



**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVATIVE TECH PACK LIMITED WILL BE HELD ON MONDAY 29TH SEPTEMBER, 2014 AT 9:00 A.M. AT HAKIM JI KI CHOUPAL, OPP. BATRA HOSPITAL, VILL. UJINA, POLICE STATION NUH, DISTT. MEWAT, HARYANA 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 31ST March, 2014, 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 Mr. 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 (Registration No. 003304N) as statutory auditors of the Company from the conclusion of this meeting until the conclusion of next AGM and to fix their remuneration

**SPECIAL BUSINESS**

**4. REAPPOINTMENT OF KETINENI SATISH RAO AS A WHOLETIME DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution.  
**“RESOLVED THAT** in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Sri Ketineni Satish Rao, as a Whole-time Director of the Company for a period of 5 (five) years with effect from October 01, 2014, on the terms & conditions of remuneration as set out in the Explanatory Statement annexed to the notice convening the meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto”.

**“RESOLVED FURTHER THAT** in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder Sri Ketineni Rao, Whole time Director, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole time Director, in accordance with the provisions of Schedule V to the Companies Act, 2013”.

**“FURTHER RESOLVED THAT** Director(s) of the Company and/or Company Secretary of the Company be and are hereby severally authorized to file necessary forms/documents with Registrar of Companies or with any other concerned authorities (required if any), to comply with the necessary formalities and to take such steps as it may considered necessary or expedient to give effect to this resolution.”

**5. EMPLOYEES LOAN SCHEME U/S 185 OF COMPANIES ACT, 2013**

To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to Section 185 of the Companies Act, 2013 and subject to the approval of such other authorities, if any required from time to time, consent of the members of the Company be and is hereby accorded to launch a scheme of loan for all its employees whose names are mentioned on employee muster roll of the Company, as per the terms & Conditions laid down in the agreement between the Company and its employees.

**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.”

**6. APPOINTMENT OF MR. SANJAY DHAWAN AS INDEPPENDENT DIRECTOR:**

To consider and if through fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable



provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Sanjay Dhawan (DIN 00434760), a Non-executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2019."

**7. APPOINTMENT OF MR. ANIL KULBHUSHAN BARAR AS INDEPENDENT DIRECTOR:**

To consider and if through fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Anil Kulbhushan Barar (DIN 03311522), a Non-executive Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2019."

By order of the Board of Directors  
**For Innovative Tech Pack Limited**

**Sd/-**  
**Ketineni Sayaji Rao**  
 (Managing Director)

Date : 04.09.2014

**REGISTERED OFFICE:**

51, ROZ-KA -MEO INDL. AREA,  
 SOHNA, MEWAT DISTRICT,  
 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.**
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under Item No. 4 to Item No. 7 above is annexed hereto and forms part of this Notice.
- Disclosures/Details pursuant to Clause 49 of the Listing Agreement with respect to Persons/Directors seeking appointment/reappointment as Directors at the forthcoming Annual General Meeting are given herein below.

**SH. ATUL NRIPRAJ BARAR**

**Date of Birth** : 01/05/1962

**Date of Appointment** : 25/10/2007

**Qualification** : B.COM

**Expertise** : Sh. Atul Nripraj Barar has a rich experience of more than 25 years. The Company will be benefited from his knowledge and experience in accounting, legal and commercial matters. He is also serving as director on the board of various Companies listed below. Sh. Atul Nripraj Barar does not hold any share in the Company.

List of other Companies in which Directorship held:

- Innovative Pet Containers Limited
- Manipur Mines & Minerals Private Limited
- Lingaraj Industrial Private Limited
- Lingaraj Projects Private Limited
- Lingaraj Mining Private Limited

**Shareholding in the Company: NIL**

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. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board / Governing Body resolution authorizing such representatives to attend and vote at the Annual General meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 22th September, 2014 to Monday, 29th September, 2014. (both days inclusive)
6. All statutory Records, Registers and Documents referred to in the Notice and accompanying 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 who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which includes easy liquidity, electronic transfer, savings in stamp duty, prevention of forgery, loss in transit etc.
9. Members are requested to notify:
  1. 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 Computers Services (P) Limited,  
3rd floor, Beetal House, 99, Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir, New Delhi-110062.
  2. Members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant

**ANNEXURE TO THE NOTICE:****Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.****In respect of item no. 04.**

The Board of Directors of the Company ("the Board") at its meeting held on 4th September, 2014 subject to the approval of the members, accorded their approval for re-appointment of Sri Ketineni Satish Rao, as Wholetime Director for a further period of 5 (five) years with effect from October 01, 2014 on the same terms of remuneration which he is presently drawing and which were approved by the Members of the Company at the Annual General Meeting held on September 28, 2011.

The broad particulars of remuneration proposed to be paid to the said Whole time Director during his term of Office are as under:

- (1) Salary: Rs. 125000/- Per Month
- (2) Perquisites : In addition to the above salary, he shall be entitled to the following perquisites:
  - a. Medical reimbursement: As per the rules of the Company.
  - b. Insurance Expenses: As per the rules of the Company.
  - c. Telephone: Free use of Telephone at residence for Company's Business.
  - d. Car with driver: Free use of car for Company's business with Driver.
  - e. Club membership: Reimbursement of Membership fees of Clubs subject to a maximum of two clubs for Company's business.
  - f. Credit card: Reimbursement of Membership fees for credit cards subject to a maximum of three credit cards for Company's business.
  - g. Other terms and conditions:
    - i. The term of appointment is 5 years with effect from 01st October, 2014.
    - ii. No sitting fees will be payable for attending any meeting of Board or any committee thereof.



(3) The aggregate of salary and perquisites in any financial year shall not exceed the overall ceiling of remuneration stipulated in Section 197 read with schedule V of the Companies Act, 2013.

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

**In respect of item no. 05.**

In compliance with Section 185 of Companies Act, 2013, Company introduces a policy of Loan Scheme for its employees. This policy will not be applicable to the employees falling in the category of Officer trainee, Trainee, Part time trainees, clerks, and sub-staff & employees who are also on deputation.

The tenure of repayment is 5 years for all loans except Housing Loan. The tenure of repayment for Housing Loans is 25 years. Vehicle loan can be availed of only for the purposes of purchasing a firsthand vehicle.

Hospitalisation loan can be availed of in case of medical exigencies pertaining to immediate family consisting of spouse, dependent children and dependant parents.

The monthly instalment and interest will be recovered from monthly salary.

The entire loan outstanding will have to be repaid before submission of resignation.

Interest rate @ 25% p.a. will be levied in case the employee leaves the services of the Company before completion of 3 years of services from the date of joining. The 3-year service period would also include probation period.

All existing and new loans will require the beneficiary to provide a “guarantor” who would underwrite the loan in case of default. The employee and the guarantor need to complete the process of signing the ‘Guarantee and Indemnity’ form and also provide adequate income proof of Guarantor. Personal guarantor cannot be an existing employee of the Company.

The requirement of guarantor is as below –

For employees who have spent less than 5 years with the Company in the grades of CFO To GM & DGM To Officer& below: Guarantor to be taken for all kinds of loan for 5 years from the time of disbursement of the loan

For employees in grades of MD/WTD : No Guarantor required.

All loans will be disbursed provided employees have a satisfactory performance rating. The employee loans will be sanctioned and disbursed only on confirmation of service.

These disbursements shall be subject to the Company fulfilling its requirement of obtaining critical information like PAN details, proof of permanent residential address, and copy of driving license and/or passport details.

Sanction of loan will be at the sole discretion of the Management. The abovementioned policy is subject to review by the management from time to time.

**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/ CHAIRMANSHIPS OF OTHER BOARD COMMITTEES OF INDIAN PUBLIC COMPANIES
Sh. Atul Nripraj Barar	01/05/1962	25/10/2007	B. COM	25 years of Experience	NIL	1. Innovative Pet Containers Ltd.	Membership-0 Chairmanship-0
						2. Manipur Mines & Minerals Pvt. Ltd.	
						3. Lingaraj Industrial Pvt. Ltd.	
						4. Lingaraj Projects Pvt. Ltd.	
						5. Lingaraj Mining Pvt. Ltd.	
						6. Innovative Pet Containers Ltd.	



**In respect of item no. 06 & 07**

Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar are Independent Directors of the Company in compliance with the requirements of Clause 49 of the listing agreement.

The Company has received notice(s) in writing under the provisions of Section 160 of the Companies Act, 2013 ('the Act') from member(s) alongwith required deposit proposing the candidatures of Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar for the office of Director(s) of the Company

Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar have given declarations to the Board of Directors that each of them meets the criteria of independence as provided under Section 149(6) of the Act and Clause 49 of the listing agreement.

The above appointees are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In the opinion of the Board, each of these Directors fulfil the conditions for their appointment as Independent Directors in terms of Section 149 of the Act and Clause 49 of the listing agreement.

Brief resume of the appointees and nature of their expertise in specific functional areas are provided in the Corporate Governance Report forming part of the Annual Report. Further, the details required in terms of Clause 49 of the listing agreement, are attached and form part of this Notice.

Copy of the draft letter(s) for respective appointments of Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar as Independent Director(s) setting out the terms and conditions would be available for inspection free of cost by the members at the Registered Office of the Company, Keeping in view their vast experience, expertise and knowledge, it will be in the interest of the Company that

Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar be appointed as Independent Director(s). No Director, Key Managerial Personnel or their relatives, except Mr. Sanjay Dhawan and Mr. Anil Kulbhushan Barar to whom the resolution(s) relate, is concerned or interested, financial or otherwise, in these resolution(s).

By order of the Board of Directors  
For **Innovative Tech Pack Limited**

Sd/-  
**Ketineni Sayaji Rao**  
(Managing Director)

Date : 04.09.2014

**REGISTERED OFFICE:**

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

***KIND ATTENTION SHAREHOLDERS***

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies through electronic mode. Your Company also intends to participate in this Green Initiative by opting to send all future communications including notice of the General Meeting(s), Annual Reports and other correspondence, to you through e-mail. Therefore shareholders are requested to register their email address with RTA by sending a letter to this effect to RTA under their signature at the following address

Beetal Financial and Computers Services (P) Limited,  
3rd floor, Beetal House, 99, Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir, New Delhi-110062

or by e-mailing the scan copy of letter to RTA at following email address [beetalrta@gmail.com](mailto:beetalrta@gmail.com)/ [grievance@itplgroup.com](mailto:grievance@itplgroup.com) as early as possible, quoting your name, folio no./client Id/DP Id and shareholding in all communications to the Company. Please note that as a member of the Company, you will always be entitled to receive all such communication in physical form, upon request, even after registering your e- mail address with us.



