

*Certified to be true*  
BALA TECHNO SYNTHETICS LTD.

*Sapras Nae.*  
Director



**Bala Techno Synthetics Limited**

Report  Junction.com

**2004  
Annual Report**



**Bala Techno Synthetics Limited**

<b>BOARD OF DIRECTORS</b>	:	<b>C.P. MEHRA</b> Chairman <b>ASHOK MEHRA</b> <b>T. AICH</b> <b>TAPAS KAR</b> <b>MINA ROY</b>
<b>BANKERS</b>	:	<b>ICICI BANK LTD</b> <b>UNITED BANK OF INDIA</b> <b>ORIENTAL BANK OF COMMERCE</b>
<b>SOLICITORS</b>	:	<b>MUKHERJEE &amp; BISWAS</b> 10, OLD POST OFFICE STREET, CALCUTTA - 700 001.
<b>AUDITORS</b>	:	<b>AGARWAL &amp; MODI</b> CHARTERED ACCOUNTANTS 27, BRABOURNE ROAD, KOLKATA - 700 001
<b>REGISTERED OFFICE &amp; FACTORY</b>	:	<b>PLOT NO. B4 &amp; B5</b> <b>FALTA INDUSTRIAL GROWTH CENTRE</b> <b>SECTOR III, FALTA,</b> <b>DIST. 24 PARGANAS (SOUTH)</b> <b>WEST BENGAL</b>
<b>CORPORATE OFFICE</b>	:	<b>P-22, C.I.T. ROAD,</b> <b>SCHEME - 55,</b> <b>KOLKATA - 700 014.</b>

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BALA TECHNO SYNTHETICS LTD.

*Tapas Kar*

Director



Bala Techno Synthetics Limited

**NOTICE**

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of Bala Techno Synthetics Limited will be held at Hotel Rajhans at Falta Industrial Growth Centre, Sector IV, Falta, Dist. 24 Parganas (South), West Bengal on Saturday, the 25th September, 2004 at 10.00 a.m. to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2004 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri T. Aich, who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a Director in place of Shri Tapas Kar, who retires by rotation and being eligible, offers himself for reappointment
4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

5. To consider and if thought fit to pass with or without modification(s), the following resolutions as special resolutions.

**"RESOLVED THAT** pursuant to Section 372A of the Company Act, 1956 and other applicable provisions of the Companies Act, 1956 and subject to such other approvals, permissions, consents and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors to make investments by way of purchase and acquisition of preference shares in Pacific Cotspin Limited upto an amount of Rs. 1.50 crores notwithstanding that the aggregate of investments and loans so far made in or to be made in and guarantees so far given and securities so far provided to all bodies corporate exceed the limits laid down by the Act".

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate in this connection".

**Corporate Office**  
P-22, C.I.T. Road,  
Scheme - 55,  
Kolkata - 700 014.

*Certified to be true Copy*  
BALA TECHNO SYNTHETICS L.

