

ASHISH POLYPLAST LIMITED



10th

ANNUAL REPORT
2003 - 2004

ASHISH POLYPLAST LIMITED**BOARD OF DIRECTORS**

SHRI DINESH R. PANCHAL	:	CHAIRMAN
SHRI ASHISH D. PANCHAL	:	MANAGING DIRECTOR
SMT. KANTABEN D. PANCHAL	:	DIRECTOR
SHRI RAJNI A. PATEL	:	DIRECTOR
SHRI KANUBHAI G. PATEL	:	DIRECTOR

AUDIT COMMITTEE

SHRI RAJNI A. PATEL	:	CHAIRMAN
SHRI DINESH R. PANCHAL	:	DIRECTOR
SMT. KANTABEN D. PANCHAL	:	DIRECTOR
SHRI KANUBHAI G. PATEL	:	DIRECTOR

AUDITORS

M/s.M.R.PANDHI & ASSOCIATES

Chartered Accountants

Ahmedabad 380 009

REGISTERED OFFICE

A/305, Samudra Complex, Near Hotel Klassic Gold,
Off C.G.Road, Ahmedabad-380 006.

10th ANNUAL GENERAL MEETING

Date : 20th August, 2004
Day : Friday
Time : 10:30 a.m.
Place : The Ahmedabad Textile Mills Association Hall
Ashram Road, Ahmedabad - 380 009

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Request : Share holders are requested to bring copy of annual report at the meeting, as the same will not be distribute in the meeting.



ASHISH POLYPLAST LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the TENTH ANNUAL GENERAL MEETING of the Company will be held on FRIDAY, 20TH AUGUST, 2004 at THE AHMEDABAD TEXTILE MILLS ASSOCIATION HALL, Ashram Road, Ahmedabad - 380 009 at 10.30 A. M. to transact the following business:

1. To consider, receive and adopt the Audited Balance Sheet as at 31ST MARCH 2004 and Profit & Loss Account for the year ended on that date and Directors' Report and Auditors' Report thereon.
2. To appoint director in place of MRS.KANTABEN D. PANCHAL who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration.

BY ORDER OF THE BOARD

Sd/-

(D.R.PANCHAL)
CHAIRMAN

Place : Ahmedabad
Date : May 29, 2004

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from AUGUST 16, 2004 to AUGUST 19, 2004 (both days inclusive).
3. Members are requested to inform the Company of any change in their addresses immediately so as to enable the Company for any future communication, at their correct addresses.

ASHISH POLYPLAST LIMITED**REPORT OF THE DIRECTORS**

Dear Members

Your Directors have pleasure in presenting the TENTH ANNUAL REPORT for the financial year ended 31ST MARCH 2004.

PERFORMANCE OF THE COMPANY :

Performance of your Company during the year is summerised as under :

	(Amount Rupees in Lacs)	
	2003-04	2002-03
Sales & Other Income	315.41	234.78
Profit/(Loss) before Depreciation & Taxes	8.51	11.79
Less: Depreciation	8.42	8.18
Profit/(Loss) before tax for the year	0.09	3.61
Provision for Taxation	0.14	0.33
Deferred Tax Liability provision	0.41	2.00
Profit/(Loss) for the year	(0.46)	1.28
Add/Profit: Balance of last year	6.20	18.53
Less: Deferred Tax Liability for earlier years	0.00	13.61
Balance carried to Balance Sheet	5.74	6.20

DIVIDEND

In view of the loss, your Directors do not recommend any dividend for the year under report.

OPERATION

The total turnover of the Company for the financial year 2003-2004 increased by 34.59% as compared to previous year. Your directors are actively concentrating to enhance the production and market share in consultation with the technical & marketing experts. Your directors are confident that Company shall reach to the aspiration of shareholders of the Company in a nearby future.

DIRECTORS

MRS.KANTABEN D. PANCHAL, director of the Company retires from the office by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

MR. KANUBHAI G. PATEL & MR. RAJNIBHAI A. PATEL have been appointed as an additional Director w.e.f. 1-7-2003 to strengthen the Board.

DEPOSITS

Your Company has not accepted any deposit from public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING/ OUTGO :

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure-A annexed hereto which forms part of this Report.



ASHISH POLYPLAST LIMITED

PERSONNEL

There was no employee drawing remuneration exceeding Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a. The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of the Company during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the company confirms:

- I. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- II. That the selected accounting policies were applied consistently and the directors 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 as at MARCH 31, 2004 and of the profit of the Company for the year ended on that date;
- III. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The annual accounts have been prepared on a going concern basis.

DEMATERIALISATION OF SHARES

The company has entered into agreements with NSDL and CDSL to enable members to hold their shares in dematerialised form. M/s. SHAREPRO SERVICES, MUMBAI have been appointed as Registrar and Transfer Agents for the same. Members are requested to take benefit of this.

AUDITORS

You are requested to re-appoint retiring Auditors M/s. M. R. PANDHI & ASSOCIATES, Chartered Accountants, Ahmedabad for the financial year 2004-2005.

ACKNOWLEDGEMENT

The Board takes the opportunity to thank for the continued support received from Banks and government authorities. Your Directors also acknowledge the support received by the Company from its suppliers of goods & services, agents, dealers, shareholders and other agencies associated with the Company.