**DIRECTORS REPORT**

To  
The Members,

The Directors of your Company have pleasure in presenting the Twenty Fifth Annual Report together with the Audited Accounts for the financial year ending 31st March 2014 comprising of 12 months i.e for the period April 2013 to March 2014

The summarized results are presented below:

**OPERATING RESULTS AND BUSINESS PERFORMANCE.**

The summarized results are presented below;

<b>FINANCIAL RESULTS</b>	<b>2013-14 ( ₹ in Lacs)</b>	<b>2012-13 ( ₹ in Lacs)</b>
Sales / Other Income	7723.28	6170.35
Gross Profit before interest, depreciation prior Period income and expenditure and impairment Loss and excess provision written back	1061.5	906.48
Interest	262.57	118.39
Depreciation	407.81	367.31
Profit / (Loss) before prior period adjustment, exceptional items and Tax	391.09	420.78
Exceptional items #	207.18	(-)356.97
Provision for Taxation	Nil	Nil
Provision for deferred Tax	Nil	Nil
Profit / (Loss) after Tax	183.91	63.81
Prior Period Expenses		(-)9.60
Net Profit	183.91	54.21

# exceptional Itam of Rs. 207.18 lacs reresents:-

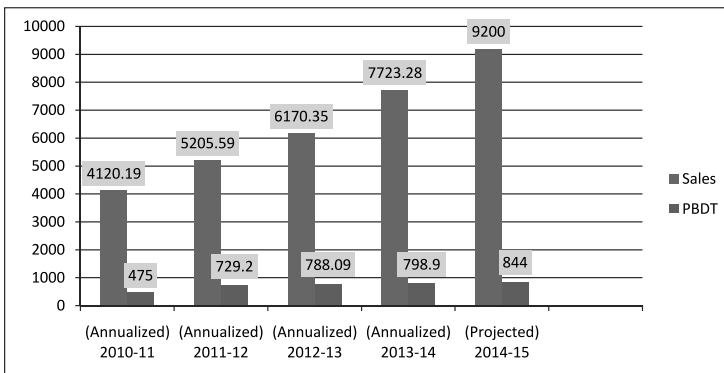
- Change in the depreciation policy from SLM to WDV in respect of moulds, building, electronic installation.
- From the current year the company has started providing loss on live chits on estimated basis which were provided on closure of chits till previous year Rs. 53,94,313/- has been changed to current quarter as exceptional itam.

Company has commenced production in Guwhati, as green field project and make a investment of sum of Rs. 9.5 cr., it has solid customer base including S C Jhonson, Godrej, Emami and many others. Further it will enjoy the tax exemption/subsidy available region.

Company has also plan to invest in the a plant in same type of business in Baddi region. It has already paid advance to the existing promoter. This will substantially improve compititiveness of the company and consequently its profitability.

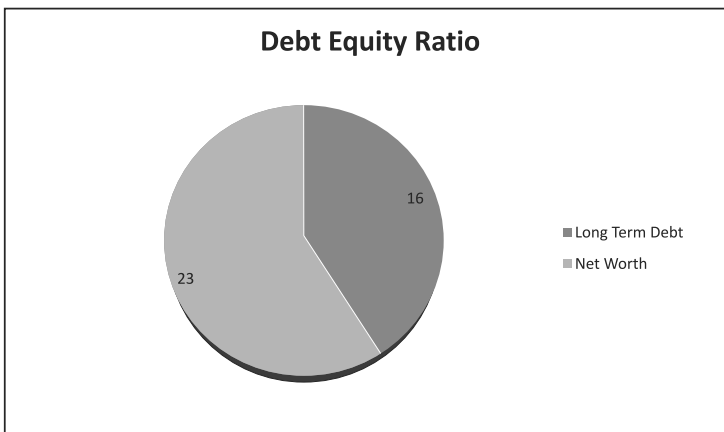
Company's business with its existing customers is growing steadily as there has been growth in our customers on an average of 10-20% p.a. Our marketing department has brought in new customers to our fold such as Mother Diary, S.C Johnson, Godrej, Priya Gold, Emami, L'Oreal, Reckitt Benckiser & many others in addition to our existing customers' i.e Dabur, Perfetti, Heinz, Wipro, Fun Foods (Dr. Oetker Group), Patanjali etc. In order to achieve the same, the company has been augmenting its manufacturing facilities by adding sophisticated plant & machinery supplied from internationally reputed supplier. In last 5 years, company has made an addition of around Rs. 20 cr to its plant & machinery/molds

It may be noted that with most of our customers, our selling prices are linked with variation in raw material price (i.e PET price) hence we are not adversely effected by the variation in the Pet prices which is quite volatile. Further to protect our profitability, we have taken up with our customers to increase the conversion price in view of the increased power, personnel and administrative costs and are receiving favourable responses.



# includes the turnover of unit being taken over subject to statutory approvals

We are also pleased to inform you that your company's financial credit worthiness has improved significantly in last six years as it has an impeccable record of servicing its debts (there has been no defaults whatsoever). The company has been sanctioned a working capital limit of Rs. 6 cr from a leading nationalized bank and term loans/supplier credits from reputed NBFCs / equipment supplier which are bound to strengthen the operations. The net worth has also improved substantially and accordingly company continues to be low debt entity



The current ratio is also as per the financial norms at 1.28:1

Directors' comments to the points highlighted by the auditors in their independent report

The auditors have highlighted that due to change in depreciation policy from State Line Method to Written Down Value Method on plant & machinery there is an adverse impact on the profitability as accumulated depreciation of the same amount has been charged to P & L account as an exceptional item.

**Comments:** High depreciation have been provided after considering the current valuation of machinery and the technical opinion of the subject. Hence, by giving the impact, the balance sheet of the company reflects the correct and realistic position of the assets as the same is in line with the market value.

Auditors have highlighted that the company has not provided loss on running chit fund schemes. They have also stated that as a policy, the company shall provide for the loss in the year in which the chit is closed which has been the past practice.

**Comments:** This is correct. We are just following the accounting policy which has to be consistent from year to year and this has been the practice for last so many years. This policy was in practice, as it was not possible to ascertain the loss on chit till its closed.



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

The Director confirms:

- 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 are 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 Financial Year and of the profit 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 and the Companies Act, 2013, 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.

**DIRECTORS**

The Board is headed by Executive Director and consists of 5 Directors comprising of Two Executive Director and Three Non-Executive Independent Directors representing an optimum mix of professionalism, knowledge and experience in their respective fields and the said composition is in compliance with the parameters prescribed in clause 49 of the Listing Agreement to strengthen the power of the Board As per the provisions of the Companies Act, 2013.

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.

**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.

The notes on accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments except the points highlighted by auditors mentioned below:-

Directors' comments to the points highlighted by the auditors in their independent report

The auditors have highlighted that due to change in depreciation policy from State Line Method to Written Down Value Method on plant & machinery there is an adverse impact on the profitability as accumulated depreciation of the same amount has been charged to P & L account as an exceptional item.

***Comments: High depreciation have been provided after considering the current valuation of machinery and the technical opinion of the subject. Hence, by giving the impact, the balance sheet of the company reflects the correct and realistic position of the assets as the same is in line with the market value.***

Auditors have highlighted that the company has not provided loss on running chit fund schemes. They have also stated that as a policy, the company shall provide for the loss in the year in which the chit is closed which has been the past practice.

***Comments: This is correct. We are just following the accounting policy which has to be consistent from year to year and this has been the practice for last so many years. This policy was in practice, as it was not possible to ascertain the loss on chit till its closed.***

**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 Indian Overseas Bank , 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.

**For and on behalf of the Board  
Innovative Tech Pack Limited**

Place : New Delhi  
Date : 04.09.2014

**Sd/-  
Ketineni Sayaji Rao**  
Chairman & Managing Director



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

Particulars as required under Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors' Report for the financial year ended 31st March, 2014.

**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.



**MANAGEMENT DISCUSSIONS AND ANALYSIS**

**Industry Scenario**

Inspite of continuous increase in Pet prices which is converted into plastic bottles & jars i.e our products industry is continuous to grow and remain extremely popular in edible oil bottles, pharmaceutical products, hygiene products, alcoholic beverages, confectioneries etc. This is mainly because of its inherent qualities of its strength and toughness, good optical sparking glass like appearance, odourless, hygienic qualities which have been approved by FDA for food packing with good barrier properties to water and gases, eco-friendly nature. Moreover, it is cost competitive as compared to glass. In view of the above PET products are growing at a phenomenal rates inspite of all odds.

**Opportunities & Future Outlook**

To take the advantage of the aforesaid situation, your company is taking positive steps:

- a) Company has set up manufacturing facilities at various locations so that it can have the advantage of having wider customer base and the advantage of optimum freight cost . Moreover, the units have been installed at tax free locations so as to be cost competitive.
- b) Company is taking all the positive steps so as to ensure that the best quality products are supplied at optimum price. In order to do so, it has taken number steps to be cost competitive.
- c) Company is consolidating its position in its existing customers such as Dabur, Perfetti, Heinz, Wipro etc and have also inducted new customers such as Godrej, SC Johnson, Mother Diary, Priya Gold etc.
- d) Company is also undertaking research & development so as to provide innovative products to its customers. It is also developing various types of molds so as to cater to the wider range of customers.

Hence your company aims to be leading player and a name to be reckoned in PET packaging industry.

**Risk Management**

Management has taken concrete steps to mitigate the risk inherent to any business. Company is in this business for last 25 years and hence have a strong understanding of the complete business including marketing network and the requirements of manufacturing and technical expertise. It is fully equipped with technical, commercial and financial capabilities to avert any risk and also to grow simultaneously.

**Internal Control & Systems**

The systems has been inbuilt with checks and controls so that company's resources are utilized most efficiently and effectively. There is an internal audit program which is regularly implemented and the reports are constantly reviewed and monitored so as to ensure the compliance of applicable statutes and effectiveness of control in the organization. To further strengthen systems in the company it has implemented SAP system for online functioning.

**Human Resources & Industrial relations**

It has been the endeavour of the company to ensure that its human resources are given top most priority. In this regard, the initiatives have been taken through adequate trainings, seminars and team building to ensure that a motivated and a contented team works for the organization. The company comprises of right blend of young and experienced staff comprising of professionals and executives to ensure that organization achieves new heights in the coming years.

**DIVIDEND**

Your Directors after considering that the company is on growth track and consolidation have decided to plough back the accruals in the company for the future growth and hence have not declared dividend this year.

**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.

**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 Indian Overseas Bank, 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.

