,363,422
Interest Accrued & Due (Refer Note# 5 to Notes to Accounts)	122,548,011	176,551,089
<b>Vehicles Loans :</b>		
Banks	4,275,811	5,218,257
<b>TOTAL</b>	<b>142,964,241</b>	<b>231,308,320</b>
<b>Secured By :</b>		
1. Term loan of financial institutions are secured by first charge by way of mortgage and hypothecation of present as well as future land, building, plant & machinery, furniture & fixtures and other movable and immovable assets of the company and second charge on all current assets as well as second charge on specific machine financed by Bank on which Bank has first charge as well as it is secured by personal guarantee of Managing Director of the company and three shareholders.		
2. Term loan of Bank is secured by mortgage on third charge basis of all present and future land and other immovable properties together with all building, structures there on and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth and hypothecation by way of first charge on specific Machine financed by the term loan from Bank is further secured by personal guarantee of Managing Director, one shareholder and one third party guarantee.		
3. Working Capital loan from P.N.B. and is secured by first charge by way of hypothecation of stock of raw material, stock in process, finished goods, stores and spares present and future book debts outstanding, decrees, money receivables, claim bills, contracts, engagements, securities, investment, right and other movable assets, consumable stores, govt. subsidies, semi finished goods and is secured by mortgage on third charge basis of all present and future land and other immovable properties together with all building structures thereon and all plant & machinery attached to the earth or permanently fastened to anything attached to the earth and further guaranteed by personal guarantee of Managing Director, one shareholder and third party guarantee as well as pledge of 2,50,000 shares of the promoters of the company.		
4. Vehicle loans are secured by way of hypothecation of vehicles.		
5. Amount Repayable with in One Year Rs. 184.38 lacs.		
<b>SCHEDULE-4</b>		
<b>UNSECURED LOANS</b>		
<b>Other Loans and Advances :</b>		
From- Directors and related parties	25,070,647	8,510,311
From- NBFC	108,082	1,899,910
From -Corporates	6,971,694	17,215,998
<b>TOTAL</b>	<b>32,150,423</b>	<b>27,626,219</b>
Amount Repayable with in One Year Rs.59.95 lacs .		

**SCHEDULE-5**  
**FIXED ASSETS**  
**As at 30th September-2010**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost AS AT 01.04.2009	ADDITION DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST AS AT 30.09.2010	UP TO 31.03.2009	FOR THE YEAR	DEDUCTIONS DURING THE YEAR	UP TO 30.09.2010	AS AT 30.09.2010	AS AT 31.03.2009
Land	1,221,001	-	-	1,221,001	-	-	-	-	1,221,001	1,221,001
Building	23,558,597	-	-	23,558,597	9,078,568	1,181,365	-	10,259,933	13,298,664	14,480,029
Plant & Machinery	191,328,688	22,841,942	15,593,358	198,577,272	93,012,438	15,209,664	6,778,049	101,444,053	97,133,219	98,316,250
Moulds	47,531,680	9,601,214	-	57,132,894	32,864,287	9,183,517	-	42,047,804	15,085,090	14,667,393
Quality Controls Equipments	190,879	-	-	190,879	69,241	9,643	-	78,884	111,995	121,638
Electricals Installation	13,427,114	430,421	-	13,857,535	5,411,164	957,892	-	6,369,056	7,488,479	8,015,950
Furniture & Fixtures	1,710,474	-	-	1,710,474	1,121,196	160,135	-	1,281,331	429,143	589,278
Office Equipment	6,242,241	1,423,294	108,500	7,557,035	3,651,691	703,242	27,025	4,327,908	3,229,127	2,590,550
Computers	2,404,336	498,919	-	2,903,255	2,068,136	339,387	-	2,407,523	495,732	336,200
Vehicles	14,666,836	6,133,103	5,998,750	14,801,189	7,568,979	3,683,311	3,663,221	7,589,069	7,212,120	7,097,857
Motor Lorry	1,968,559	-	-	1,968,559	1,507,235	296,837	-	1,804,072	164,487	461,324
<b>Sub Total</b>	<b>304,250,405</b>	<b>40,928,893</b>	<b>21,700,608</b>	<b>323,478,690</b>	<b>156,352,935</b>	<b>31,724,993</b>	<b>10,468,295</b>	<b>177,609,633</b>	<b>145,869,057</b>	<b>147,897,470</b>
Capital Work In Progress	-	11,247,311	-	11,247,311	-	-	-	-	11,247,311	-
<b>Gross Total</b>	<b>304,250,405</b>	<b>52,176,204</b>	<b>21,700,608</b>	<b>334,726,001</b>	<b>156,352,935</b>	<b>31,724,993</b>	<b>10,468,295</b>	<b>177,609,633</b>	<b>157,116,368</b>	<b>147,897,470</b>
Previous Year	268,602,734	38,866,281	3,218,610	304,250,405	139,788,217	18,505,511	1,940,793	156,352,935	147,897,470	128,814,517

