

# 45<sup>th</sup> Annual Report 2004-2005



Balmer Lawrie-Van Leer Limited

## 45th Annual Report 2004 - 2005

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### REGISTRARS

#### Sharepro Services (India) Pvt. Ltd.

Satam Estate, 3rd Floor, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala,  
Mumbai - 400 099.

Tel. : 2834 8218 / 2832 9828 / 2821 5168

Fax : 2837 5646

### REGISTERED OFFICE

L.U. Gadkari Marg,  
Mahul, Chembur,  
Mumbai - 400 074.  
Tel. : 2554 3043, 2554 4044-46  
Fax : 2554 3984  
E-mail : blvl@bom2.vsnl.net.in

### WORKS

#### Tri-Sure Division:

L.U. Gadkari Marg,  
Mahul, Chembur,  
Mumbai - 400 074.  
Tel. : 2554 3043, 2554 4044-47  
Fax : 2554 3984

#### Valerex Division:

D-195/2, T.T.C. Indl. Area,  
Turbhe, P.O. Box 43,  
Navi Mumbai - 400 705.  
Tel. : 2763 0035-37  
Fax : 2763 0038

### BOARD OF DIRECTORS

**D. S. van Griethuysen**  
Chairman

**P. B. Anand Rao**  
Managing Director

**S. K. Mukherjee**

**R. L. Dhawan**

**T. J. Armstrong** (upto 19.11.2004)

**V. N. Sharma**

**U. R. Kapadia**

**N. P. Sarda** (upto 15.10.2004)

**P. G. Mehta**

**P. V. Narayanan**

**C. V. Parameswar**

### MANAGEMENT TEAM

**M. N. Menon**  
Sr. Vice-President (Marketing)

**V. Venkataramanan**  
General Manager (Finance) & Company Secretary

**Ajit Shah**  
General Manager (Operations – Valerex Division)

**Sharath Kumar N.**  
General Manager (Operations – Closures Division)

### AUDITORS

**M/s. Price Waterhouse**  
Chartered Accountants

### BANKERS

**HSBC**  
**Bank of India**



## NOTICE

Notice is hereby given that the 45th Annual General Meeting of the Members of Balmer Lawrie-Van Leer Limited, will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20 K. Dubash Marg, Mumbai - 400 001 on 21st September, 2005 at 2.30 p.m. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005, the Profit and Loss Account for the year ended on that date together with Report of the Directors & Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. U. R. Kapadia, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. V. Narayanan, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution :  

"RESOLVED THAT M/s. Price Waterhouse, Chartered Accountants, 252, Veer Savarkar Marg, Shivaji Park, Mumbai 400 028, the retiring Auditors be and are hereby re-appointed Auditors for the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board in consultation with them, plus reimbursement of out of pocket expenses incurred by them for the purpose of audit of the Company."

### SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution :  

"RESOLVED THAT Mr. C. V. Parameswar, be and is hereby appointed Director of the Company liable to retire by rotation."

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement setting out the material facts concerning the special business mentioned under item No. 6 of the Notice as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and Transfer Books of the Company will be closed from 10th September, 2005 to 21st September, 2005 (both days inclusive).

The Dividend on shares as recommended by the Board of Directors, if declared at the meeting, is payable in respect of shares in physical form, to those members who hold shares and are entitled to the same and whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers lodged with the Company, on or before close of business hours of 9th September, 2005 and in respect of shares held in electronic form to those Members whose names appear in the statement of Beneficial Ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) at the close of Business hours of

9th September, 2005. Dividend warrants will be sent within 30 days of declaration of dividend.