**For and on behalf of the Board  
Innovative Tech Pack Limited  
Sd/-  
Ketineni Sayaji Rao  
Chairman & Managing Director**

Place : New Delhi  
Date : 04.09.2014



## REPORT ON CORPORATE GOVERNANCE

### 1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company.

The Company, through its Board and Committees, endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the stock exchanges, the details are set out below:

### 2) BOARD OF DIRECTORS

The Board of Director plays a crucial role in ensuring good governance , in the organization, through its progressive thinking and and professionally qualified members, having multidisciplinary knowledge and experience which is further complemented by Independent Directors adding creative solutions/ideas to the Board discussions and deliberations.

#### a) Composition of the Board

The Board is headed by Executive Director and consists of 5 Directors comprising of Two Executive Director and three Non-Executive Independent Directors representing an optimum mix of professionalism, knowledge and experience in their respective fields and the said composition is in compliance with the parameters prescribed in clause 49 of the Listing Agreement.

Sh. Ketineni Satish Rao has been re- appointed as the Whole Time Director w.e.f. 01/08/2013 to further strengthen the power of the Board as per the provisions of the Companies Act, 2013, he holds office for next 05 year, subject to the approval of Shareholders in forthcoming Annual General Meeting of the Company. Accordingly resolution seeking the approval of the Members of the Company for his appointment as Managing Director 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. Sanjay Dhawan 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.

#### b) Number of Board meetings

During the 12 months of accounting period ending on 31st march, 2014, the Board met 9 (Nine) times on 13th May, 2013, 30th May, 2013, 5th July, 2013, 29th July, 2013, 14th August, 2013, 16th October, 2013, 14th November, 2013, 6th December 2013, 14th February, 2014. The Board meet quiet regularly to keep close monitoring of Company's operations, which are at crucial stage for turnaround.

#### c) Directors' attendance record at various meeting of the Board and details of Directorship, Membership/ Chairmanship held by the directors in the Board /Committees of other Public Limited Companies

Name of the Director	Category	Board meetings held during the year	No of Board meetings attended during the year	Whether last AGM attended	Directorship in other public limited Companies	No. of Memberships/ Chairmanships held in Committee of other public limited companies	
						Member	Chairman
Sh. Ketineni Sayaji Rao	Managing Director (Promoter)	9	7	Yes	1	0	0
Sh. Atul Nripaj Barar	Non-Executive Independent Director	9	7	No	1	0	0
Sh. Sanjay Dhawan	Non-Executive Independent Director	9	9	Yes	3	4	1
Sh Ketineni Satish Rao	Whole Time Director	9	9	Yes	1	0	0
Sh. Anil Kulbhushan Barar	Non-Executive Independent Director	9	7	No	2	0	0



# None of the Directors is a member in more than ten Board Committees or a Chairman in more than five such committees across all Companies in which he is director, as required under clause 49 of the Listing Agreement.

# Mr. Ketineni Sayaji Rao Chairman & Managing Director and Mr. Ketineni Satish Rao, Whole Time Director of the Company related to each other being father of Mr. Ketineni Satish Rao.

**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](http://www.itplgroup.com)). All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration in this regard signed by Managing Director of the Company is given at the end of this Report.

**3) BOARD COMMITTEES**

To focus effectively on different business & operational efficiencies the Board has constituted several committees with specific responsibilities/scope. These Committees operates as empowered agents of the Board as per their charter. The details of Board Committees are given as under.

**i) AUDIT COMMITTEE**

**a) Composition**

In terms of compliance of the Companies Act, 2013, the requirement of the Listing Agreement with the Stock Exchanges and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board under the Chairmanship of Sh. Sanjay Dhawan (Non Executive Independent Director), Sh. Atul Nripraj Barar (Non Executive Independent Director) and Sh. Ketineni Sayaji Rao (Executive Director) as Members of the Committee.

The Company Secretary acts as the Secretary of the Audit Committee. The composition of the Committee is in conformity with Clause 49(II) (A) of the Listing Agreement. All are financially literate and have relevant financial and accounting 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 provisions of the Companies Act, 2013 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 during the period.**

The Committee met Four times during the 12 months accounting period ending on March 31, 2014 i.e. on 30th May, 2013, August 14, 2013, 14th November, 2013 & 14th February, 2014. 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	4	4
Sh. Atul Nripraj Barar	Member	4	4
Sh. Ketineni Sayaji Rao	Member	4	4

**ii) REMUNERATION COMMITTEE**

The Remuneration Committee was constituted by the Board to recommend / review the remuneration package of the managerial personnel. The Remuneration committee comprises of three non executive independent directors under the chairmanship of Sh. Sanjay Dhawan and Sh. Atul Nripraj Barar and Sh. Anil Kulbhusan Baarar are the members of the committee. There were revision in the remuneration of Mr. Ketineni Satish Rao, Whole Time Director of the Company & Mr. Ketineni Sayaji Rao, Managing Director of the Company.

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

**Executive Directors**

Details of Remuneration paid to Executive Directors of the Company are as follows:

( ₹ )

S. No.	Name	Designation	Salary	Benefits	Total
1	Ketineni Sayaji Rao	Managing Director	39,00,000	-	39,00,000
2	Ketineni Satish Rao	Whole Time Director	15,00,000	-	15,00,000

**Non Executive Directors**

During the period under review, the Company has not paid any remuneration/ sitting fees to non- executive directors of the Company. None of the Non- Executive Directors have any material pecuniary relationship or transaction with the Company.

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

None of the Non executive Directors held any equity shares in the Company as on 31st March 2014.

**iii) SHARE TRANSFER COMMITTEE**

**i) Composition**

The share transfer committee comprising Mr. Ketineni Sayaji Rao (Managing Director) as Chairman of the Committee, Mr. Sanjay Dhawan (Director) Mr. Atul Nripraj Barar (Director) and Mr. Vishesh Chaturvedi (Company Secretary) are the members of the said committee.

**ii) Term of Reference.**

The Committee approves and monitor transfer, transmission, split up and consolidation of Shares, issue of duplicate shares, and other allied matters. Meeting are called once in a fortnight, if share transfers are required to approved.



**iv) 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, 2013.

The Company Secretary is the Secretary and convenor of this Committee.

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

Mr. Vishesh Chaturvedi (Company Secretary) is the Compliance Officer.

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

During the period under review, 3 complaints were received which were timely replied /resolved to the satisfaction of the investors.

**a) GENERAL BODY MEETINGS**

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

FINANCIAL YEAR	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED, IF ANY
2012-13	25.09.13	7.30A.M.	Hakim Ji Ki Choupal, Opp. Batra Hospital, Vill- Ujina, Nuh, Distt . Mewat Haryana	1. Increased of Authorised Capital. 2. Alteration of Article of Association. 3. Re-appointment of Managing Director. 4. Revision of Remuneration payable to Sh. K. Satish Rao, Whole Time Director. 5. Voluntary delisting of equity shares of the company from all stock exchanges except BSE Limited.
2011-12	28.09.12	8.30A.M.	Hakim Ji Ki Choupal, Opp. Batra Hospital, Vill- Ujina, Nuh, Distt . MewatHaryana	Enhancement of Borrowing Limit under section 293(1) (d) not exceeding Rs. 100 Crores.



FINANCIAL YEAR	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED, IF ANY
2010-11	28.09.11	10.00A.M.	Hakim Ji Ki Choupal, Opp. Batra Hospital, Vill- Ujina, Nuh, Distt . MewatHaryana	<ol style="list-style-type: none"> <li>1. Regularisation of Mr. K. Satish Rao, as director of the Company and then appoint him as Whole Time Director of the Company.</li> <li>2. Commencement of business as specified in sub clause 2 of 'Other Object' clause of the Memorandum of Association.</li> <li>3. Revision/ enhancement of remuneration payable to Sh. K. Sayaji Rao, relative (Son) of Sh Ketineni Sayaji Rao, Managing Director of the Company holding office / place of profit as Senior Manager (Corporate) from Rs. 1,35,000 per month to Rs. 2,50,000 per month w.e.f. 01st October, 2011</li> <li>4. Increase of Authorised capital from Rs. 10 crores to Rs. 30 crores.</li> <li>5. Alteration of Article of Association in relation to Authorised Capotal.</li> </ol>

**ii. Extra Ordinary General Meeting (s) (EGMs)**

During the period under review, no Extra-ordinary General Meeting was held.

**iii. Postal Ballot**

During the period under review, no postal ballot was held and hence no special resolution passed through postal ballot. As on date there is no proposal to pass any resolution by postal Ballot.

**DISCLOSURES**

- i) The details of all significant transactions with related parties are periodically placed before Audit Committee. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Notes to the Accounts forming part of the Annual Report.
- 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 last three years.
- 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 is complying with all applicable accounting standards and generally accepted accounting principles.
- ix) Disclosure under Clause 5 A II of the listing Agreement in respect of unclaimed shares:





The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December, 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment the Company had sent letters to such shareholders whose share certificates are in undelivered form and hence remained unclaimed, by requesting them to update correct details viz. postal addresses, PAN details etc. registered with the Company in order to avoid transfer of such unclaimed shares to the "Unclaimed Suspense Account".

The company will be sending second and third reminder letters in due course. As on 31st March, 2014, the total unclaimed equity shares are 804810

**b. MEANS OF COMMUNICATION**

- a) Annual Results: Published in English and Hindi newspapers and intimated to stock exchanges immediately.
- b) Quarterly Results: Published in English and Hindi Newspapers and intimated to stock exchange immediately.
- c) News papers normally published in: Business Standard (English) & Vir Arjun (Hindi).
- d) Results together with shareholding pattern and any other significant development is immediately submitted to the Stock Exchanges and displayed on the BSE Website: www.bseindia.com.
- e) The Company is not making any official releases and not sending half-yearly/quarterly report to the shareholders, as it is not a mandatory requirement.
- f) The Company has not made any presentation to Institutional Investors or Analysts.
- g) Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

**c. GENERAL SHAREHOLDER INFORMATION**

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

Date : Monday, 29th September, 2014  
 Venue : HAKIM JI KI CHOUPAL, OPP. BATRA HOSPITAL, VILL. UJINA,  
 POLICE STATION NUH, DISTT. MEWAT, HARYANA  
 Time : 09.00 A.M

**ii. Book Closure**

The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2014 to September 29, 2014 (both days inclusive) for the purpose of 25th Annual General Meeting (AGM).

**iii. 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 fee for the financial year 2013-14 have been duly paid to the above stock exchanges.