PARTICULARS	AS AT 30.09.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>SCHEDULE-6</b>		
<b>INVENTORIES</b>		
(As Verified, Valued & Certified by Managements)		
Finished Goods	5,826,022	8,730,129
Recycle Waste	231,940	116,260
Raw Material	8,087,063	1,698,647
Packing Material	1,443,450	1,959,164
Goods In Transit	-	1,011,594
Stores & Spare Parts	4,684,312	2,032,346
<b>TOTAL</b>	<b>20,272,787</b>	<b>15,548,140</b>
<b>SCHEDULE-7</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured and Unconfirmed)		
More than Six Months		
- Considered Good	17,486,815	27,479,854
- Considered Doubtful	6,576,377	6,576,377
Others (Considered Good)	42,967,118	49,543,495
<b>TOTAL</b>	<b>67,030,310</b>	<b>83,599,726</b>
Less: Provision for Bad debts	6,576,377	6,576,377
<b>TOTAL</b>	<b>60,453,933</b>	<b>77,023,349</b>
<b>SCHEDULE-8</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in Hand ( as certified by the management)	1,746,558	463,557
Balance with Scheduled Bank		
- In Current Accounts	3,484,832	306,032
- In Fixed Deposit (Lien against bank Gaurantee )	773,887	402,000
<b>TOTAL</b>	<b>6,005,277</b>	<b>1,171,589</b>
<b>SCHEDULE-9</b>		
<b>LOANS &amp; ADVANCES (UNCONFIRMED, UNSECURED &amp; CONSIDERED GOOD)</b>		
<b>Advances recoverable in cash or in kind for value to be received</b>		
<b>Security Deposit</b>		
- With Govt. Authorities	2,453,841	1,804,957
- With Others	2,113,584	3,567,894
Advance to Supplier	13,274,916	1,006,079
Advance For Capital Goods	1,400,000	1,900,000
Interest Accured on Fixed Deposit	12,511	366,876
Modvat Credit	15,458	142,585
Other Advance	4,405,593	7,379,017
<b>TOTAL</b>	<b>23,675,903</b>	<b>16,167,408</b>
<b>SCHEDULE-10</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<b>CREDITORS FOR MATERIAL AND EXPENSES</b>		
-Micro and Small Enterprises ( Refer Note No 16)	-	-
-Others	46,560,835	71,701,817
Advance From Customer	23,795,208	5,461,215
Other Liabilities	6,037,136	5,172,917
Interest accrued but not due	35,993	159,327
Statutory Liabilities	3,058,979	4,085,157
Book Overdraft in Scheduled Bank due to Reconciliation	10,987,344	2,658,708
<b>TOTAL (A)</b>	<b>90,475,495</b>	<b>89,239,141</b>

PARTICULARS	AS AT 30.09.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>B. PROVISIONS</b>		
Provision for F.B.T. (Net)	853,148	723,007
Provision for Tax (Net)	238,539	790,635
Provision for Gratuity	732,474	751,405
Provision for Leave Encashment	349,336	301,121
Provision for Excise Duty on closing stock of finished goods	108,742	108,742
<b>TOTAL (B)</b>	<b>2,282,239</b>	<b>2,674,910</b>
<b>TOTAL (A+B)</b>	<b>92,757,734</b>	<b>91,914,051</b>
<b>SCHEDULE-10 - A</b>		
<b>Profit and Loss Account (Debit Balance)</b>		
Opening balance	139,476,309	158,332,988
Less:- Profit of current year	52,891,299	18,856,679
	<b>86,585,010</b>	<b>139,476,309</b>
Less:- Share Capital Reduction adjusted ( Refer note- 4 of Schedule-17-B)	61,785,000	-
	<b>24,800,010</b>	<b>139,476,309</b>
<b>SCHEDULE-11</b>		
<b>OTHER INCOME</b>		
Misc. Income	476,098	612,170
Previous Years excess provision written back	55,869,505	3,390,847
<b>TOTAL</b>	<b>56,345,603</b>	<b>4,003,017</b>
<b>SCHEDULE-12</b>		
<b>INCREASE/(DECREASE) IN INVENTORY</b>		
Closing Stock		
Finished Goods	5,826,022	8,730,129
Recyclable Waste	231,940	116,260
	6,057,962	8,846,389
<b>Less : Opening Stock</b>		
Finished Goods	8,730,129	6,973,777
Recyclable Waste	116,260	189,760
	<b>8,846,389</b>	<b>7,163,537</b>
<b>INCREASE/(DECREASE) IN INVENTORY</b>	<b>(2,788,427)</b>	<b>1,682,852</b>
<b>SCHEDULE-13</b>		
<b>MANUFACTURING &amp; OTHER EXPENSES</b>		
Packing Material Consumed	25,439,715	22,669,687
Stores & Spares Consumed	1,627,376	1,352,777
Factory Rent	5,958,212	3,208,328
Repair Maintenance		
- Plant & Machinery	7,983,498	6,151,497
- Building	1,540,142	1,956,969
- Others	1,900,631	509,117
Power & Fuel	47,802,458	20,779,354
Excise Duty on Closing Stock of Finished Goods	131,448	108,742
Lease Charges	2,772,000	1,848,000
<b>TOTAL</b>	<b>95,155,481</b>	<b>58,584,471</b>

PARTICULARS	AS AT 30.09.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
<b>SCHEDULE -14</b>		
<b>PERSONNEL EXPENSES</b>		
Salary & Wages	43,139,354	24,107,369
Director remuneration	1,230,000	720,000
Contribution to provident fund & other fund	1,023,815	718,706
Staff welfare & Other expenses	3,325,933	1,333,939
<b>TOTAL</b>	<b>48,719,102</b>	<b>26,880,014</b>
<b>SCHEDULE -15</b>		
<b>ADMINISTRATION &amp; OTHER EXPENSES</b>		
Auditor's Remuneration	325,955	154,420
Bad debts W/O	410,143	300,428
Provision For Doubtful Debts	-	6,576,377
Business Promotion	1,337,456	938,909
Conveyance Expenses	688,722	465,424
Electricity Expenses & Water Exp.	490,788	252,305
Freight & forwarding (Net)	4,300,082	1,568,503
Discount	2,185,696	1,623,266
Insurance Expenses	842,016	554,050
Miscellaneous Expenses	97,66,640	3,348,802
Postage & telegram	319,987	76,200
Printing & stationery	478,562	319,584
Professional & consultancy charges	1,665,900	932,781
Rent Others	3,347,292	2,158,249
Rates & taxes	5,667	12,038
Travelling Expenses	3,185,516	1,985,439
Telephone Expenses	1,480,113	1,108,892
Vehicle Running Expenses	4,370,666	2,585,825
<b>TOTAL</b>	<b>35,201,241</b>	<b>24,961,492</b>
<b>SCHEDULE -16</b>		
<b>FINANCE CHARGES</b>		
Bank Charges	126,968	238,206
Interest on term loan	6,487,439	5,902,113
Interest on vehicle loan	1,108,308	1,123,054
Other interest	6,172,868	2,741,422
<b>TOTAL</b>	<b>13,895,583</b>	<b>10,004,795</b>