4. Members are requested to notify immediately any change in the address to the Registrars M/s. Sharepro Services (India) Pvt. Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Mumbai - 400 099, Telephone Nos. : 28348218 / 28329828 or to their Depository Participants in case shares are held in electronic form on or before 9th September, 2005.
5. Members are requested to furnish details of their bank account, as dividends are now required to be disbursed through the Electronic Clearing Service (ECS). A self explanatory covering letter along with an ECS Mandate form is enclosed. Members are requested to kindly furnish the required details before 9th September, 2005, to the Company's Registrars & Share Transfer Agents, M/s. Sharepro Services (India) Pvt. Ltd.
6. Members are requested to encash the dividend warrants immediately on receipt, as dividends remaining unclaimed for seven years from date they first became due for payment are now required to be transferred to the "Investor Education and Protection Fund" established by the Central Government under the amended provisions of the Companies Act, 1956. Members shall not be able to claim any unpaid dividend from the said fund or the Company thereafter.
7. Members are requested to bring their copy of the Annual Report to the Meeting.
8. Members/Proxies are requested to deposit the enclosed attendance slip duly filled-in and signed, at the entrance of the Meeting venue.
9. Members intending to require information about Accounts to be explained at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting.
10. Members who hold shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares singly are advised to avail of the nomination facility by filing in the enclosed form 2B in their own interest. Members holding shares in demat form may contact their respective depository for recording of nomination.
11. Members holding shares in the same name(s) under different folios are requested to apply for consolidation of such folios and send relevant share/debenture certificates.
12. Information regarding Directors retiring by rotation :

**Mr. U. R. Kapadia** retires by rotation and being eligible offers himself for re-appointment. Mr. U. R. Kapadia is a B.Tech in Metallurgical Engineering from IIT and M.Sc. in Industrial Metallurgy and Management Techniques (U.K.). Mr. U. R. Kapadia has wide experience at Management level, Directors' recommend his appointment.

Mr. U. R. Kapadia may be considered to be interested in the resolution for his appointment. None of the other Directors is interested in the resolution.

Currently Mr. U. R. Kapadia holds Directorship / Membership in the following Companies / Committees.

Sr. No.	Name of Companies / Firms	Nature of Interest
1.	Kaira Can Co. Ltd., Mumbai	Managing Director
2.	Tecnimont ICB Pvt. Ltd., Mumbai	Director/Member
3.	Harshadray Private Limited, Mumbai	Director/Member

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4.	Harshadray Investment Pvt. Ltd., Mumbai	Director/Member
5.	Dryden Investment Pvt. Ltd.	Director/Member
6.	Farm Chemicals Pvt. Ltd., Mumbai	Director/Member
7.	Annakrish Investment and Trading Pvt. Ltd., Mumbai	Director
8.	Protos Engineering Co. Pvt. Ltd., Mumbai	Director/Member
9.	Silicon Interfaces Pvt. Ltd., Mumbai	Director
10.	FirsteService.Com (I) Pvt. Ltd., Mumbai	Director
11.	TUV India Pvt. Ltd., Mumbai	Director

**Mr. P. V. Narayanan** retires by rotation and being eligible offers himself for re-appointment.

Mr. P. V. Narayanan has done his post graduation in Chemistry, from University of Mumbai, and is also a Diploma Holder in Marketing Management from Mumbai. He was an ex-Director with Indian Institute of Packaging and presently Chair Professor and Director of SIES School of Packaging. Mr. P. V. Narayanan has a wide variety of experience in packaging at National/International level of over 40 years. It would be in the interest of the Company to appoint him a Director liable to retire by rotation. The Directors,

therefore, recommend his appointment at the Meeting.

Mr. P. V. Narayanan may be considered to be interested in the resolution for his appointment. None of the other Directors is interested in the Resolution.

Currently Mr. P. V. Narayanan holds Directorship in the following Companies:

Sr. No.	Name of Companies/Firms	Nature of Interest
1.	The Paper Products Ltd.	Director/Chairman of Audit Committee
2.	Text Plast Engineers Ltd.	Director

By Order of the Board of Directors  
For **Balmer Lawrie-Van Leer Limited**

**V. Venkataramanan**  
Company Secretary

Mumbai,  
Dated : 12th May, 2005

Registered Office :  
L. U. Gadkari Marg  
Mahul, Chembur  
MUMBAI-400 074.

### EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

#### Item No.5 :

In terms of Section 224 A of the Companies Act, 1956, (hereinafter referred to as the "Act"), if not less than 25% of the subscribed capital is held either singly or jointly or in combination by public financial institutions, government companies, etc., then the appointment or re-appointment of the auditors of that Company has to be made by a Special Resolution.