*Tapas Kar*

Director

**By Order of the Board**

*Ashok Mehra*  
**Ashok Mehra**  
Director

Date : 28th August, 2004

**NOTES**

1. A member entitled to attend the Annual General Meeting is also entitled to appoint proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than Forty Eight hours before the meeting.
2. The Register of members and Share Transfer Books of the Company will remain closed from 17th September, 2004 to 25th September, 2004 (both days inclusive).
3. For the convenience of Members, an Attendance Slip is annexed to the Proxy form. Members are requested to affix their signature as registered with the company at the space provided therein and hand-over the Attendance Slip at the entrance to the place of the Meeting.
4. Members holding equity shares in physical form are requested to notify the Change in address, if any, immediately to the company quoting their folio numbers and those holding in dematerialized forms should intimate their respective Depository participants.
5. As a measure of economy, no copy of the Annual Report will be distributed at the Annual General Meeting. Members are therefore, requested to bring their copy of the Annual Report to the Meeting.
6. All documents referred to in the accompanying notice and the Explanatory Statements are open for inspection at the Corporate Office of the Company during office hours on all working days except Saturday, between 11.00 a.m. to 1.00 p.m. prior to the date of Annual General Meeting.
7. Members holding shares in the same name under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
8. The Registered Office of the Company is at Falta Industrial Growth Centre, Sector III, Falta, Dist. 24 Parganas(South), West Bengal. However, letters or shares for transfer may be sent to its Corporate Office at P-22, C.I.T. Road, Scheme-55, Calcutta-700 014.
9. Members are requested to note that trading in the Company's equity shares is compulsory in dematerialised form for all investors. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable shareholders to hold and trade in dematerialised form.
10. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividend, remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment have been transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government. Shareholders are hereby informed that the Company is statutorily required to transfer all unclaimed/unpaid dividend for a period of seven years from the date they became due for payment to IEPF and **once such amounts are transferred to IEPF, no claim of the shareholder/debenture holder/depositor shall lie against the Company or the IEPF.**
11. In terms of provisions of Section 109A of the Companies Act, 1956, nomination facility is now available to individual shareholder. The shareholders who are desirous of availing this facility may kindly write to the Company at its Corporate Office at P-22, C.I.T. Road, Scheme-55, Calcutta-700014.
12. The Equity Shares of the Company are listed on Stock Exchanges at Mumbai, Calcutta and Delhi. The Annual Listing Fee for the year 2004-05 has been paid to each of these Stock Exchanges.



13.

Appointment/Reappointment of Directors at the ensuing  
Annual General Meeting on 25th September, 2004.

Name of Director	Tapas Kar	T. Aich
Date of Birth	22.02.1972	12.05.1951
Date of Appointment	31.12.2002	30.04.1994
Qualifications	Graduate	Law Graduate
Expertise in Executive Functional Areas	He has over 11 years experience in Commercial Matter	Legal expert and Partner of a reputed Solicitor Firm.
List of Companies in which Directorship held	None	None
Chairman/Members of the Committees of the Board of the Companies on which he is a Director	None	None

14. The Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956, in respect of Special Business as set out above in annexed hereto.

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BALA TECHNO SYNTHETICS LTD.

*Tapas Kar*

Director



Bala Techno Synthetics Limited

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

**Item No. 5**

The Company proposed to make investments by way of subscription, acquisition and purchase of Preference Shares in Pacific Cotspin Limited (PCL) upto Rs. 1.50 Crores. The Company already holds 2206000 Equity Shares out of 2,20,50,400 Equity Shares issued by PCL. In the opinion of the Board, it will be in the interest of the Company to invest in Preference Shares to be issued by PCL for expanded plan

The Funding of the above investments will be done from internal generation and inter corporate Deposits / Loans.

The investments in other bodies corporate in the form of loans, guarantees and shares in excess of 60% of the paid-up-capital and its free revenues requires prior approval of the members. Hence the special Resolution is proposed for member's approval.

None of the Director is interested or concerned in this resolution.

**Corporate Office :**

P-22, C. I. T. Road  
Scheme - 55  
Kolkata - 100 014  
Date : 28th August, 2004

By Order of the Board

  
**Ashok Mehra**  
Director

*Sanjay K. Das Gupta*

BALA TECHNO SYNTHETICS LTD.

*Sanjay K. Das Gupta*

Director



## REPORT OF DIRECTORS

### TO THE MEMBERS

Your Directors have pleasure in presenting in the 13th Annual Report together with the Audited Statement of Accounts for the year ended, 31st March, 2004.

### FINANCIAL RESULTS

Your Company's performance during the year is summarised below :

	Year ended 31st March, 2004 (Rs.in lacs)	Year ended 31st March, 2003 (Rs.in lacs)
Gross Income	3553.37	3718.39
Gross Profit	166.43	35.54
Less: Depreciation	32.80	33.02
Profit before Tax	133.63	2.52
Less: Provision for Taxation	—	—
Net Profit after Tax	133.63	2.52
Add: Profit brought forward from previous year	(640.68)	(643.20)
Balance being Profit/(Loss) carried forward	(507.05)	(640.68)

### DIVIDEND

In absence of profit, your Directors regret their inability to propose Dividend.

### PERFORMANCE AND OUTLOOK

The gross income for the year was Rs. 3553.37 lacs against Rs. 3718.39 in previous year and the net profit was Rs. 133.63 lacs for the year against Rs. 2.52 lacs in previous year.