**SCHEDULE 17**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. A Basis of Preparation of Financial Statements**

The Financial Statement have been prepared under the historical cost convention (except impairment of certain assets) on going concern and accrual basis and in accordance with the accounting principles generally accepted in India and comply with mandatory Accounting Standards notified by the Central Government of India under 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 requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

**2. Valuation of Inventories**

	<b>Classification</b>	<b>Valuation Method and Cost Formula</b>
A.	Finished Products	At cost or net realizable value whichever is lower.
B.	Raw Material	At cost or net realizable value whichever is lower. Cost is ascertain on First In First Out (FIFO) basis.
C.	Stores and Spare Parts	At cost or net realizable value whichever is lower. Cost is ascertained on FIFO basis.
D.	Recyclable Waste	At cost (after recycling) or net realizable value whichever is lower on FIFO basis.
E.	Packing Material & Fuel	At cost or net realizable value whichever is lower. Cost is ascertained on FIFO basis.
F.	Goods in Transit	At cost or net realizable value whichever is lower on specific identification method.

Cost includes Purchase Cost, cost of conversion and other costs incurred in bringing the inventories to their present location and conditions (inclusive of VAT, Excise and other taxes, wherever not recoverable).

Net realizable value is the estimated selling price less the estimated cost necessary to make the sale.

**3. Cash & cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

**4. Cash Flow Statement**

Cash flow Statement has been prepared using indirect method where net profit has been adjusted for effect of non cash nature, any deferrals or accrual of past or future operating cash receipts and payments, and item of income and expenses associated with investing and financing cash flows. The cash flow from operating, investing and financing activities are segregated.

**5. Prior period items & extraordinary items**

Prior period items & extraordinary items are separately classified, identified & dealt with as required under Accounting Standard- 5 on 'Net Profit & Loss for the period, Prior period items & changes in accounting policies'.

**6. Depreciation**

Depreciation on fixed assets has been provided at the rates prescribed in Schedule XIV of Companies Act, 1956 on following basis:

- a) Plant and Machinery, Building, Moulds and Electrical Installation on Straight Line Basis.
- b) Other fixed assets on Written down Value Method.
- c) Assets costing less than Rs. 5,000/- are fully depreciated in the year of acquisition.

The company has based on technical opinion treated all plant and machinery as continuous process plant, which is required and designed to operate 24 hours a day.

**7. Revenue Recognition**

Revenue from Sales is recognized when significant risks and rewards of ownership of goods have been passed on to the buyer. Sales include Excise duty recovered wherever applicable and are stated net of trade discounts and sales returns.

**8. Fixed Assets**

Fixed Assets are stated at historical cost. All costs up to the stage of commercial production including pre-operative expenses, adjustments arising from exchange rate variations relating to borrowings attributable to the fixed assets, are capitalized. Cost includes related taxes, duties, freight, insurance etc. attributable to acquisition and installation of assets and borrowing cost incurred up to the date when the assets are ready for its intended use, but excludes duties and taxes, which are recoverable subsequently from taxing authorities.

**9. Accounting for Government Grants**

Capital Grants received on account of Capital Investment are credited to Capital Reserve.

**10. Investments**

Investments are classified into current and long-term investments. Current investments are stated at the lower of cost and fair value determined on each category of investments. Long Term investments are stated at cost. Provision for diminution in value is made if the decline is other than temporary in nature.

**11. Employee Benefits**

**a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits, including accumulated compensated absences, at the balance sheet date, are recognized as an expense as per the Company's scheme based on expected obligations on undiscounted basis.

**b) Long Term Employee Benefits**

**Defined Contribution Plans**

The state government provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the scheme is charged to Profit and Loss Account during the period in which the employee renders the related service.

**Defined Benefit Plans:-**

Gratuity and Leave Encashment is a defined benefit obligation. The present value of obligation under such defined benefit plans is determined based on actuarial valuation as at the balance sheet date, using the 'Projected Unit Credit Method', which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains/losses are recognized in the financial statements.

**12. Borrowing Cost**

Borrowing costs are capitalized as part of the cost of qualifying assets when it is possible that they will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**13. Segment Reporting**

**(a) Identification of segments**

The company has identified and reported Segment on the basis of business segment as primary segment.

The company operates in a single geographical segment, which is India. The risk and returns of the enterprise are very similar in different geographical areas within the country and hence there is no reportable secondary segment as defined in Accounting Standard 17.

**(b) Segment Revenue / Results / Asset**

- Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under un-allocable expenses.
- Inter segment revenue and expenses are eliminated.

**14. Lease**

**Financial Lease**

- a) Assets acquired under leases where the company has substantially acquired all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or present value of minimum lease payments and a liability is created for an equivalent amount.
- b) Each lease rental paid is allocated between the liability and interest cost, to obtain a constant periodic rate of interest on the outstanding liability for each period.

**c) Operating Lease**

Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to profit and loss account on accrual basis.

**15. Earnings per share (EPS)**

The basic and dilutive earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share are computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any, except when the results will be anti-dilutive.