*In your Company, the combined holding of the aforesaid categories of shareholders exceeds 25% of the subscribed capital. Hence, it is necessary to pass a Special Resolution to re-appoint M/s. Price Waterhouse, as the Auditors of the Company.*

The Shareholders approval is also being sought to authorise the Board of Directors to determine the remuneration payable to the Auditors in consultation with them.

As required under Section 224 of the Act, certificates have been received from the Auditors to the effect that their re-appointments, if made, will be in accordance with limits specified in Section 224 of the Act.

None of the Directors is interested in the resolution. The Directors recommend their re-appointment.

#### Item No. 6 :

Mr. C. V. Parameswar, B.Com., LLB, F.C.A. is a Chartered Accountant and a Partner in M/s. Thakur Vaidyanath Aiyar & Co. He has wide knowledge in Accounting and Finance and he was appointed as an Additional Director on 28th March, 2005 in the place of Mr. N. P. Sarda. The Directors recommend Mr. C. V. Parameswar's appointment at the Meeting.

Except Mr. C. V. Parameswar none of the Directors is interested in the Resolution.

Currently Mr. C. V. Parameswar holds Directorship / Membership in the following Company / Committee.

1.	Double Cola Beverages Ltd.	Director
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The Directors, therefore, recommend his appointment at the Meeting.

By Order of the Board of Directors  
For **Balmer Lawrie-Van Leer Limited**

**V. Venkataramanan**  
Company Secretary

Mumbai,  
Dated : 12th May, 2005

Registered Office :  
L. U. Gadkari Marg  
Mahul, Chembur  
MUMBAI-400 074.

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the Forty-fifth Annual Report, together with Audited Statement of Accounts of the Company, alongwith the report of the Auditors, for the year ended March 31, 2005.

### FINANCIAL HIGHLIGHTS

	Rs. in lakhs	
	2004-2005	2003-2004
Sales and other Income	7438.81	6607.02
Gross Profit before interest and depreciation	1032.87	1266.33
Less : Interest & Financial charges	171.42	242.79
Gross Profit before depreciation	861.45	1023.54
Less : Depreciation	408.70	432.64
Profit for the year before Tax	452.75	590.90
Write back of Royalty provision	-	198.84
Net Profit before Tax	452.75	789.74
Less : Provision for Current Tax	37.58	56.71
Less : Provision for Deferred Tax	160.81	250.78
Profit for the year after Tax	254.36	482.25
Add : Profit / (Loss) Balance Brought Forward	285.44	28.49
Amount available for Appropriation	539.80	510.74
Appropriations :		
Proposed Dividend & Dividend Distribution	180.10	213.24
Transferred to General Reserve	-	12.06
Profit Balance Carried Forward	359.70	285.44

As can be seen from the above your Company's Sales and other Income grew by 13% over last year essentially on account of volume growth in both the Divisions.

Considering that your Company was operating in an environment which was extremely adverse; with runaway increases in Raw material costs, concomitant increase in the selling prices of your Company's products not coming through because of competition and a drastic cut in the export incentives; this volume growth was necessary to maintain the operating profits healthy and at Rs. 453 lakhs almost very close to last year's profits (excluding the one time benefit of write back of Royalty provision).

### DIVIDEND

Taking into consideration the performance of the year and the distributable profits, your Directors have recommended a dividend of 10%. If this dividend is approved in the forthcoming Annual General Meeting, dividend at the rate of 10% on 1,57,52,014 Equity Shares will be paid to the shareholders whose names appear in the Register of Members as at the end of business hours on 9th September, 2005.

### OPERATIONS

#### CLOSURES DIVISION

The physical performance of the Division in terms of Production & Sales was quite good and has shown good growth over last year. The Division also recorded substantial growth in exports and posted highest ever sales of over 14 million sets during the year, bettering the figure of 13 million sets of last year. The price of steel, which is the essential raw material, kept increasing throughout the year and the same could not be passed on fully to customers, especially in the export market because of severe competitive pressures.

The full impact of Long Term settlement of wages has been absorbed.

#### PLASTICS DIVISION

##### V20

Volumes grew substantially by 20% over the previous year and the loss in volumes suffered during the previous year on account of shift

to pail has been recovered. The growth essentially came through new customers/new segments.