In spite of decrease in gross income during the year under review, the company could improve its Financial Results due to effective product mix cost effectiveness by reducing interest and input cost and producing optimum standard of quality.

Your company expects better performance in the ensuing year.

### DIRECTORS

Sarv Shree Ashok Mehra and T. Aich, Directors of the Company, retire by rotation and being eligible offer themselves for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31st March, 2004, the applicable accounting standards have been followed along with proper explanation

*(Signature)*  
relating to material departures;  
BALA TECHNO SYNTHETICS LTD.

*(Signature)*

Director



- ii) That the Directors have selected such accounting policies and applied them consistently and made judgements 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 loss of the Company for the year under review;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2004 on a going concern basis.

### **CORPORATE GOVERNANCE**

Your Directors affirm their commitments to the Corporate Governance standards prescribed by the Securities and Exchange Board of India (SEBI). A Report on Corporate Governance as required under Clause 49 of the Listing Agreement is attached.

### **VOLUNTARY DELISTING OF THE COMPANY'S EQUITY SHARES**

Pursuant to the special resolution unanimously approved by the Shareholders at their meeting held on 27.09.2003, the Company had filed application with the Stock Exchanges at Ahmedabad and Delhi for Voluntary Delisting of Company's Equity Shares under SEBI (Delisting of Securities), Regulations, 2003.

Your Directors wish to inform that the Company has received approval from the Stock Exchange Ahmedabad vide their communication Ref. Nos. ASE/2004/104 dated 8.4.2004. The approval from The Delhi Stock Exchange is to be received.

### **DEMATERIALISATION OF SHARES**

Pursuant to the Notification issued by the Securities & Exchange Board of India, the equity shares of your Company have been activated for trading in electronic form for all investors effective from 30th October, 2000 in both NSDL and CDSL. As per SEBI directions, trading in equity shares of your Company is compulsory in dematerialised form. Shareholders are free to hold shares in demat form with a 'Depository Participant' or can keep shares in physical form. Dematerialised shares can also be rematerialised at any time.

### **AUDITORS :**

The Auditors of the Company, M/s. Agarwal & Modi, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to accept reappointment and have confirmed their eligibility under section 224(1-B) of the Companies Act, 1956. Your Directors recommend their reappointment.

The Report of the Auditors and the Notes on Accounts are self Explanatory and therefore do not call for any further comments.

### **STATUTORY REQUIREMENTS :**

None of the employee of the Company has drawn salary in excess of the limit specified under Section 217(2A) of the Companies Act, read with Companies (particulars of Employees) Rules 1975, as amended.

The Company has not accepted and/or renewed deposits from the public and/or shareholders during the year under review.

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The information in respect of conservation of energy, etc. as required u/s 217(1)(e) of the Companies Act, 1956 read with companies (Disclosures of Particulars in the Reports of Directors) Rules 1988, is given below :

#### **CONSERVATION OF ENERGY :**

The Company is not a major user of energy. However, all out efforts are being made for optimum utilization of energy resources. Regular preventive maintenance is carried out and it enhanced the productivity and efficiency of equipment resulting in power saving. Power to all major equipments and lighting in work area is put off at non-working times. Strict vigilance is being maintained over usage of energy by constant monitoring and educating the need for conservation of energy.

#### **TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT :**

Indigenous technology alone is used. The Company has not obtained any technology from outside parties either from India or abroad nor entered into any technical collaboration agreement with any party from abroad. The technologies selected by your Company are modern and the state of the art. In-house training is being imparted to the employees to improve the working of the plant.

There is no research and development Unit of the Company of its own. In case of necessity in future, the Company will take technical help from the outside agencies.

#### **ACKNOWLEDGEMENT :**

Your Directors wish to place on record their appreciation for valuable co-operation and support received from Central/State Government and in particular from the financial Institutions and Banks.

They are also grateful to shareholders, customers and suppliers of the Company for their continued valued support.

Your Directors also wish to place on record, their appreciation for devoted services of the sincere workers, staff and Executives of the Company.

Place : Kolkata

Date : 28th August, 2004

On behalf of the Board  
**ASHOK MEHRA**  
 Director

*Proprietor in the name of Bala Techno Synthetics Ltd.*  
**BALA TECHNO SYNTHETICS LTD.**  
*[Signature]*

Director