**16. Taxes on income**

Provision for current tax is determined on the income for the year chargeable to tax as per the provisions of Income Tax Act, 1961. Provision for deferred tax is recognized on timing differences arising between the taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods using the tax rates and law enacted or substantively enacted as on the Balance Sheet Date.



Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other Deferred tax assets are recognized, if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

**17. Impairment of assets**

As at the balance sheet date, the carrying amount of assets is tested for impairment to determine:

- a) The provision for impairment, if any, required, or
- b) The reversal, if any required of impairment loss recognized in previous periods.
- c) Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined as below:

- a) In case of an individual asset, at higher of the net selling price or the value in use.
- b) In case of cash generating unit (a group of assets that generates identified, independent cash flows) at higher of the cash generating unit's net selling price or value in use.  
(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

**18. Provisions, contingent liabilities and contingent assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. Contingent liability is disclosed for (a) possible obligation which will be confirmed only by future events not wholly within the control of the company or (b) present obligations arising from past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statement.

**B. NOTES TO ACCOUNTS**

- 1. The company was declared sick on 14.01.06 by order of BIFR, Bench-I, New Delhi and had furnished a detailed Rehabilitation Scheme to Operating Agency i.e. Punjab National Bank. Subsequently revised reschedule of OTS amount was submitted to Haryana State Industrial Development Corporation and Punjab National Bank which has been approved by them.
- 2. Company entered in one time settlement (OTS) of the loans taken from Punjab National Bank (PNB) vide letter dated 28.02.07, subsequently revised vide letter dated 28.01.2009 and 08.06.2009 for a sum of Rs.525 lacs and Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) vide letter dated 15.10.08 for Rs 151.69 lacs subsequently revised vide letter dated 22.04.09 and 12.05.09 on complying with the certain terms and conditions. Loan outstanding for payment under OTS as on 30th September 2010 is Rs.131.93 lacs to PNB and Rs.29.47 lacs to HSIIDC.
- 3. Interest accrued and due to PNB includes Rs.1225.48 lacs to be waived on successful compliance of the terms and conditions of OTS, have not been reversed on account of prudence. The Company is paying interest only on OTS amount finalized by the bank.
- 4. As per the BIFR Order dated July 19, 2010, the company has reduced its existed share capital by 90% and then consolidated every ten equity shares of Rs. 1/- each into one equity share of Rs. 10/- each fully paid up of in terms of Sec 18 (2) (f) of the SICA. Before this reduction, the number of shares were 68,65,000 and afterwards the number of shares are 6,86,500.
- 5. Interest accrued and due ( till the date of OTS ) to HSIIDC Rs. 540.03 lacs has been written back in the books on successful compliance of the terms and conditions of OTS. Write back of interest liability included in other income. As the dues of HSIDC were paid on 22nd Nov'2010 and received no dues confirmation.
- 6. Pursuant to the BIFR order dated 19th July'2010 the company has received Rs.150 lacs as share application money from director pending for allotment into equity shares of the company at par .
- 7. Pursuant to the BIFR order dated 19th July'2010 the promoters and related parties have brought in Rs.249 lacs to finance the cost of scheme or any short fall in cash generation to meet the repayment obligation to Financial Institutions / Banks. This amount has been included under unsecured loans and shall be adjusted into equity on subsequent date as per consent of the promoter.
- 8. Difference of Rs.327,500 /- of earlier years in share suspense account , being reconciliation of allotment money has been reconciled during the year.

**9. Contingent Liabilities**

The contingent liabilities as on 30th September, 2010 are Rs 57.76 lacs (previous year Rs.256.11 lacs). This consists of the following:-

- a) Excise Duty claims - Rs.15.43 lacs (Previous year Rs.79.52 lacs)
- b) Contingent liability of Rs 25.24 lacs (Previous year Rs.25.24 lacs) against demand by Haryana Government for non-compliance by the company with state capital subsidy scheme
- c) Demand under FERA - Rs.15.00 lacs (Previous year Rs. 150.00 lacs).
- d) Other claims not acknowledged as debt - Rs. 2.09 lacs (Rs. 1.35 lacs)

**10. Capital Commitment**

Estimated amount of Contracts remaining to be executed on Capital Accounts (net of advances) and not provided for Rs. 365.40 lacs (Previous Year Rs. 25.79 lacs).

- 11. Provision for Excise duty on closing finished goods has not been made on the goods manufactured in the plant where Excise Duty has been exempted.

12. Excise duty on sale of finished goods has not been charged where excise duty is exempted due to establishment of plant in backward area. Such exempted sales comprises of 99.49% (Previous Year 99.5%) of total sales. Similarly, excise duty paid on procurement of Raw Materials and other capital goods are considered as part of acquisition cost wherever not recoverable from authorities.
13. Closing Balance of Secured Loan form Punjab National Bank is subject to confirmation.
14. In view of the management, all current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
15. The company made an investment in National Saving Certificate (NSC) in the name of Managing Director of the company and the same were pledged with Sales Tax Authority at Rudrapur (Uttaranchal) on behalf of the company.
16. Managerial Remuneration paid / payable for the period ended 30.09.10 to Managing Director of the Company is in accordance with Approval letter No.1/456/2005-CL-VII dated 20.01.2006 of the Central Government under Section 269, 198(4)/309(3) & 637AA of the Companies Act, 1956 and pursuant to special Resolution passed by the Shareholders at their Extra ordinary General Meeting held on 01-09-2010.

(Rupees in Lacs)

Particulars	01.04.2009 To 30.09.2010	2008-09
Salary	12.30	7.20
Value of perquisites	Nil	1.20
Total	12.30	8.40

**17. Employees Benefits**

The Company has provided long-term employee benefits on the basis of actuarial valuation done as per projected unit credit method.