##### V200

With the de-bottlenecking of certain production constraints, the volumes in this line grew by 13% over the previous year. With organic growth coupled with galloping steel prices resulting in some shift in demand from Steel Drums to Plastic Drums, there was robust demand for this product throughout the year.

With polymer prices continuously rising month after month, all the increases could not be passed on to customers fully. This had adversely effected the value addition during the year.

#### BLOW MOULDING

With addition of new products and very good growth posted by the existing customers, this line grew by more than 30% during the year.

#### PAIL

The product range has been diversified during the year but still the overall volumes posted a 10% negative growth during the year. This was mainly because your Company decided to restrict dealings to discerning customers and not get into market segments where, due to severe competition prices were very low - sometimes even lower than the costs.

### DIRECTORS

The Directors of your Company are sorry to inform the sad and sudden demise of Mr. T. J. Armstrong. The Board of Directors wish to place on record their appreciation for the valuable services rendered by Mr. T. J. Armstrong as a Director of the Company.

Mr. N. P. Sarda, one of the Independent Directors, resigned effective 15th October, 2004 and Mr. C. V. Parameswar, Chartered Accountant, by qualification and profession, has joined in his place on the Board, effective 28th March, 2005, as an additional Director and holds office up to the ensuing Annual General Meeting. Shareholders' approval is sought for the appointment of Mr. C. V. Parameswar as Director vide Resolution No. 6 in the accompanying Notice.

The Board of Directors wishes to place on record their appreciation for the valuable services rendered by Mr. N. P. Sarda as a Director and also as Chairman of the Audit Committee.

Mr. U. R. Kapadia and Mr. P. V. Narayanan retire by rotation and are eligible for re-appointment.

#### Voluntary delisting

The Company's application for voluntary delisting from Kolkata Stock Exchange has been approved by the Exchange effective 22nd February, 2005 and currently, the Company's shares are listed only in Bombay Stock Exchange.

#### Subsidiary Company

Pursuant to Section 212 of the Companies Act, 1956 the Annual Accounts for the period ended 31st March, 2005 as also Auditors' and Directors' Reports in respect of the Company's subsidiary, M/s. Proseal Closures Ltd., is attached to the Accounts of the Company. The Subsidiary has completed an export oriented expansion during the year and recorded 42% increase in the sales revenue. As required u/s 32 of the Listing Agreement of Bombay Stock Exchange, Consolidated Financial Statements are also attached.

#### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm that :

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 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 as on 31st March, 2005 and of the profits of the Company for the year ended 31st March, 2005.



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- iii) 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) The Directors have prepared the annual accounts on a going concern basis.

### INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

Information required to be disclosed u/s 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 with respect to Conservation of Energy and Technology Absorption and Foreign Exchange Earnings/Outgo is also given in Annexure I and forms part of this Report.

### PARTICULARS OF EMPLOYEES

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. Hence no particulars are required to be furnished.

### FIXED DEPOSITS

The Company has not accepted any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

### RISK ANALYSIS

The Company has made a beginning in identifying risks with a view to managing them to the extent possible and the Company hopes to focus more on the subject during the current year.

### SAFETY AND ENVIRONMENT PROTECTION

The Company has taken special initiatives with regard to safety and has appointed Safety Officer in both the divisions and also imparted

training to the staff on safety. The Company continues to accord utmost priority to areas of health, safety and environment protection and comply with all safety norms and regular monitoring of effluents which are integral part of the Company's operating systems.

### HUMAN RESOURCES

Your Directors wish to place on record their sincere appreciation for the efforts put in by all the employees for achieving good results. Industrial relations remained cordial and harmonious during the year.

A Long Term Settlement with regard to workmen of Plastics Division fell due for renewal in October 2004 and negotiations are continuing with workmen for a new settlement.

### AUDITORS

M/s. Price Waterhouse, Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment as Statutory Auditors.

### REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS

Report on Corporate Governance along with Certificate from the Auditors of the Company regarding compliance of the conditions of the Corporate Governance as also Management Discussions and Analysis report pursuant to Clause 49 of the Listing Agreement are annexed herewith forming an integral part of this Report.

### ACKNOWLEDGEMENT

The Board of Directors of your Company place on record their gratitude and would like to thank Shareholders, Bankers, Customers, Suppliers for their support and co-operation.