**Scrip Name** : INNOVATIVE TECH PACK LIMITED (**INNOVTEC**)

**Demat ISIN No. in NSDL & CDSL** : INE965C01020



iv. Market Price Data

Stock Market price data for the accounting period 2013-14 is as follows:  
Innovative Tech Pack Share Price on BSE

Month	High		Low		Volume (No. of shares)
	Share price (₹)	Sensex	Share price (₹)	Sensex	
April-13	20.15	19,622.68	14.5	18,144.22	56988
May-13	19.28	20,443.62	13.67	19,451.26	301784
June-13	20.9	19,860.19	12.45	18,467.16	413673
July-13	28	20,351.06	18.65	19,126.82	384797
August-13	24.15	19,569.20	19.8	17,448.71	17363
September-13	26.35	20,739.69	17.15	18,166.17	62402
October-13	30.9	21,205.44	25.7	19,264.72	52227
November-13	29	21,321.53	19.6	20,137.67	223506
December-13	23	21,483.74	19	20,568.70	388656
January-14	29.5	21,409.66	18.1	20,343.78	286819
February-14	29.5	21,140.51	21.6	19,963.12	747677
March-14	30.3	22,467.21	21.55	20,920.98	922513

Shares traded during the Year

Shares traded during 1st April, 13 to 31st March, 14	BSE
No of shares traded	3858405
Highest Share Price (Rs.)	30.9
Lowest Share Price (Rs.)	12.45
Closing Share Price (Rs.)	26.8
Market Capitalization (Rs in Lakhs)	5859.82 (Lacs)

v. Registrar & Share Transfer Agent

M/s Beetal Financial and Computer Services (P) Ltd. 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, at the following address.

Beetal Financial and Computers Services (P) Limited,  
3rd floor, Beetal House, 99, Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir, New Delhi-110062.

vi. 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- M/s Beetal Financial and Computer Services (P) Ltd., Beetal House, 99, Madangir, Behind Local Shopping Centre, New Delhi- 62. 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. 01/- (Rupees One only) each.

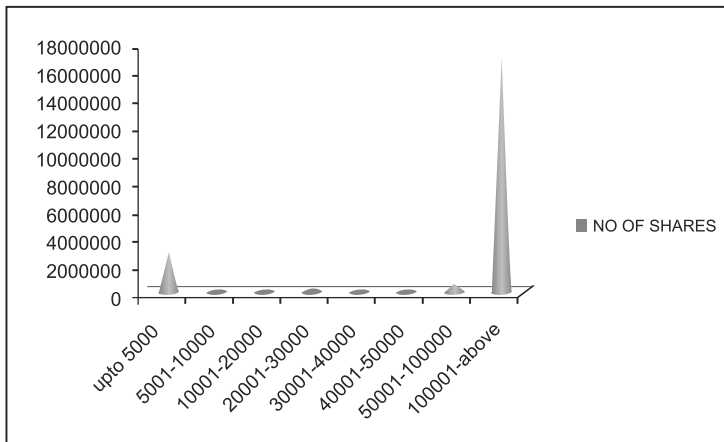
All the physical share transfers are handled by M/s Beetal Financial and Computer Services (P) Ltd. The transferee is required to furnish the transfer deed duly completed in all respect together with share certificates and pan card copy to M/s Beetal Financial and Computer Services (P) Ltd at the above address in order to enable them to process the transfer.



As regards transfers of dematerialized shares, the same can be effected through the demat accounts of the transferor/s and transferee/s maintained with recognized Depository Participants.

**Distribution of shareholding as on 31st March 2014**

SHARE HOLDING OF NOMINAL VALUE OF ₹	NUMBER OF SHAREHOLDERS	% TO TOTAL	NO OF SHARES	AMOUNT IN ₹	% TO TOTAL
upto 5000	13121	99.45	2804805	2804805	12.82
5001-10000	19	0.14	150120	150120	0.69
10001-20000	16	0.12	245117	245117	1.12
20001-30000	13	0.10	309852	309852	1.41
30001-40000	6	0.05	205103	205103	0.94
40001-50000	4	0.03	176387	176387	0.81
50001-100000	10	0.08	692348	692348	3.17
100001-above	4	0.03	17281268	17281268	79.04
			21865000	21865000	

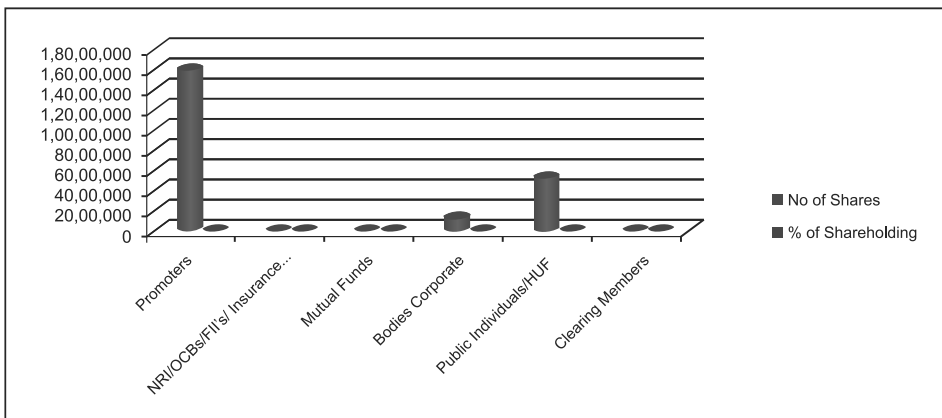


**vii. Shareholding Pattern for the financial year ended: 31st March, 2014**

Particulars	No. of Shares	% of Shareholding
Promoters	1,61,05,940	73.66
NRI/OCBs/FII's/Insurance Companies	150249	0.69
Mutual Funds	13000	0.06
Bodies Corporate	291993	1.34
Public Individuals/HUF	5300881	24.24
Clearing Members	2937	0.01
(A)+(B)	21865000	100



SHAREHOLDING PATTERN AS ON 31ST MARCH, 2014

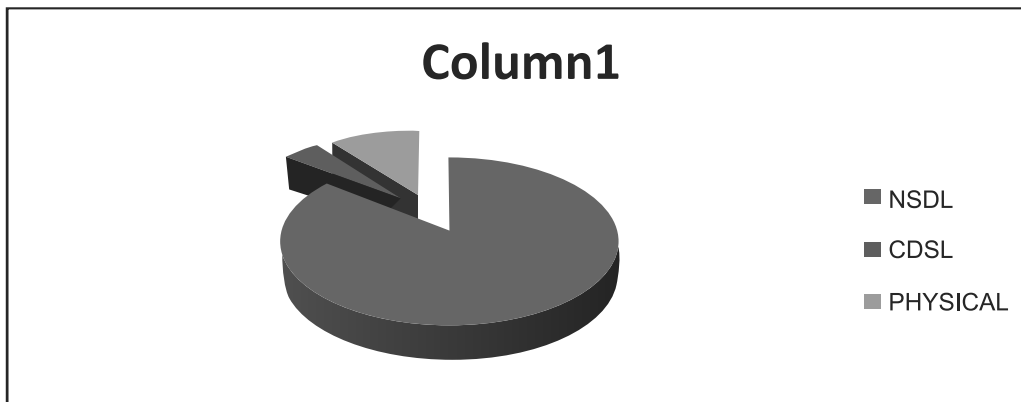


viii. Shares held in physical and dematerialised form

The shares of the Company are compulsorily traded in dematerialized form with effect from 1st April, 2001. The equity shares of the Company are available for demat with both the depositories in India – National Securities Depository Ltd. (NSDL) and Central Depository Services (India ) Ltd. (CDSL)

Demat & Physical Holding as on 31st March, 2014

NSDL	18431500	84.29%
CDSL	1274485	5.81%
PHYSICAL	2159015	9.87%



ix. Dividend payment Date : Not applicable

x. Outstanding Employees Stock Option, GDR,s, ADR's - The Company has not issued any Employees Stock Option, ADRs, GDRs

xi. Plant Location

- 51, ROZ – KA – MEO INDL. AREA, SOHNA , DISTRIC MEWAT, HARYANA- 122103
- RUNGTA INDUSTRIAL COMPOUND, RUDARPUR, UTTARANCHAL.



**xii. Address for Investor Correspondence:**

The Company Secretary,  
Innovative Tech Pack Limited,  
CORPORATE OFFICE: 1109-1110, CHIRANJIV TOWER, 43,  
NEHRU PLACE, NEW DELHI 110019.

Email Id: grievance@itplgroup.com

Shareholders are requested to quote their Folio Nos./DP Id/Client Id, No. of Shares held and address for prompt reply

**xiii. Non Mandatory requirements:**

The Company has not adopted any non mandatory requirements except the Remuneration Committee as mentioned in Clause 49 of the Listing Agreement. During the year under review no meeting of the Remuneration Committee was held.

**For and on behalf of the Board  
Innovative Tech Pack Limited**

**Sd/-  
Ketineni Sayaji Rao  
Managing Director**

Place : New Delhi  
Date : 04.09.2014

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**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 period ended 31st March, 2014.

**For and on behalf of the Board  
Innovative Tech Pack Limited**

**Sd/-  
Ketineni Sayaji Rao  
Managing Director**

Place : New Delhi  
Date : 04.09.2014

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**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 period ended 31st March, 2014, 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 conditions 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 an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BGJC & Associates  
CHARTERED ACCOUNTANTS  
(FRN- 003304N)**

**Sd/-  
DARSHAN CHHAJER  
(PARTNER)  
M. No. 088308**

Place : New Delhi  
Date : 04.09.2014



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF INNOVATIVE TECH PACK LTD.**

1. We have audited the accompanying financial statements of the **Innovative Tech Pack Ltd.** ('the Company'), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred in section 133 of the Companies Act '2013 ('the Act') (which has superseded section 211 (3C) of Companies Act 1956). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

6. Subject to in our opinion and to the best of our information and according to the explanations given to us, the financial statement together with the notes thereon give the information required by Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
  - (ii) in the case of the Statement of Profit and Loss of the profit for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that date.
7. As required by the Companies (Auditor's Report) Order, 2003 (as amended) (herein after collectively referred to as the 'Order'), issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 & 5 of the said Order.
8. As required by Section 227(3) of the Act, we report that:
  - i. 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;
  - ii. In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
  - iv. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standard referred to in section 133 of the Companies Act '2013 (which has superseded section 211 (3C) of Companies Act 1956);
  - v. On the basis of the written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



**Emphasis of matter**

9. without qualifying our opinion we report that ( to be read with note no. 32 & 33 of notes to accounts of financial statement):
- a) During the year company has changed its accounting policy of depreciation from straight line method to written down value method with effect from 1st April, 2013 for certain assets ( Mould, Building and Electric installations). Difference in accumulated depreciation as on 31st March, 2013 due to change in policy related to these assets amounting to Rs. 153,73,780 /- has been charged to Statement of Profit and Loss in current year as exceptional item . Further , due to change in depreciation policy current year depreciation and amortization is lower by Rs. 61,00,712 /-.
  - b) From the current year the Company has started providing loss on live chits on estimated basis which were provided on closure of chits till previous year. Rs.53,94,313 /- has been charged to current quarter as exceptional item.