**Disclosure under Accounting Standard 15 (Revised):**

The company has provided the various employee benefits provided to employees as under:

(Rs. In lacs)

Employee Plans	01.04.2009 To 30.09.10	2008-09
a) Provident Fund	7.00	5.13
b) ESIC	2.29	1.37

**A. Defined Benefit Plans:**

The Gratuity and Leave encashment liability of the Company is Non-funded. Hence reconciliation of fair value of plan assets and obligation are not required.

**Reconciliation of opening and closing balances of the present value of defined benefit obligation**

Leave Encashment	01.04.2009 To 30.09.10	2008-09
Present Value of obligation as at beginning of the period / year	3.01	2.00
Current Service Cost	2.65	0.95
Interest Cost	0.36	0.14
Benefit Paid	(1.34)	(1.88)
Net Actuarial (Gain)/Loss recognized in the period / year	(1.18)	1.81
Present Value of obligation as at end of the period	3.49	3.01

**Expenses Recognized during the year (Under the head of Personnel expenses in Schedule-14)**

Particulars	01.04.2009 To 30.09.2010	2008-09
Current Service Cost	2.65	0.95
Past Service Cost	Nil	Nil
Interest Cost	0.36	Nil
Curtailement Cost(credit)	Nil	Nil
Settlement Cost(credit)	Nil	Nil
Net actuarial (Gain) / Loss in recognized in the period / year.	(1.18)	1.81
Expenses recognized in the statement of profit & loss	1.83	2.90

<b>Gratuity</b>	<b>01.04.2009 To 30.09.2010</b>	<b>2008-09</b>
Present Value of obligation as at beginning of the period / year	7.51	4.06
Acquisition Adjustment	Nil	Nil
Interest Cost	0.90	0.28
Past Service Cost	Nil	Nil
Current Service Cost	3.32	1.65
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Benefit Paid	(3.04)	(0.71)
Actuarial (Gain) / Loss on Obligation	(1.37)	2.23
Present Value of obligation as at end of the period	7.32	7.51

**Expenses Recognized during the Period /Year (Under the head of Personnel expenses in Schedule-14) (Rs. In lacs)**

<b>Particulars</b>	<b>01.04.2009 To 30.09.2010</b>	<b>2008-09</b>
Current Service Cost	3.32	1.65
Past Service Cost	Nil	Nil
Interest cost	0.90	0.28
Curtailment Cost (credit)	Nil	Nil
Settlement Cost (credit)	Nil	Nil
Net actuarial (gain) loss in recognized in the period.	(1.37)	2.23
Expenses recognized in the statement of profit & loss	2.85	4.16

<b>Principal Assumptions</b>	<b>01.04.2009 To 30.09.2010</b>	<b>2008-09</b>
Discount Rate (per annum)	8.00%	7.00%
Rate of escalation in salary (per annum)	5.50%	5.00%

**18. Segment Information**

Company discontinued its Toy Trading operations during 2006-07 having different risks and rewards as compared to the business of manufacturing Pet bottles / Jars and Caps for Pet bottles / Jars for domestic markets. Debtors and creditors outstanding relating to the discontinued segment does not qualify to be disclosed as per the criteria of Reportable segment as per the Accounting Standard on Segment Reporting (AS-17). Hence Disclosures have not been made.

Further, the company's chit fund business also not qualified to be reported as a reportable segment.

**19. Related Party Transactions \***

During the year, the company entered into transactions with related parties. List of related parties along with nature and volume of transactions and balances as at 30th September, 2010 are presented below:

- |   |   |
|---|---|
| 1. Key Management Personnel(KMP)  | Mr. K.S. Rao (Managing Director)  |
| 2. Relatives of Key Management Personnel  | Mrs. K. Pratibha Rao (Wife of MD)<br>Mr. K.Satish Rao (Son of MD)                               |
| 3. Enterprise over which KMP and their relatives are able to exercise significant influence | Ganapati Polymers Limited<br>Innovative Pet Containers Limited<br>Innovative Datamatics Limited |

\*( as identified by the management )

( Amount in Rs. Lacs.)

<b>Name of party</b>	<b>Nature of transaction</b>	<b>Amount</b>	<b>Balance payable as on 30.09.2010</b>	<b>Balance recoverable as on 30.09.2010</b>
Mr. K.S. Rao	Remuneration paid	12.30 (8.40)		-
	Loan (Net)	2.47 (43.10)	86.57 (84.10)	
Mrs. K.Pratibha Rao	Payment of guest house rent	3.63 (1.00)	4.63 (1.00)	-
	Loan received	4.55	4.50	

( Amount in Rs. Lacs.)

Name of party	Nature of transaction	Amount	Balance payable as on 30.09.2010	Balance recoverable as on 30.09.2010
Mr. K.Satish Rao	Remuneration paid	3.00 (1.50)		-
Mr. K.Satish Rao	Loan received	31 .00 (NIL)	31.00 (NIL)	-
Ganapati Polymers Ltd.	Payment of machine lease rent	27.72 (18.48)	46.20 (18.48)	-
Innovative Pet Containers Ltd.	Trade Advance	6.00 (NIL)	-	2.08 (NIL)
Innovative Datamatics Ltd.	Loan received	128.50	128.50	-

(Previous year figure have been given in bracket)

**20. LEASE-**

- a) The company has taken certain plant & machinery on operating lease, the future `minimum payment in respect of which as at September 30,2010 are as follows: **(Rs. In lacs)**

Minimum Lease Payment	01.04.2009 To 30.09.2010	2008-09
Payable not later than 1 year	9.24	18.48
Payable later than 1 year but not later than 5 years	Nil	36.96
Payable later than 5 years	Nil	Nil
<b>Total</b>	<b>9.24</b>	<b>55.44</b>

- b) Lease rental expenses recognized Rs.27.72 Lacs (Previous Year Rs. 18.48 lacs)

**21. Auditors Remuneration**

**(Rs. In lacs)**

	01.04.2009 To 30.09.2010	2008-09
For Audit	2.78	1.00
For Tax Audit	0.39	0.30
For Taxation matters	0.50	0.20
For other matters	0.73	0.06
Auditors out of Pocket Expenses	0.10	0.19

22. The company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable, as required, under the Act, have not been made.