On behalf of the Board of Directors,

**P. B. Anand Rao**  
Managing Director

**U. R. Kapadia**  
Director

Place : Mumbai  
Dated : 12th May, 2005

## ANNEXURE I TO THE DIRECTORS' REPORT

Information under 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 and forming part of the Directors Report for the year ended 31st March, 2005

### 1. CONSERVATION OF ENERGY

#### i) Conservation of Energy Measures

- Installation of capacitor controllers, optimum motors and other special equipments to improve power factor and the quality of power resulting in savings electrical energy as well as improving the quality of power.
- Introduction of Radial Exhausts, which work on principles of kinetic energy of air for exhausting out hot air of the plant without using electricity.
- Installation of timers in air conditioners to save electricity.

#### ii) Additional proposals

- Investments for additional compressor and Radial Exhausts are being done during the current year for further energy savings.
- De-bottlenecking of certain production processes to increase productivity and consequent energy savings are also being implemented.

### 2. RESEARCH & DEVELOPMENT

#### i) Specific areas of R&D work

- Optimise polymer weight in existing product designs with improvement in performance standards.

- Adaptation of new design to Indian requirements.
- Introduction of special features in the Company's products for improving tamper evidence.

#### ii) Benefits of R&D

- Enhanced customer satisfaction and reduction in costs.

#### iii) Future plans

- Continuous product improvements and material usage
- Import substitution.

### 3. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

#### i) Efforts in brief made towards above

- In-depth interactions for improvement in technical skills and innovations with parent Company.

#### ii) Benefits derived

- Satisfy customer needs.
- Improve operational efficiencies.

#### iii) Import of Technology - Nil

### 4. FOREIGN EXCHANGE EARNINGS AND OUTGO

- The Company earned Rs. 1857.73 lakhs in foreign exchange from exports and outgo of foreign exchange during the year was Rs. 1515.98 lakhs.



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy of Corporate Governance

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner.

### 2. Board of Directors

#### (i) Composition :

The Board of Directors comprises of nine Directors. Apart from the Managing Director, all the other eight Directors are Non-Executive Directors. Of the nine Directors, two are nominees of The Royal Packaging Industries Van Leer B. V., (now renamed as Greif International Holding B.V.) three are nominees of Balmer Lawrie & Co. Ltd., one Director is a nominee of Harshadray Private Ltd., the other three Directors are Independent Directors. During the year an Independent Director Mr. N. P. Sarda, resigned on October 15, 2004 and Mr. C. V. Parameswar was appointed as an Independent Director on March 28, 2005. Further, Mr. T. J. Armstrong, nominee Director of The Royal Packaging Industries Van Leer B. V., expired on November 19, 2004. Mr. V. N. Sharma and Mr. S. K. Mukherjee nominee directors of Balmer Lawrie & Co. Ltd. were appointed on April 28, 2004 in place of Mr. N. P. Singh and Mr. P. K. Bishnoi respectively.

#### (ii) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) :

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Mr. D. S. van Griethuysen	Chairman – NED	4	YES
Mr. P. B. Anand Rao	MD	5	YES
Mr. R. L. Dhawan	NED	4	YES
Mr. S. K. Mukherjee (Appointed from April 28, 2004)	NED	5	YES
Mr. T. J. Armstrong (Expired on November 19, 2004)	NED	–	NO
Mr. V. N. Sharma (Appointed from April 28, 2004)	NED	5	YES
Mr. U. R. Kapadia	NED	4	NO
Mr. N. P. Sarda (Resigned on October 15, 2004)	NED(I)	2	YES
Mr. P. V. Narayanan	NED(I)	5	YES
Ms. P. G. Mehta	NED(I)	4	YES
Mr. C. V. Parameswar (Appointed from March 28, 2005)	NED (I)	–	N.A.