**For BGJC & Associates  
CHARTERED ACCOUNTANTS  
(FRN- 003304N)**

**Sd/-  
DARSHAN CHHAJER  
(PARTNER)  
M. No. 088308**

**Place : New Delhi  
Date : 30.05.2014**

**ANNEXURE REFERRED TO IN PARAGRAPH 7 OF THE AUDITOR’S REPORT TO THE MEMBERS OF INNOVATIVE TECH PACK LTD. ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014.**

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As per the explanation and information given to us, the Company has policy to physically verify all its fixed assets over a year in a phased manner which is in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. However, during the current year no verification has been done.
- c) The Company has not disposed off substantial parts of its fixed assets during the year.
- ii. a) The inventories have been physically verified by the management at the year end which is in our opinion is adequate. The frequency of such verification is reasonable.
- b) In our opinion and according to the information and explanation given to us, the procedure of such physical verification of inventories followed by the management is appears to be reasonable and adequate in relation to the size and nature of its operations and inventory items involved.
- c) In our opinion, the Company has maintained proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- iii. a) In the current year under audit the company has granted loan to following parties covered in the register maintained under section 301 of the Companies Act, 1956:-

(in ₹)

NAME OF PARTY	MAX. AMOUNT OUTSTANDING	CLOSING BALANCE AS At 31/03/2014
Mr. K. Sayaji Rao	21,59,021	Nil
Mr. K. Satish Rao	84,00,000	Nil

- b) In our opinion and according to the information and explanations given to us , the rate of interest and other terms and conditions for such loans are not being prima facie prejudicial to the interest of the company.
- c) According to the said information and explanation given to us , the parties (referred in para 4 (iii) (a) above ) to whom loan have been granted, were regular in repayment of principal; as per contractual terms.
- d) According to the information and explanation given to us, there are no overdue amount of loan in respect of amount referred above for recovery for more than one year.
- e) The Company has taken unsecured loan from following parties covered in the register maintained under section 301 of the companies Act 1956:-



(in ₹)

Name of Party		Maximum amount outstanding	Closing balance
Mr. K.S. Rao	Interest free	12,63,357	NIL
Mrs Pratibha Rao	Interest free	3,55,664	NIL
Mr. K Satish Rao	Interest free	25,00,000	NIL
Innovative Datamatics Ltd	Interest bearing	254,51,470	219,80,550

- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v. According to the information and explanation provided to us by the management, no contracts or arrangements were entered into during the year as referred to in section 301 of the Companies Act, 1956. Hence, this clause is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public within the meaning of section 58A/58AA of the Companies Act, 1956 or any other relevant provisions of the Act and the rules framed there under.
- vii. During the year covered under audit a firm of chartered accountants had carried out internal audit of some departments/ functions of company but the scope , area covered and frequency of audit in not commensurate with the size of the Company and nature of its business.
- viii. The maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956 is applicable to the company. The company has made & maintained such records , however we have not made detailed review of such records.
- ix. a) According to the information and explanation given to us, the undisputed statutory dues including Provident Fund , Investors Educations Fund , income tax and sales tax, wealth tax, service tax etc have generally been regularly deposited with the appropriate authorities during the year though delay in some cases noticed.
- b) In the following cases statutory dues were outstanding more than six months from the date they became payable as at year end :-

Name of statute	Nature of dues	Amount (in ₹)	Period to which dues belongs	Due date
Central sales Tax Act	Central sales tax	3,306	2009-10	31st July, 2013
Haryana VAT Act	Local sales tax	52,380	2009-10	31st July, 2013
Central sales Tax Act	Central sales tax	45,958	2009-10	31st July, 2013
Haryana VAT Act	Local sales tax	5,857	2009-10	31st July, 2013

- c) As per the information and explanation given to us as at 31st march 2014 there were no dues of income tax, sales tax, wealth tax, service tax, excise duty, customs duty and cess etc which have not been deposited on account of any dispute.
- x. The Company does not have accumulated losses at the year ended March 31st, 2014. The company has not incurred cash losses in the year covered by our audit and also in the immediately preceding financial year.
- xi. As per information and explanations given by the management, in our opinion the Company has not defaulted in repayment of any loan / dues taken from bank / financial institution.
- xii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances during the year on the basis of security by way pledge of shares, debentures 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 Order are not applicable to the Company.
- xiv. According to the information and explanations given to us, the Company is not dealing / trading in shares, securities and other investments.
  - xv. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from any Bank / financial institution.
  - xvi. According to the information and explanations given to us the, Company has applied term loans for the purpose it was obtained.
  - 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 no funds raised on short - term basis have been used for long term investments.
  - xviii. The Company has not made any preferential allotment of shares during the year covered under audit.
  - xix. The Company had no outstanding debentures during the year.
  - xx. The Company has not raised any money by way of public issue during the year.
  - xxi. Based upon audit procedures performed and according to the information and explanations given to us by the management and to the best of our knowledge, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For BGJC & Associates  
CHARTERED ACCOUNTANTS  
(FRN- 003304N)  
Sd/-  
DARSHAN CHHAJER  
(PARTNER)  
M. No. 088308**

**Place : New Delhi  
Date : 30.05.2014**



**BALANCE SHEET AS AT 31ST MARCH, 2014**

( ₹ )

Particulars	Note No.	31 March, 2014	31 March, 2013
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share capital	1	21,865,000	21,865,000
Reserves and surplus	2	207,365,280	188,974,390
<b>Non-current liabilities</b>			
Long-term borrowings	3	95,280,160	50,805,925
Long-term provisions	4	1,777,411	1,707,586
<b>Current liabilities</b>			
Short Term Borrowings		62,520,912	40,039,706
Trade payables	5	61,558,340	97,788,686
Other current liabilities	6	67,239,970	53,434,617
Short-term provisions	7	65,564	1,126,577
<b>TOTAL</b>		<b>517,672,637</b>	<b>455,742,487</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	8	215,242,054	201,131,023
Intangible assets	8	900,570	926,410
Non-current investments	9	11,927,135	50,000
Long-term loans and advances	10	51,836,068	58,616,632
<b>Current assets</b>			
Inventories	11	49,625,316	33,704,029
Trade receivables	12	129,887,395	129,349,350
Cash and Bank balances	13	32,352,193	12,567,372
Short-term loans and advances	14	25,901,907	19,397,671
<b>TOTAL</b>		<b>517,672,637</b>	<b>455,742,487</b>

Significant Accounting Policies

A

Notes on Financial Statements

1 to 38

As per our report of even date  
For BGJC & Associates  
Chartered Accountants  
(FRN- 003304N)

For and on behalf of the board of Directors  
Innovative Tech Pack Limited

Sd/-  
Darshan Chhajer  
(Partner)  
M. NO.088308

Sd/-  
K.S. Rao  
Managing Director

Sd/-  
Sanjay Dhawan  
Director

Sd/-  
Vishesh Chaturvedi  
Company Secretary

Sd/-  
Sanjay Saigal  
CFO

Date : 30.05.2014  
Place : New Delhi



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

(₹)

Particulars	Note No.	31 March, 2014	31 March, 2013
<b>INCOME:</b>			
Revenue from operations	15	759,960,041	614,194,966
Other income	16	12,368,213	2,841,457
<b>Total Revenue</b>		<b>772,328,254</b>	<b>617,036,423</b>
<b>Expenses:</b>			
Cost of materials consumed	17	478,480,176	386,756,161
Decrease/ (Increase) inventories of finished goods and work-in-progress	18	-5,444,649	-4,936,887
Employee benefits expense	19	63,941,594	48,973,741
Finance costs	20	26,257,568	11,839,343
Other expenses	21	129,203,238	95,591,954
<b>Total expenses</b>		<b>692,437,927</b>	<b>538,224,312</b>
Profit before Depreciation & Amortization, Tax, Exceptional and Prior Period Items		79,890,327	78,812,111
Depreciation and amortization expense	8	40,781,193	36,731,860
Profit before exceptional ,prior period items and tax		39,109,134	42,080,251
Exceptional items	22	20,718,244	-35,697,561.00
Profit before extraordinary items and tax		18,390,890	6,382,690
Prior period items (net)		-	-960,791
<b>Profit before tax</b>		<b>18,390,890</b>	<b>5,421,899</b>
Tax expense:			
-Current tax- (MAT)		3,700,000.00	1,041,000
-MAT Credit Entitlement		3,700,000.00	1,041,000
-Deferred tax charged/(credited)		-	-
<b>Profit for the year</b>		<b>18,390,890</b>	<b>5,421,899</b>
Earning per equity share			
(1) Basic		0.84	0.25
(2) Diluted		0.84	0.25

**Significant Accounting Policies**

A

**Notes on Financial Statements**

1 to 38

As per our report of even date  
For BGJC & Associates  
Chartered Accountants  
(FRN- 003304N)

For and on behalf of the board of Directors  
Innovative Tech Pack Limited

Sd/-  
Darshan Chhajjer  
(Partner)  
M. NO.088308

Sd/-  
K.S. Rao  
Managing Director

Sd/-  
Sanjay Dhawan  
Director

Sd/-  
Vishesh Chaturvedi  
Company Secretary

Sd/-  
Sanjay Saigal  
CFO

Date : 30.05.2014  
Place : New Delhi



**CASH FLOW STATEMENT FOR THE PERIOD 31ST MARCH, 2014**

( ₹ )