23. Bank accounts include balance of one bank account which is inoperative and subject to confirmation.

24. Debtors amounting to Rs. 670.30 Lacs ( gross) and creditors amounting to Rs.464.66 Lacs are subject to the confirmation. The management does not expect any material difference affecting the financial statement for the period.

25. Loss on chit is accounted for in the year chit is closed. The loss for the current period for Rs. NIL (Previous year Rs.1.96 Lacs). During current period , company has taken chits of Rs.67.80 Lacs included under unsecured loan. Balance of chits are subject to confirmation.

**26. Deferred Tax Assets**

The principal components of net deferred tax assets are as follows:

(Rs. in lacs)

Particulars	Deferred Tax Assets/ (Liabilities) As at 31.03.2009	Movement during the period [Created / (charged)]	Deferred Tax Assets/ (Liabilities) As at 30.09.2010
<b>Deferred Tax Assets(A):</b>			
Unabsorbed Depreciation	320.79	(95.92)	224.87
Provision allowed under Sec.43B of Income tax act on payment basis	190.10	(185.41)	4.69
Others	28.96	(6.61)	22.35
<b>Total (A)</b>	<b>539.85</b>	<b>(287.94)</b>	<b>251.91</b>

**Deferred Tax Liabilities (B):**

Written down value of fixed

assets as on 30.09.2010	(211.60)	43.20	(168.40)
<b>Total (B)</b>	<b>(211.60)</b>	<b>43.20</b>	<b>(168.40)</b>
<b>Net Deferred Tax Asset (A-B)</b>	<b>328.25</b>	<b>244.74</b>	<b>83.51</b>

**27. Additional Information required under Para 3 & 4 of part II of Schedule VI of the Companies Act, 1956**

**A) Particulars of Installed Capacities and Production**

Class of Goods Particulars	Installed Capacity*		Production	
	As at 30.09.2010 (Nos. in Lacs)	As at 31.03.2009 (Nos. in Lacs)	Period ended 30.09.2010 (Nos. in Lacs)	Period ended 31.03.2009 (Nos. in Lac)
Jar	402.82	200.00	362.54	190.74
Bottles **	1868.86	1100.00	1681.97	1042.29
Caps	436.46	160.00	392.81	35.87

\* As certified by the management, the plant is currently operating at 90% of its efficiency. Therefore, the installed capacity has been arrived by grossing up the production. The same is not verified by the Auditor being a technical matter.

\*\* The production of bottles also includes the production of Pharma bottles of 198.39 Lacs.

**B) Particulars of Sales**

Class of Goods	Units	For the period Ended 30.09.2010		For the year Ended 31.03.2009	
		Quantity (Nos. in Lacs)	Value(in Rs.) (Rs. in Lacs)	Quantity (Nos. in Lacs)	Value( Rs. in Lacs)
Jars	Nos.	365.77	1832.75	185.64	1120.20
Bottles	Nos.	1699.86	3087.46	1037.98	1814.91
Caps	Nos.	386.58	226.53	33.55	5.52
<b>TOTAL</b>			<b>5146.74</b>		<b>2940.63</b>

\* Excluding processing charges recovered

**C) Opening and Closing Stock of Goods Produced (As certified, valued & verified by the Management)**

**Closing Stock**

Class of Goods	Qty (Nos.in Lacs)	As at 30.09.2010		Qty (Nos.in Lacs)	As at 31.03.2009	
		Value (Rs. in Lacs)	Value (Rs. in Lacs)		Values (Rs. in Lacs)	Values (Rs. in Lacs)
Jars	6.00	22.73	22.73	9.23	32.14	32.14
Bottles	23.00	29.85*	29.85*	40.89	53.02	53.02
Caps	8.56	4.36	4.36	2.33	2.15	2.15

\* Excluding Rs. 1.31 Lacs (Previous year Rs. 1.08 Lacs) on account of excise duty provided on finished goods of bottles as on 30th September 2010.

**Opening Stock**

Particulars Class of Goods	Qty (Nos.in Lacs)	As at 01.04.2009		Qty (Nos.in Lacs)	As at 01.04.2008	
		Values (Rs. in Lacs)	Values (Rs. in Lacs)		Values (Rs. in Lacs)	Values (Rs. in Lacs)
Jars	9.23	32.14	32.14	4.13	18.96	18.96
Bottles	40.89	53.02	53.02	36.58	50.78	50.78
Caps	2.33	2.15	2.15	0.01	0.00	0.00

**D) Raw Material Consumed (As Certified, Valued and Verified by the Management)**

Particulars	For the period Ended 30.09.10		For the Year Ended 31.03.09	
	Qty. (Qty. in Pcs)	Values (Rs. in Lacs)	Qty. (Qty. in Pcs)	Values (Rs. in Lacs)
Class of Goods				
Pet	10.99	2638.12	19.97	1410.57
Others	0.02	26.51	0.05	31.08
Total	11.01	2664.63	20.02	1441.65

**E. Value of Imported /Indigenous Raw material, Spare Parts, Components & Stores Consumed.**

Particulars	For the Period Ended 30.09.2010		For the year Ended 31.03.2009	
	Value (Rs. in Lacs)	%	Value (Rs. in Lacs)	%
Class of Goods				
Raw material - Indigenous	2664.63	100.00	1441.65	100.00
Raw material - Packing	254.40	100.00	226.70	100.00
Stores & Spares - Indigenous	16.27	100.00	13.53	100.00