NED(I) – Non-Executive Director - Independent

NED – Non-Executive Director

MD – Managing Director

#### (iii) Number of other Boards of Directors or Board Committees where Directors of the Company are a Director / Member / Chairman :

Name of Director	No. of Directorships in other Boards*	No. of Memberships in other Board Committees**	No. of Chairmanships in other Board Committees
Mr. D. S. van Griethuysen	1	–	–
Mr. P. B. Anand Rao	1	–	–
Mr. R. L. Dhawan	–	–	–
Mr. S. K. Mukherjee (Appointed from April 28, 2004)	2	3	1
Mr. T. J. Armstrong (Expired on November 19, 2004)	–	–	–
Mr. V. N. Sharma (Appointed from April 28, 2004)	2	–	–
Mr. U. R. Kapadia	11	–	–
Mr. N. P. Sarda (Resigned on October 15, 2004)	1	–	–
Mr. P. V. Narayanan	2	–	1
Ms. P. G. Mehta	–	–	–
Mr. C. V. Parameswar (Appointed from March 28, 2005)	1	1	–

\* Directorships in Foreign Companies and Private Limited Companies are also included in the above table.

\*\* Membership in Audit Committees / Shareholder Grievance Committees / Remuneration Committees of all Public Limited Companies have been considered.

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(iv) Details of Board Meetings held for the year 1st April, 2004 to 31st March, 2005 :

Sr. No.	Date
1.	May 19, 2004
2.	July 27, 2004
3.	September 14, 2004
4.	November 5, 2004
5.	January 31, 2005

### 3. Audit Committee

(i) Composition, Number of Meetings and Attendance :

The Audit Committee comprises of three Directors of which two are Independent Directors. Mr. P. V. Narayanan (Independent Director) is the Chairman of the Audit Committee.

Mr. U. R. Kapadia and Ms. P. G. Mehta (Independent Director) are the other two Members of the Committee. Mr. N. P. Sarda resigned on October 15, 2004 and Mr. U. R. Kapadia – (Non-Executive Director) was appointed as member of the Audit Committee at the Board Meeting held on November 5, 2004.

During the year, four Audit Committee Meetings were held on May 17, 2004, July 26, 2004, October 28, 2004 and January 28, 2005. Attendance of each Audit Committee Member at the Audit Committee Meetings was as under :

Sr. No.	Names of Directors who are / were Members of the Audit Committee during 2004-2005	No. of Meetings attended
1.	Mr. N. P. Sarda	2
2.	Mr. U. R. Kapadia	1
3.	Mr. P. V. Narayanan	4
4.	Ms. P. G. Mehta	4

All Members of the Audit Committee are Non-Executive Directors. The Managing Director, Internal Auditors and Statutory Auditors are invitees to the Meeting. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

(ii) Terms of Reference :

The terms of reference of this Committee cover matters specified under the Listing Agreement and the Companies Act, 1956 of India ("the Act").

### 4. Remuneration Committee

Constitution of Remuneration Committee by listed Public Limited Companies pursuant to the Listing Agreement is voluntary. Presently, the Company does not pay any remuneration to any Non-Executive Director other than sitting fees for attending Board meeting. The salary of the Managing Director is decided by the Board of Directors within the overall limits approved by the Members.

Details of remuneration paid to the Executive Director for the year April 1, 2004 to March 31, 2005.

Name of Director	Salary & Benefits	Commission	Perquisites & contribution to Provident Fund / Superannuation fund	Terms of appointment
Mr. P. B. Anand Rao	945,304	240,766	335,765	5 years w.e.f. 01.04.2002

(i) The Company does not have a stock option scheme.

(ii) Either party can terminate the agreement by giving three months' notice.

### 5. Shareholders' / Investors' Grievance Committee

(i) Composition :

This committee comprises of three Directors, Mr. U. R. Kapadia is the Chairman of the Committee, Mr. P. B. Anand Rao and Mr. P. V. Narayanan, are the other Directors. During the year Mr. N. P. Singh resigned from the Committee w.e.f. April 12, 2004. During the year no committee meetings were held.

(ii) Compliance Officer :

Mr. R. U. Lakhwani - expired on February 12, 2005.

Mr. V. Venkataramanan is appointed as Compliance Officer w.e.f. February 13, 2005.

(iii) Complaints :

39 Complaints were received during the year under review. All the complaints have been generally resolved to the satisfaction of the share / debenture holders. There were no Share Transfers pending as on March 31, 2005.