Particulars	31 March, 2014	31 March, 2013
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax	18,390,890	5,421,899
<b>Adjustments for:</b>		
Depreciation	40,781,193	36,731,860
Change in method of depreciation	15,373,780	35,697,561
Interest expenses	26,257,568	11,839,343
Interest income	-4,689,288	-2,241,457
Provision written back	-5,403,988	-
(Profit)/ Loss on sale of fixed assets	-156,495	542,888
Provision for bad debts/ Bad debts Written off.	3,767,166	891,656
	<u>75,929,936</u>	<u>83,461,850</u>
<b>Operating profit before working capital changes</b>	<b><u>94,320,826</u></b>	<b><u>88,883,750</u></b>
<b>Adjustments for:</b>		
Trade & Other receivables	-4,305,211	-52,336,087
Loans & Advances	-1,571,588	-6,038,806
Inventories	-15,921,286	-9,199,854
Trade payables & Other liabilities	-28,308,895	74,533,198
	<u>-50,106,980</u>	<u>6,958,452</u>
<b>Cash generated from operations</b>	<b><u>44,213,846</u></b>	<b><u>95,842,201</u></b>
Less: (Taxes paid)/Refund	-1,657,886	-
<b>Net cash from operating activities</b>	<b><u>42,555,960</u></b>	<b><u>95,842,201</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of fixed assets	2,415,801	10,013,404
Purchase of fixed assets	-72,499,468	-95,558,941
Interest received	3,566,994	2,203,308
Advance against share purchase	-	-38,127,135
Capital advances	-4,590,040	-5,604,760
	<u>-71,106,713</u>	<u>-127,074,124</u>
<b>Net cash from investing activities</b>	<b><u>-71,106,713</u></b>	<b><u>-127,074,124</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt/(Repayment) loans (Net)	74,193,993	42,299,484
Unsecured Loans Received/(Paid) (Net)	-	-
Interest Paid	-25,858,420	-11,723,369
	<u>48,335,573</u>	<u>30,576,115</u>
<b>Net cash from financing activities</b>	<b><u>48,335,573</u></b>	<b><u>30,576,115</u></b>
<b>Net increase in Cash and Cash equivalent</b>		<b><u>-655,807</u></b>
<b>Cash and Cash equivalent- Opening Balance</b>	<b>12,567,372</b>	<b>13,223,179</b>
<b>Cash and Cash equivalent- Closing Balance</b>	<b>32,352,192</b>	<b>12,567,372</b>

**Notes:**

- (i) The above Cash Flow Statement is prepared under the indirect method set out in the AS-3.  
(ii) Figures in the brackets or (-) indicate Cash Outgo.  
(iii) Figures for the previous year are regrouped/ rearranged to make it comparable with current year figures.

**As per our report of even date  
For BGJC & Associates  
Chartered Accountants  
(FRN- 003304N)**

**Sd/-  
Darshan Chhajer  
(Partner)  
M. NO.088308**

**For and on behalf of the board of Directors  
Innovative Tech Pack Limited**

**Sd/-  
K.S. Rao  
Managing Director**

**Sd/-  
Sanjay Dhawan  
Director**

**Sd/-  
Vishesh Chaturvedi  
Company Secretary**

**Sd/-  
Sanjay Saigal  
CFO**

Date : 30.05.2014  
Place : New Delhi



Particulars	AS AT	AS AT
	31-03-2014 (₹)	31-03-2013 (₹)
<b>NOTE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
1500,00,000 Equity Shares of Rs.1/- each (Previous Period 1300,00,000 Equity Shares of Rs.1/-)	150,000,000	130,000,000
<b>Issued</b>		
218,65,000 Equity Shares of 'Rs.1/- each (Previous Period 218,65,000 Equity Shares of Rs.1/-)	21,865,000	21,865,000
<b>Subscribed &amp; Paid up</b>		
218,65,000 Equity Shares of Rs.1/-each fully paid (Previous Period 218,65,000 Equity Shares of Rs.1/-)	21,865,000	21,865,000
<b>Total</b>	<b>21,865,000</b>	<b>21,865,000</b>

1. The company has only one class of equity shares. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares shall be entitled to receive remaining assets of the company, after adjustment of all preferential payments. The distribution will be made in the proportion of holding of equity shares. The dividend proposed (if any) by the board is subject to approval by the shareholders in the following Annual General meeting.

**NOTE 1 B**

Particulars	Equity Shares	As at 31-03-2014	Equity Shares	As at 31-03-2013
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	21,865,000	21,865,000	21,865,000	21,865,000
Shares Spilt off during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	21,865,000	21,865,000	21,865,000	21,865,000

**NOTE 1 C**

Details of shares held by shareholders holding more than 5% of shares in the company

Sr No.	Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	K. SAYAJI RAO	15,985,390	73.11%	15,985,390	73.11%



Particulars	AS AT 31-03-2014 (₹)	AS AT 31-03-2013 (₹)
<b>NOTE 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserves</b>		
Opening Balance - Share Capital Reduction A/c #	61,785,000	61,785,000
<b>Closing Balance</b>	<b>61,785,000</b>	<b>61,785,000</b>
# Represents Share Capital reduction pursuant to Hon'ble BIFR order.		
<b>General Reserves</b>		
Opening Balance	2,524,500	2,524,500
<b>Closing Balance</b>	<b>2,524,500</b>	<b>2,524,500</b>
<b>Surplus in the Statement of Profit &amp; Loss</b>		
Opening balance	124,664,890	119,242,991
(+) Net Profit For the year	18,390,890	5,421,899
Closing Balance	143,055,780	124,664,890
<b>Total</b>	<b>207,365,280</b>	<b>188,974,390</b>
<b>NOTE 3</b>		
<b>Long Term Borrowings</b>		
<b>Secured</b>		
<b>Term Loans- Vehicles/Equipments</b>		
from banks -Vehicles Loans	1,036,652	2,364,891
from others - Vehicles Loans	5,091,528	3,366,813
from other - Equipment Loans	11,911,562	12,051,950
<b>(a)</b>	<b>18,039,742</b>	<b>17,783,654</b>
<b>Unsecured</b>		
Loans and advances from related parties	23,459,225	24,132,671
Others	8,368,365	-
Deferred payment liabilities	45,412,828	8,889,600
<b>(b)</b>	<b>77,240,418</b>	<b>33,022,271</b>
<b>Total (a+b)</b>	<b>95,280,160</b>	<b>50,805,925</b>
<ol style="list-style-type: none"> <li>1. Term Loan represents loans taken for acquiring vehicles from Banks / NBFCs ranging from 12%-15% pa ,with maturity period one to three years and are secured by hypothecation of the respective vehicle financed.</li> <li>2. Directors have given personal guarantee against various loans taken by the comoany whose outatsnding amount as on 31 March 2014 was Rs. 53,29,716.</li> <li>3. Equipment loan carry interest rate of 15 - 18% p.a. And are repayable in monthly installments over 36 months. This loan is secured by way of charge over certain fixed assets situated at Guwahati plant. Managing director has given personal guarantee against this loan.</li> <li>4. Loan from Directors/related parties are consisting of interest free as well as interest bearing loans.</li> </ol>		
<b>NOTE 4</b>		
<b>LONG TERM PROVISIONS</b>		
<b>(a) Provision for employee benefits</b>		
Gratuity	1,340,914	1,334,683
Leave Encashment	436,497	372,903
<b>Total</b>	<b>1,777,411</b>	<b>1,707,586</b>



Particulars	AS AT 31-03-2014 (₹)	AS AT 31-03-2013 (₹)
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**NOTE 5**

**SHORT TERM BORROWINGS**

**Secured\***

Working capital Loan from banks	62,520,912	40,039,706
<b>Total</b>	<b>62,520,912</b>	<b>40,039,706</b>

\*Working capital loan is secured by way of charge over factory land at Sohna, hypothecation of plant and machinery (excluding vehicles) at Rudrapur plant and all stocks and book debts of the company.

**NOTE 5**

**TRADE PAYABLES**

MSMEs \*

Others	61,558,340	97,788,686
<b>Total</b>	<b>61,558,340</b>	<b>97,788,686</b>

\* 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.

**NOTE 6**

**OTHER CURRENT LIABILITIES**

**Current maturities of Secured long-term debt\***

- Vehicles Loan	7,389,620	7,294,654
- Equipments Loan	9,138,554	7,272,000
- Business Loan	8,092,829	2,737,211
Deferred Payment liability of Machinery Supplier	12,821,225	10,667,520
Chit Fund	9,045,053	11,277,342
	<b>46,487,281</b>	<b>39,248,727</b>
Interest accrued but not due on borrowings	701,554	302,405
Advance from Customers	659,316	778,293
Book Overdraft due to Reconciliation	-	125,248
<b>Other payables</b>		
- Salary & Other Benefits	4,150,956	3,380,567
- Statutory Liabilities	12,776,297	4,865,450
-Other Liabilities	-	815,000
- Expenses Payable	2,464,566	3,918,926
	<b>20,752,690</b>	<b>14,185,889</b>
<b>Total</b>	<b>67,239,970</b>	<b>53,434,617</b>

\* Refer note -3 for other disclosures.

**NOTE 7**

**SHORT TERM PROVISIONS**

**(a) Provision for employee benefits**

Gratuity	18,891	20,558
Leave Encashment	12,177	30,523

**(b) Others**

- Provision for MAT	-	1,041,000
- Provision for Wealth Tax	34,496	34,496

<b>Total</b>	<b>65,564</b>	<b>1,126,577</b>
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**NOTE-8** (Amount in ₹)

Description	Method	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
		Cost as at 01.04.2013	Additions During the Year	Deductions During the Year	Cost as at 31.03.2014	Upto 31.03.2013	For the Period	Deductions During the Period	Adjustment	Up To 31.3.2014	As at 31.03.2014	As at 31.03.2013
Land		1,1221,001	-	-	1,1221,001	-	-	-	-	-	1,1221,001	1,1221,001
Building	WDV	24,145,655	-	-	24,145,655	12,250,050	518,927	6,706,340	6,706,340	19,475,316	4,670,339	11,895,605
Plant & Machinery	WDV	251,975,594	49,960,321	672,890	301,263,024	122,435,941	21,954,768	402,198	-	143,888,510	157,274,514	129,539,653
Moulds	WDV	95,176,774	18,057,970	1,696,124	111,540,620	70,066,314	10,891,964	31,794	6,068,550	86,995,035	24,545,585	25,112,460
Electricals Installation	WDV	17,630,545	-	327,004	17,957,549	8,324,605	1,025,795	253,901	2,598,889	11,695,388	5,608,153	9,905,940
FURNITURE & Fixture	WDV	3,123,871	796,831	-	3,920,702	1,617,836	341,520	-	-	1,959,356	1,961,346	1,906,035
Office Equipment	WDV	10,162,508	2,220,090	8,996	12,373,602	5,924,220	731,784	-	6,656,004	5,717,598	4,229,290	
Computers	WDV	3,629,267	519,753	-	4,149,020	3,001,413	332,223	-	3,333,636	615,384	627,854	
Vehicles	WDV	34,406,407	696,400	1,301,900	33,800,907	16,713,223	4,710,270	1,050,719	-	20,372,774	13,428,133	17,693,184
Less: Impairment related to Plant and Machinery												
<b>TOTAL</b>		<b>441,473,622</b>	<b>72,251,364</b>	<b>4,006,914</b>	<b>509,718,072</b>	<b>240,333,601</b>	<b>40,507,250</b>	<b>1,738,612</b>	<b>15,373,780</b>	<b>294,476,018</b>	<b>215,242,054</b>	<b>201,131,020</b>
<b>INTANGIBLE ASSETS</b>												
Computer Software	WDV	1,211,507	248,104	-	1,459,611	285,097	273,944	-	-	559,041	900,570	926,410
<b>Sub Total</b>		<b>1,211,507</b>	<b>248,104</b>	<b>-</b>	<b>1,459,611</b>	<b>285,097</b>	<b>273,944</b>	<b>-</b>	<b>-</b>	<b>559,041</b>	<b>900,570</b>	<b>926,410</b>
<b>Capital Work In Progress</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross Total</b>		<b>442,685,129</b>	<b>72,499,468</b>	<b>4,006,914</b>	<b>511,177,663</b>	<b>240,618,698</b>	<b>40,781,193</b>	<b>1,738,612</b>	<b>15,373,780</b>	<b>295,035,059</b>	<b>216,142,624</b>	<b>202,057,430</b>
<b>Previous Year</b>		<b>412,660,396</b>	<b>95,567,936</b>	<b>65,343,204</b>	<b>442,685,129</b>	<b>214,512,571</b>	<b>36,731,857</b>	<b>54,786,913</b>	<b>44,161,183</b>	<b>240,618,698</b>	<b>202,057,430</b>	<b>188,504,055</b>