**F. Expenditure in Foreign Currency**

Particulars	(Rs. in lacs)	
	For the period ended 30.09.2010	For the year ended 31.03.2009
Foreign Traveling	3.40	Nil

**28. Earning Per Share (EPS)**

Particulars	2008-09	
	01.04.2009 to 30.09.2010	2008-09
<b>Basic EPS:</b>		
(I) Net Profit attributable to equity shareholders (Rs. Lakhs)	528.91	188.57
(II) Weighted average number of equity shares outstanding (Nos.)	686,500	686,500
<b>Basic EPS (Rs.) (I)/(II)</b>	<b>77.04</b>	<b>27.47</b>
<b>Diluted EPS:</b>		
(I) Net Profit attributable to equity shareholders (Rs. Lakhs)	528.91	188.57
(II) Weighted average number of equity shares outstanding (Nos.)	811,596	686,500
<b>Diluted EPS (Rs.) (I)/(II)</b>	<b>65.17</b>	<b>27.47</b>

Note :-

- Due to consolidation and restructuring of share capital and no of shares , previous year EPS has also been restated.( Refer point -B-4 of Schedule-17).
  - EPS for the current financial year is for 18 months and not annualized.
  - For the purpose of calculating Diluted EPS loan received from directors and related parties (refer note no.-7 of Notes to accounts) has not been considered.
29. Current Year figures are for 18 Months, hence not comparable with Previous Year 12 Months figure.
30. All the figures have been rounded off to the nearest Rupee.
31. Figures for the previous year have been regrouped /rearranged wherever considered necessary to conform to this year's classification.

As per our report of even date attached

**For BGJC & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 003304N**

**DARSHAN CHHAJER  
(PARTNER)  
M.No. 088308**

**For and on behalf of Board**

**K. S. RAO  
MANAGING DIRECTOR**

**SANJAY DHAWAN  
DIRECTOR**

PLACE : New Delhi  
DATE : 07.01.2010

**SANJAY SAIGAL  
A. V. P. (F&A)**

**HEMA KUMARI  
COMPANY SECRETARY**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER 2010**

Amount (Rs. in Lacs)

		2009- 2010		2008 - 2009
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	NET PROFIT BEFORE TAX	773.69		210.85
	<b>ADJUSTMENTS FOR :-</b>			
	DEPRECIATION	317.25	185.06	
	INTEREST EXPENSE	138.96	100.05	
	INTEREST INCOME	(1.22)	(0.68)	
	PREVIOUS YEAR PROVISION WRITTEN BACK	(554.20)	-	
	LOSS ON SALE OF FIXED ASSETS	48.39	0.87	
	PROVISION FOR DOUBTFUL DEBTS	-	65.76	351.06
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>722.86</b>		<b>561.91</b>
	<b>ADJUSTMENTS FOR :-</b>			
	TRADE & OTHER RECEIVABLES	165.69	2.28	
	LOANS AND ADVANCES	(78.64)	37.61	
	INVENTORIES	(47.25)	(14.37)	
	TRADE PAYABLES	10.69	(81.30)	(55.78)
	CASH GENERATED FROM OPERATIONS	773.36		506.13
	<b>CASH FLOW BEFORE TAX</b>	<b>773.36</b>		<b>506.13</b>
	TAX (PAID) / REFUND	(1.02)		0.14
<b>B.</b>	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>772.34</b>		<b>506.27</b>
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	PURCHASE OF FIXED ASSETS	(521.76)		(388.66)
	INTEREST RECEIVED	4.77		0.98
	SALE OF FIXED ASSETS	78.09		11.91
<b>C.</b>	<b>NET CASH (USED IN) / FLOW FROM INVESTING ACTIVITIES</b>	<b>(438.90)</b>		<b>(375.77)</b>
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	REPAYMENT OF TERM LOAN (NET)	(343.40)		(160.89)
	UNSECURED LOAN (PAID) / RECEIVED (NET)	48.52		128.05
	SHARE APPLICATION MONEY	150.00		-
	INTEREST PAID	(140.23)		(109.65)
	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(285.11)</b>		<b>(142.49)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>48.33</b>		<b>(11.99)</b>
	CASH AND CASH EQUIVALENTS AS (OPENING BALANCE)	11.72		23.71
	CASH AND CASH EQUIVALENTS AS CLOSING BALANCE	<b>60.05</b>		<b>11.72</b>

For and on Behalf of the Board

K. S. RAO  
MANAGING DIRECTOR

SANJAY DHAWAN  
DIRECTOR

SANJAY SAIGAL  
A.V.P.(F&A)

HEMA KUMARI  
COMPANY SECRETARY

PLACE : New Delhi  
DATE : 07.01.2011

**AUDITORS' CERTIFICATE**

We have checked and verified the attached Cash Flow Statement of M/s Innovative Tech Pack Limited derived from audited financial statement and the books and records maintained by the Company for the year ended 30th September 2010 as required under Clause 32 of Listing Agreement and have found the same in agreement therewith

For BGJC & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE : New Delhi  
DATE : 07.01.2011