BY ORDER OF THE BOARD

Sd/-

(D.R.PANCHAL)
CHAIRMAN

Place : Ahmedabad
Date : May 29, 2004

ASHISH POLYPLAST LIMITED**ANNEXURE-A****1. CONSERVATION OF ENERGY**

- (a) Energy conservation measures taken
NIL, However Directors personally pay attention so as to minimize consumption of energy.
- (b) Additional Investments & Proposal, if any, being implemented for reduction of consumption of energy: Rs. NIL
- (c) Impact of measures (a) and (b) above. Due to personal attention of Directors the Company has achieved constant result.
- (d) Total energy consumption and energy consumption per unit of production as per Form-A.
Not Applicable

2. TECHNOLOGY ABSORPTION

- a) **RESEARCH & DEVELOPMENT**
The Company has not so far formally established Research & Development wing
- b) **TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**
The Company always keeps itself updated with all the latest technological innovation by way of constant communications with consulting experts. Efforts are being made to reduce cost, improve performance etc.

3. FOREIGN EXCHANGE EARNING/OUTGO

- (a) Total foreign exchange used Rs. NIL
- (b) Total foreign exchange earned Rs. NIL



ASHISH POLYPLAST LIMITED

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Ashish Polyplast Limited

We have examined the compliance of conditions of Corporate Governance by Ashish Polyplast Limited for the year ended March 31, 2004 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except as stated below.

1. The Company has not appointed independent director as required under Listing Agreement.
2. The Company does not fulfill the requirement under the Listing Agreement for appointment of three non-executive directors as Committee Members of Audit Committee.

As required by Guidance note issued by the institute of Chartered Accountants of India, we state that as per records maintained by the Company, there were no investors grievances remaining unattended/ pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR M.R.PANDHI & ASSOCIATES
CHARTERED ACCOUNTANTS

(M.R.PANDHI)
PARTNER

Place : Ahmedabad
 Date : May 29, 2004

ASHISH POLYPLAST LIMITED**ANNEXURE-1****MANAGEMENT DISCUSSIONS & ANALYSIS**

- [A]** Industry Structure and Developments, Opportunities and Threats, Performance, Outlook, Risks and Concerns and Financial and Operational performance.

Product of the company is Hose pipes which are used mainly in Agriculture. Company caters to B segment. The company has maintained its position in this segment. Due to entry of other players, competition has increased. However, the company has retained its market due to quality product.

The Company faces threats due to fluctuations in the Raw Material prices as well as uncertainties of monsoon, so, the company is looking for opportunities in other markets like construction and infrastructure.

Total Turnover for the year ended March 31, 2004 increased to Rs.315.99 lacs as compared to Rs. 234.78 lacs in the previous year.

Deferred Tax Liability amounted to Rs.0.41 lacs for the current year. Net Loss before tax after deferred tax liability of current year is Rs.0.32 lacs and Net Loss after tax is Rs.0.46 lacs for the year.

- [B] INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :**

The Internal Control System comprises of exercising control at various stages and are established in order to provide reasonable assurance for:

- a) Safeguarding Assets and their usage,
- b) Maintenance of Proper Accounting Records and,
- c) Adequacy and Reliability of the information used for carrying on Business Operations.

The Directors are regularly looking after all the Key Areas of the Operations. Additionally the Audit Committee is reviewing all Audit Plans with significant control issues raised by External Audit.

- [C] INDUSTRIAL RELATIONS AND HUMAN RESOURCES DEVELOPMENT :**

The Company is maintaining good employee relations and no man-days are lost during the year due to employee's unrest.

CORPORATE GOVERNANCE :

- [1] COMPANY'S PHILOSOPHY :**

The Company's policies, practices and philosophy adopted since inception, are in line with the Corporate Governance code now introduced. The composition of Board of Directors is well balanced with a view to manage the affairs of the Company efficiently and professionally.



ASHISH POLYPLAST LIMITED

[2] BOARD OF DIRECTORS :

Name of Director	Category
Dineshbhai R. Panchal	Promoter/Non-Executive
Ashish D. Panchal	Promoter/Executive
Kantaben D. Panchal	Promoter/Non-Executive
Rajni A. Patel	Independent/Non-Executive
Kanubhai G. Patel	Independent/Non-Executive

MR. DINESHBHAI R. PANCHAL is Chairman of the Company.

Brief resume of Director being re-appointed at the ensuing Annual General Meeting, nature of their expertise in specific function areas and names of companies in which they hold Directorship are furnished hereunder :

SMT. KANTABEN D. PANCHAL aged 50 years is a Non-graduate. She has been associated with the company since 07.04.1996. She was appointed in place of Late Shri Dahyabhai Panchal, the founder promoter of the company. She is a major shareholder of the company.

SHRI RAJNI A. PATEL aged 62 years has done his Diploma in Electronics from USA. After completing his study he worked for about Eight years in USA. After returning to India, he did his own Business of Polythene Bags for about 12 years & thereafter engaged in Real Estate Business, he joined the company as Independent Director.

SHRI KANUBHAI G. PATEL aged 50 years has worked in a Public Sector Bank since last 15 years. He is in the business of PVC Granuals. He has a wide experience of business.

[3] BOARD MEETINGS :

- The Company holds minimum of four Board Meetings in each year, which are prescheduled after the end of each financial quarter.
- The meetings are held at the Company's Registered Office.

[4] Attendance of each Director at the Board meetings, last Annual General Meeting and Number of other Directorship and Chairmanship/Membership of Committee of each Director in various companies:

Name of Director	Attendance Particulars		No. of Directorships and Committee Membership/Chairmanship		
	Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
D.R. Panchal	5	P	1	2	1
A.D. Panchal	5	P	1	2	0
K.D. Panchal	5	P	0	2	0
R.A. Patel	3	A	0	1	1
K.G. Patel	3	A	0	1	0

P=Present • A=Absent

[5] NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD:

Five Board Meetings were held during the year, as against the minimum requirement of four meetings. The dates on which the meeting held were as follows: 30th May 2003, 30th July 2003,