Particulars	AS AT 31-03-2014 (₹)	AS AT 31-03-2013 (₹)
<b>NOTE 9</b>		
<b>NON-CURRENT INVESTMENTS</b>		
National Savings Certificate	50,000.00	50,000
<b>Other Investments</b>		
791,809 equity shares(face value Rs. 10 each) of Jauss Polymers Limited (Quoted)	11,877,135.00	-
<b>Total</b>	<b>11,927,135.00</b>	<b>50,000</b>
<b>NOTE-9 (1)</b>		
The company made investments in National Saving Certificates(NSC) i.e. 2 Certificates of Rs 25000/ each in the name of Managing Director of the company and the same has been pledged with sales tax authority at Rudrapur(Uttaranchal) on behalf of the company. The interest accrued on such investment will be accounted for on maturity.		
<b>NOTE-9 (2)</b>		
	<b>2013-14</b>	<b>2012-13</b>
Aggregate book value of Quoted Investments and market value thereof	11,877,135	-
Aggregate market value of quoted investments*	-	-
Aggregate provision for diminution in value of investments	-	-
* Since the trading in shares of this company is suspended, hence no market value is available.		
<b>NOTE 10</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>Capital Advances</b>		
Unsecured, considered good	14,267,287	9,677,247
	<b>14,267,287</b>	<b>9,677,247</b>
<b>Security Deposits</b>		
Unsecured, considered good	10,498,151	9,771,250
	<b>10,498,151</b>	<b>9,771,250</b>
<b>Other Advances</b>		
Unsecured, considered good	26,250,000	38,127,135
MAT Credit Entitlement	820,630	1,041,000
	27,070,630	39,168,135
<b>Total</b>	<b>51,836,068</b>	<b>58,616,632</b>
<b>NOTE 11</b>		
<b>INVENTORIES *</b>		
(Valued at cost or net realisable value , whichever is lower)		
Raw Materials	22,705,005	15,354,425
- In transit	1,899,553	-
Recyclable waste	343,700	22,225
Finished goods	14,813,132	9,360,058
Stores and spares	7,491,066	5,555,310
Packaging Goods	2,372,860	3,412,012
* As taken and verified by the management		
<b>Grand Total</b>	<b>49,625,316</b>	<b>33,704,029</b>
<b>Details of Raw Materials</b>		
PET	19,290,439	12,586,334
PP	2,977,505	2,243,548
Master Batch	437,060	524,543
<b>Total</b>	<b>22,705,005</b>	<b>15,354,425</b>



Particulars	AS AT 31-03-2014 (₹)	AS AT 31-03-2013 (₹)
<b>Details of Finished goods</b>		
Bottles	4,734,228	1,336,941
Jars	8,038,476	2,114,419
Caps	2,040,428	5,908,698
<b>Total</b>	<b>14,813,132</b>	<b>9,360,058</b>

**NOTE 12  
TRADE RECEIVABLES**

<b>Others</b>		
Unsecured, considered good	129,161,985	125,745,791
	<b>129,161,985</b>	<b>125,745,791</b>
<b>Outstanding for a period exceeding six months from due date</b>		
Unsecured, considered good	725,411	3,603,559
Unsecured, considered doubtful	-	891,656
Less:-Provision for doubtful debts	-	-891,656
	<b>725,411</b>	<b>3,603,559</b>
<b>Total</b>	<b>129,887,395</b>	<b>129,349,350</b>

**NOTE 13  
CASH AND BANK BALANCES**

Cash on hand	502,333	466,013
Bank Balances		
- in Current Accounts	17,283,953	2,250,472
- Cheques in hand	2,159,021	6,000,000
Other Bank balances		
Margin money-Against guarantees to govt. departments	2,906,887	350,887
Margin money- against Working capital demand loan	3,500,000	3,500,000
FDRs with Banks - maturity more than 12 months	6,000,000	-
<b>Total</b>	<b>32,352,193.08</b>	<b>12,567,372</b>

**NOTE 14  
SHORT-TERM LOANS AND ADVANCES**

<b>Unsecured, considered good</b>		
- Advance & Other Recoverables *	1,800,927	8,346,761
- Advances with Government Authorities	8,141,519	8,084,246
- Interest Accrued on Fixed Deposits/Others	1,221,506	99,213
- Chit Fund Subscription	-	264,000
- Advance paid against disputed Excise Demand	600,000	600,000
- Prepaid Expenses	1,030,081	489,067
- Advance Tax	1,039,653	202,397
- Advance to Suppliers	12,068,221	1,311,388
	<b>25,901,907</b>	<b>19,397,072</b>

\* Included Rs. Nil /- (PY Rs.79,44,000) recoverable from related parties.



Particulars	For the year ended 31-03-2014 (₹)	For the year ended 31-03-2013 (₹)
<b>NOTE 15</b>		
Sale of products	756,509,478	616,085,499
Sale of services	12,587,887	112,708
Other operating revenues	187,419	230,842
Less: Excise duty	-9,324,742	-2,234,083
<b>Total</b>	<b>759,960,041</b>	<b>614,194,966</b>
<b>NOTE 15.1</b>		
<b>PARTICULARS OF SALE OF PRODUCTS</b>		
Bottles	363,482,826	274,180,929
Jars	330,056,234	291,899,732
Cap	60,485,755	42,817,407
Others	2,484,662	7,187,431
<b>Total</b>	<b>756,509,478</b>	<b>616,085,499</b>
<b>NOTE 16</b>		
<b>OTHER INCOME</b>		
Interest Income	4,689,288	2,241,457
Previous years provisions no longer required written back	5,403,988	-
Other non-operating income	2,274,937	600,000
<b>Total</b>	<b>12,368,213</b>	<b>2,841,457</b>
<b>NOTE 17</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Opening Stock	18,766,481	15,213,161
Purchases	485,135,261	390,309,481
	503,901,741	405,522,642
less- Closing stock	25,421,565	18,766,481
Cost of materials consumed	478,480,176	386,756,161
<b>Details of materials consumed</b>		
PET	385,932,887	314,645,146
PP	48,646,818	44,438,056
Master batch	2,765,209	2,288,362
Packing Material/others	41,135,262	25,424,638
Others	-	-
<b>Total</b>	<b>478,480,176</b>	<b>386,796,202</b>
<b>NOTE 18</b>		
<b>INCREASE/(DECREASE) IN INVENTORY</b>		
<b>Closing Stock</b>		
Finished Goods	14,813,132	9,360,058
Recyclable Waste	13,800	22,225
	14,826,932	9,382,282



Particulars	For the year ended 31-03-2014 (₹)	For the year ended 31-03-2013 (₹)
<b>Less : Opening Stock</b>		
Finished Goods	9,360,058	4,431,596
Recyclable Waste	22,225	13,800
	<u>9,382,282</u>	<u>4,445,396</u>
<b>Decrease /(-increase) in inventories</b>	<b><u><u>-5,444,649</u></u></b>	<b><u><u>-4,936,887</u></u></b>

**NOTE 19**

**EMPLOYEE BENEFITS EXPENSE**

Salaries and incentives	58,015,715	44,316,285
Contributions to Provident fund and other funds	1,112,725	900,980
Staff welfare expenses	4,813,154	3,756,476
<b>Total</b>	<b><u><u>63,941,594</u></u></b>	<b><u><u>48,973,741</u></u></b>

**NOTE 20**

**FINANCE COSTS**

Interest Expense		
- Term Loan	7,109,315	3,677,528
- Working Capital	13,477,311	4,982,051
- Other	4,421,887	2,539,628
Other Borrowing Costs	1,249,055	640,136
<b>Total</b>	<b><u><u>26,257,568</u></u></b>	<b><u><u>11,839,343</u></u></b>

**NOTE 21**

**OTHER EXPENSES**

Consumption of Stores & Spares	5,720,282	2,944,474
Power & Fuel	56,853,009	45,181,129
Repairs to building	934,609	316,120
Repairs to machinery	8,938,581	7,906,330
Repair & Maintenance -Others	1,031,487	805,610
Insurance	2,239,455	1,781,868
Wealth tax	30,000	
Legal & Professional Fees	1,868,459	3,363,616
Rates & Taxes	3,320,174	1,521,356
Telephone & Internet Charges	1,689,448	1,261,778
Travelling Expense	5,324,452	5,071,328
Conveyance Exps	1,202,471	816,897
Office Electricity and Water Exps	467,535	557,221
Freight and Forwarding (Net)	4,373,180	1,686,186
Printing and Stationery	469,667	687,254
Business Promotion	3,383,444	2,869,470
Rent	13,592,906	8,515,158
Bad Debts written off	3,767,166	891,656
Loss on Chit funds	2,503,620	-
Vehicle Running Exps	5,815,206	3,746,161
Miscellaneous Expense*	5,708,085	5,638,342
<b>Total</b>	<b><u><u>129,203,238</u></u></b>	<b><u><u>95,591,954</u></u></b>

\* Included Profit/ loss on sale of fixed assets



Particulars	For the year ended 31-03-2014 (₹)	For the year ended 31-03-2013 (₹)
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**NOTE 22**

**Exceptional Items details are as follows:**

Impact of Change in Loss on Chit	5,344,464.00	
Impact of Change in Depreciation policy	15,373,780	35,697,561.00
<b>Total</b>	<b>20,718,244</b>	<b>35,697,561</b>

\* In the previous period it was treated as ordinary items.