DARSHAN CHHAJER  
PARTNER  
M.N. 88308

**PART -IV  
BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE**

Registration Details

Registration No. 032412

State Code - 05

Balance Sheet Date

Date	Month	Year
30	09	2010

I. Capital Raised during the Year (Amount in Rs.Thousands)

Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

II. Position of Mobilisation and Deployment of Funds  
(Amount in Rs. Thousands)

Total Liabilities  
199504

Total Assets  
199504

Sources of Funds

Paid-Up-Capital & Share Application Money  
21865

Reserves & Surplus  
2525

Secured Loans  
142964

Unsecured Loans  
32150

III. Application of Funds (Amount in Rs. Thousands)

Fixed Assets & Capital  
Work in progress  
148653

Investments  
50

Net Current Assets  
17650

Deferred Tax Assets  
8351

Accumulated Losses  
24800

Misc. Expenditure  
NIL

IV. Performance of Company (Amount in Rs. Thousands)

Turnover  
572069

Total Expenditure  
494699

Profit/Loss Before Tax  
77370

Profit/Loss After Tax  
52891

Earning per share (in Rs.)  
77.04

Dividend rate %  
NIL

Generic Names of Principal Products of Company

1. Item Code No.  
(ITC Code)

303102004

Product Description :

Pet Bottle and Jar

As per our report of even date attached

**For BGJC & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 003304N**

**For and on behalf of Board**

**DARSHAN CHHAJER  
(PARTNER)  
M.No. 088308**

**K. S. RAO  
MANAGING DIRECTOR**

**SANJAY DHAWAN  
DIRECTOR**

PLACE : New Delhi  
DATE : 07.01.2010

**SANJAY SAIGAL  
A.V.P. (F&A)**

**HEMA KUMARI  
COMPANY SECRETARY**



**INNOVATIVE TECH PACK LIMITED**

REGD. OFFICE: 51, ROZ-KA -MEO INDL. AREA, SOHNA, DISTRICT MEWAT, HARYANA-122103  
ADMISSION SLIP

**Twenty First Annual General Meeting**

PLEASE COMPLETE THE ADMISSION SLIP AND HAND IT OVER AT THE ADMISSION COUNTER.

L .F. NO. /DP ID/CLIENT ID	:
NO. OF SHARES HELD	:
NAME OF THE MEMBER/PROXY	:
(in block letters)	

I CERTIFY THAT I AM A REGISTERED SHAREHOLDER / PROXY FOR THE REGISTERED SHAREHOLDER OF THE COMPANY.

I HEREBY RECORD MY PRESENCE AT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, 17TH FEBRUARY, 2011 AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 51, ROZ - KA - MEO, INDL. AREA, SOHNA, DISTRICT MEWAT, HARYANA- 122103

SIGNATURE OF THE MEMBER/PROXY:
--------------------------------

Note: Joint holder(s) intending to attend the meeting are requested to obtain additional Admission slip from the Registered/Corporate Office of the Company on or before 15th February, 2011 to avoid inconvenience.

.....(Please tear from here).....

**PROXY FORM  
INNOVATIVE TECH PACK LTD.**

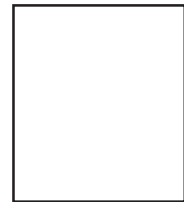
REGD. OFFICE: 51, ROZ-KA -MEO INDL. AREA, SOHNA, DISTRICT MEWAT, HARYANA-122103

L .F. No./DP Id/Client Id: \_\_\_\_\_ No. of shares held: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/member(s) of the above named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or \_\_\_\_\_ failing \_\_\_\_\_ him/her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Thursday, 17th February, 2011 AT 10.00 A.M. at the Registered Office of the Company at 51, Roz - Ka- Meo Indl. Area, Sohna, District Mewat, Haryana- 122103 and at any adjournment thereof.

Signature \_\_\_\_\_

Date \_\_\_\_\_



- Notes:
1. Proxy Form must reach the Company's Registered Office at least 48 hours before the scheduled time of the Meeting. The Proxy need not be a member of the Company.
  2. All alterations made in the Proxy form should be initialed
  3. In case of multiple proxies, proxy later in time shall be valid and accepted.

## BOARD OF DIRECTORS

### **Managing Director**

Mr. Ketineni Sayaji Rao

### **Directors**

Mr. Sanjay Dhawan

Mr. Atul Nripraj Barar

Mr. Mahavir Singh (Nominee of HSIIDC)

Mr. Anil Kulbhushan Barar

### **Company Secretary & Compliance Officer**

Ms. Hema Kumari

### **Auditors**

BGJC & Associates

Raj Towers-1

G-1, Alaknanda Community Centre

New Delhi-110 019

### **Bankers**

Punjab National Bank

Nehru place

New Delhi-110 019

### **Registered Office**

51, Roz-Ka-Meo, Industrial Area

Sohna, Dist. Mewat, Haryana

### **Corporate Office**

1109-1110, Chiranjiv Tower

43, Nehru Place

New Delhi-110 019

### **Factories**

1. 51, Roz-Ka-Meo, Industrial Area  
Sohna, Dist. Mewat, (Haryana)

2. Rungta Industrial Compound  
Rudrapur (Uttanchal)

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# *List of our Esteemed Customers*

*We have manufactured and supplied our quality products to some of the biggest names in the Industry. Our customers are the ambassadors of our quality workmanship. Our lastly and mutually beneficial relationship with them speaks a lot about our commitment to their business and whose confidence we have earned.*

## *A Representative List of Some of our Esteemed Customers*

- *DABUR INDIA LTD*
- *PERFETTI VAN MELLE INDIA PRIVATE LIMITED*
- *PEPSICO*
- *COCA COLA COMPANY*
- *CADBURY SCHWEPPE*
- *HINDUSTAN LEVER LTD (HUL)*
- *DUNCANS TEA LTD*
- *HEINZ INDIA PRIVATE LIMITED*
- *WIPRO CONSUMER CARE*
- *CADILA PHARMACEUTICALS LTD*
- *CAVINKARE PVT LTD*
- *PATANJALI AYURVEDIC*
- *KESAR ENTERPRISES LTD*
- *OETKER GROUP (FUN FOOD)*