## 6. General Body Meetings

(i) Location and time where last three Annual General Meetings were held :

Financial Year	Date	Time	Venue
2001-2002	July 26, 2002	3.30 p.m.	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12 K. Dubash Marg, (Kala Ghoda), Fort, Mumbai-400 001.
2002-2003	July 29, 2003	3.30 p.m.	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12 K. Dubash Marg, (Kala Ghoda), Fort, Mumbai-400 001.
2003-2004	September 14, 2004	2.30 p.m.	M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20 K. Dubash Marg, Fort, Mumbai-400 001.

(ii) No special resolution was put through Postal Ballot at the last AGM.

## 7. Disclosures

- (i) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.
- (ii) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed in Note No. 16 of Schedule "S" to the Accounts in the Annual Report.

## 8. Means of Communication

Quarterly results are published in one English daily newspaper (Business Standard) circulating in the country and one Marathi newspaper (Sakal) published from Mumbai. During the financial year, the Company has not made any presentation to the institutional investors or analysts. The Financial Results are displayed on the Company's Website [www.blvindia.com](http://www.blvindia.com) and are also available on SEBI's Website <http://sebidifair.nic.in>

Since the quarterly / half year results are published in leading newspapers as well as displayed on Website, the same are not sent to the Shareholders of the Company.

## 9. General Shareholder Information

AGM : Date, Time & Venue	September 21, 2005, 2.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20 K. Dubash Marg, Mumbai-400 001.
Financial calendar	i) Financial year – April 1 to March 31. ii) First Quarter Results – Last Week July, 2005. iii) Half Yearly Results – Last Week of October, 2005. iv) Third Quarter Results – Last Week of January, 2006. v) Audited Results for the year 2005-06 – Last Week of May / June, 2006
Date of Book Closure	September 10, 2005 to September 21, 2005 (Both Days Inclusive)
Dividend Payment date	Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par on or after September 26, 2005.
Listing of Stock Exchanges	<b>The Stock Exchange</b> <b>Code</b> Mumbai                      505864  During the year the Company under the "Delisting of Securities Guidelines, 2003" got its shares delisted from the Kolkata Stock Exchange.
ISIN Number for NSDL & CDSL	INE920D01015

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Market Price Data High, Low during each month in last financial year	Please see <b>Annexure 'A'</b>
Stock Performance	Please see <b>Annexure 'B'</b>
Registrars and Share Transfer Agents	M/s. Sharepro Services (India) Pvt. Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Mumbai-400 099. Contact Person : Mr. N. Narayanan Telephone No. : 2834 8218 / 2832 9828 / 2821 5168 • Fax : 2837 5646
Share Transfer System	The Company's shares being in the compulsory dematerialised list are transferable through the depository system. Shares in physical form, are processed by the Registrars & Transfer Agents, and are approved by the Committee of Officers for Share Transfers / Shareholders Investor Grievance Committee of the Company.
Distribution of shareholding and shareholding pattern as on March 31, 2005	Please see <b>Annexure 'C'</b>
Dematerialisation of shares & liquidity	55.05% of the paid up share capital has been dematerialised as on 31/3/2005.
Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date & likely impact on Equity	Nil
Plant Location	1) L. U. Gadkari Marg, Mahul, Mumbai-400 074. 2) D-195/2, TTC Indl. Area, Turbhe, Navi Mumbai-400 705.
Address for correspondence	Shareholders correspondence should be addressed to M/s. Sharepro Services (India) Pvt. Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Mumbai-400 099. Contact Person : Mr. N. Narayanan Telephone No. : 2834 8218 / 2832 9828 / 2821 5168 • Fax : 2837 5646

### Annexure 'A' - Market price data - High / Low during each month on BSE

Month	High (Rs.)	Low (Rs.)
April, 2004	15.70	12.20
May, 2004	20.00	13.05
June, 2004	18.95	14.60
July, 2004	23.30	14.55
August, 2004	19.80	13.45
September, 2004	18.35	15.10
October, 2004	19.55	17.00
November, 2004	24.65	17.25
December, 2004	32.00	20.00
January, 2005	26.80	18.20
February, 2005	26.00	22.20
March, 2005	27.30	21.20

### Annexure 'B' - Stock Performance of the Company in comparison to BSE Sensex (Average of High / Low)