**NOTE 23**

**Contingent liabilities and commitments (to the extent not provided for)**

**(i) Contingent Liabilities**

Claims against the company not acknowledged as debt		-
Excise Duty claim ( with penalty)	2,744,828	2,744,828
FERA case pending at Tribunal	1,500,000	1,500,000

<b>Total</b>	<b>4,244,828</b>	<b>4,244,828</b>
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**(ii) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for	17,984,149	6,904,735
	17,984,149	6,904,735

**NOTE 24**

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

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

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

Employee Plans	Current Year	Previous Year
Provident Fund*	782,728	641,245
ESIC	329,997	259,735

\* including administration charges.

**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 obligations are not required.

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

Leave Encashment	Current Year	Previous Year
Provident Fund*	782,728	641,245
Present Value of obligation as at beginning of the period / year	403,426	207,006
Current Service Cost	185,048	213,671
Interest Cost	32,374	16,560
Benefit Paid	-54,190	-33,500
Net Actuarial (Gain)/Loss recognized in the period / year	-117,884	-311
Present Value of obligation as at end of the period	448,674	403,426



**Expenses Recognized during the year (Under the head of Personnel expenses)**

Particulars	Current year	Previous year
Current Service Cost	185,048	213,671
Past Service Cost		Nil
Interest Cost	32,374	16,560
Curtailement Cost(credit)		Nil
Settlement Cost(credit)		Nil
Net actuarial (Gain) / Loss recognized in the period / year.	-117,884	-311
Expenses recognized in the statement of Profit & Loss	99,438	229,920

Gratuity	Current year	Previous year
Present Value of obligation as at beginning of the period / year	1,355,241	741,760
Acquisition Adjustment		Nil
Interest Cost	108,419	59,341
Past Service Cost		Nil
Current Service Cost	368,840	374,691
Curtailement Cost / (Credit)		Nil
Settlement Cost / (Credit)		Nil
Benefit Paid	-124,884	-
Actuarial (Gain) / Loss on Obligation	-347,811	179,449
Present Value of obligation as at end of the period	1,359,805	1,355,241

**Expenses recognized during the period / year (Under the head of Personnel)**

( ₹ )

Particulars	Current year	Previous year
Current Service Cost	368,840	374,691
Past Service Cost		Nil
Interest cost	108,419	59,341
Curtailement Cost (credit)	Nil	Nil
Settlement Cost (credit)	Nil	Nil
Net actuarial (gain) loss in recognized in the period.	-347,811	179,449
Expenses recognized in the statement of Profit & Loss	129,448	613,481

**EMPLOYEE BENEFITS:**

Particulars	Current year	Previous year
Principal Assumptions		
Discount Rate (Per Annum)	8%	8%
Rate of Esclation in Salary (Per Annum)	8%	8%



**NOTE 25**

Particulars	For the year ended 31-03-2014		For the year ended 31-03-2013	
	Value (Rs.)	%	Value (Rs.)	%
Class of Goods				
Raw material – Indigenous and Packing*	478,480,176	100%	386,756,161	100%
Stores and Spares- Indigenous	5,720,282	100%	2,944,474	100%

**NOTE 26**

**EXPENDITURE IN FOREIGN CURRENCY**

Particulars	For the year ended 31-03-2014	For the year ended 31-03-2013
Foreign Traveling	2,042,728	1,602,150

**NOTE 27**

**PAYMENTS TO THE AUDITOR**

Particulars	For the year ended 31-03-2014	For the year ended 31-03-2013
- as auditor	430,340	429,720
- for taxation matters,	25,843	56,180
- for other services,	67,416	311,036
- for reimbursement of expenses;	16,609	17,301

**NOTE 28**

**EARNING PER SHARE (EPS)**

Particulars	For the year ended 31-03-2014	For the year ended 31-03-2013
<b>Basic / Diluted EPS:</b>		
(I) Net Profit attributable to equity shareholders (in Rs.)	18,390,890	5,421,899
(II) Weighted average number of equity shares outstanding (Nos.)	21,865,000	21,865,000
Basic / DilutedEPS (Rs.) (I)/(II)	0.84	0.25

**Note 29**

**Related Party Disclosures**

During the year, the company entered into transactions with related parties. List of related parties along with nature and value of transactions and balances as at 31'March'2013 are presented below:

**Name of related parties\***

Key Management Personnel(KMP)	-Mr. K.S. Rao (Managing Director) -Mr. K.Satish Rao (Wholetime Director)
Relatives of Key Management Personnel	Mrs. K. Pratibha Rao (Wife of MD)
Enterprise over which KMP and their relatives are able to exercise significant influence	1) Ganapati Polymers Limited 2) Innovative Pet Containers Limited 3) Innovative Datamatics Limited 4) Swati Pearl & Jewellers

\*(as identified by the management)

\*\* Ceased to be related party w.e.f. 24 Jan, 13


**NOTE 29 (i)**
**RELATED PARTIES TRANSACTION**

Name of Party	Nature of Transaction	Transaction during the year	Balance Payable as on 31-03-2014	Balance Receivable as on 31-03-2013
Mr. K.S. Rao	Remuneration Paid	3,600,000	-	-
		(30,00,000)	-	-
	Loan Repaid	1,238,457	-	-
	Loan Received	-	-	-
		(12,38,357)	(12,38,357)	
	Interest Accrued but not due	55,515	-	55,515
		-	-	-
Mrs. K. Pratibha Rao	Payment of Guest House Rent	796,872	-	-
		(796,872)	-	-
	Loan repaid (net of receipt)	176,369	-	-
		(179,295)	-	-
Mr. K. Satish Rao	Remuneration Paid	1,300,000	-	-
		(900,000)	-	-
	Loan repaid(net)	300,000	-	-
		-	-	-
	Loan Received	-	-	-
		(300,000)	-	-
	Interest Accrued but not due	287,918	-	287,918
Innovative Pet Containers Ltd.	Loan (received)-net		1,478,675	-
			(14,96,475)	
	Loan repaid / adjustments (net)	17,800	-	
Innovative Datamatics Ltd.	Loan repaid	-1,059,480	21,980,950	-
		(1699522)	(209,21,470)	-
	Interest Paid	2,959,045	NIL	NIL
		(19,81,779)	NIL	NIL
Swati Pearls & Jewellers		-		
		-	NIL	
	Interest Paid	-		
		(61,028)		

Previous Year figures are given in bracket / negative balance.

**NOTE 30**

Trade Receivables/ Payables are subject to confirmation. The Management does not expect any material differences effecting financial statements of the period



**Note 31**

During the year the company has acquired 791,809 equity shares in Jauss Polymers Ltd, a company listed at Bombay Stock exchange. The trading in shares of such company is suspended hence no market value is available for such shares. In view of long term investment in the company the management has not considered any diminution in value of shares and valued investment at cost.

**NOTE 32**

Till last year the company was accounting loss on chit in the year in which chit was closed. From the current year the Company has changed its policy and made provision for financial costs on existing chits that accrued till 31st March 2014 on the basis of expected cash outflow during the tenure of chits. The impact of change in this accounting policy is Rs.53,44,464 which has been classified and disclosed under Exceptional Items in the Statement of Profit and Loss of current year.

**NOTE 33**

During the year company has changed its accounting policy of depreciation from straight line method to written down value method for Mould, Building and Electric Installation with effect from capitalisation date of assets. Difference in accumulated depreciation as on 31st March 2013 due to change in policy amounting to Rs.153,73,780/- has been charged to current year Statement of Profit and Loss as exceptional item. Further, due to change in depreciation policy current year depreciation and amortization is higher by Rs.61,00,713. Had the earlier policy of depreciation been followed, the current year profit before tax would have been higher by Rs 92,73,067/-.

**NOTE 34**

The company's manufacturing units/ undertakings are situated in tax exemption zone and are entitled for 100% tax benefits u/s 80-IC of the Income Tax Act for 5 year to 10 years (at different units). The management is of the view that all substantial all timing differences shall be reversed/ adjusted within tax holiday period. Hence no deferred tax due to timing difference has been recognized.

**NOTE 35**

All the figures have been rounded off to the nearest rupee

**NOTE 36**

Figures for the previous year have been regrouped /rearranged wherever considered necessary to confirm to the year's classification.

**NOTE 37**

Other additional information are either nil or not applicable.

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**As per our report of even date  
For BGJC & Associates  
Chartered Accountants  
(FRN- 003304N)**

**Sd/-  
Darshan Chhajer  
(Partner)  
M. NO.088308**

**For and on behalf of the board of Directors  
Innovative Tech Pack Limited**

**Sd/-  
K.S. Rao  
Managing Director**

**Sd/-  
Sanjay Dhawan  
Director**

**Sd/-  
Vishesh Chaturvedi  
Company Secretary**

**Sd/-  
Sanjay Saigal  
CFO**

Date : 30.05.2014  
Place : New Delhi



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

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

The Financial Statements 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 ascertained 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.
G.	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) All Assets have been depreciated on written down basis.
- b) 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 / Assets**

- 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.

**Operating Lease**

- c) Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lesser 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.

**INNOVATIVE TECH PACK LIMITED**

Regd. Office : 51, Roz-Ka-Meo, Industrial Area, Sohna, Distt. Mewat, Haryana-122103

**PROXY FORM**

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 27th September, 2014 to avoid inconvenience.

----- (Please tear from here) -----

**PROXY FORM**

**INNOVATIVE TECH PACK LIMITED**

Regd. Office : 51, Roz-Ka-Meo, Industrial Area, Sohna, Distt. Mewat, Haryana

L.F.No./DPId/ClientId : ..... 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 Fifth Annual General Meeting of the Company to be held on Monday, 29th September, 2014 at the Hakim Ji Ki Choupal, Opp. Batra Hospital, Vill. Ujina, Police Station Nuh, Distt. Mewat, Haryana and at any adjournment thereof.

Signature : .....

Date : .....

Affix  
₹ 1/-  
Revenue  
Stamp

**Note:**

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.

**INNOVATIVE TECH PACK LIMITED**

Regd. Office : 51, Roz-Ka-Meo, Industrial Area, Sohna, Distt. Mewat, Haryana-122103

**ADMISSION SLIP**

**Twenty Fifth 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 FIFTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 29TH SEPTEMBER, 2014 AT 9:00 A.M. AT THE HAKIM JI KI CHOUPAL, OPP. BATRA HOSPITAL, VILL. UJINA, POLICE STATION NUH, DISTT. MEWAT, HARYANA