

TWELFTH ANNUAL REPORT



BIOPAC INDIA CORPORATION LTD.

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Board of Directors

1. Shri H.B.Doshi- Chairman
2. Shri P.B.Doshi- Vice Chairman & Managing Director
3. Shri K.B.Doshi- Director
4. Shri N.M.Bijlani- Nominee Director- GLIC
5. * Shri R. P. Gandhi (resigned w.e.f. 12.6.2000)

Company Secretary

Shri V.P.Shenoy (resigned w.e.f. 18.7.2000)

Bankers

State Bank of India, Vapi
State Bank of Hyderabad, Mumbai

Solicitors

Desai & Diwanji

Auditors

T.K.Singhal & Associates

Registered and Corporate Office

C/15, Modern Paint House,
Dalia Industrial Estate
Off. New Link Road,
Andheri (West), Mumbai 400 053

Works

Plot No. 1, Siddhi Industrial Estate,
Survey No. 185/1/1, Dock Mardi,
Kilavani Road, New Amli Village,
Silvassa, Dadra & Nagar Haveli 396 230, India

Registrar & Share Transfer Agents

Intime Spectrum Registry Pvt. Limited
260 A, Shanti Industrial Estate,
Sarojini Naidu Road,
Mulund (West)
Mumbai 400 021

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NOTICE

Notice is hereby given that the 12th Annual General Meeting of the members of **BIOPAC INDIA CORPORATION LIMITED** will be held on Thursday, 21ST September, 2000 at 3.00 p.m. at Ajivasan Hall, Next to S.N.D.T. Women's University, Juhu Tara Road, Mumbai-400 054 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Profit and Loss Account for the year ended 31st March 2000 and the Balance Sheet as at that date and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harish B Doshi, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint a Director in place of Mr. Kamlesh B Doshi, who retires by rotation and being eligible offer himself for reappointment.
4. To appoint Auditors for the current year and to fix their remuneration.

SPECIAL BUSINESS:**5. Amendment to Articles of Association:**

To consider and, if thought fit, to pass with or without modification, the following resolution as a special resolution: "RESOLVED that pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the company be altered by as under:

(A) FURTHER ISSUE OF SHARES:

1. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then:
 - (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at that date.
 - (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
 - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person (s) as they may think, in their sole discretion, fit.

2. Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the company in General Meeting, or
- (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the company.
3. Nothing in sub-clause (c) of (1) hereof shall be deemed
- (a) To extend the time within which the offer should be accepted; or
- (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
4. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company :
- (i) To convert such debentures or loans into shares in the company; or
- (ii) To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf ; and
- (b) In this case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans.

(B) SHARES AT THE DISPOSAL OF THE DIRECTORS:

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

(C) LIMITATION OF TIME FOR ISSUE OF CERTIFICATES :

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.

(D) ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each Certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

(E) DIRECTORS MAY REFUSE TO REGISTER TRANSFER:

Subject to the provisions of Section 111 of the Act 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided tha registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

(F) INSTRUMENT OF TRANSFER:

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the timebeing shall be duly complied with in respect of all transfer of shares and registration thereof.

(G) NO FEE ON TRANSFER OR TRANSMISSION:

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

(H) PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST :

The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

(I) COMPANY'S LIEN ON SHARE/DEBENTURES :

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof of all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

(J) TERM OF ISSUE OF DEBENTURE :

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a special Resolution.

(K) UNPAID OR UNCLAIMED DIVIDEND :

Subject to the provisions of the Act, where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of BIOPAC INDIA CORPORATION LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board.

(L) DEMATERIALISATION OF SECURITIES :

Either the company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form as the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by

the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof."

- (6) To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution: "RESOLVED THAT pursuant to the provisions of Section 163 and other applicable provisions, if any, of the Companies Act, 1956, (the Act) the company hereby approves that the Register of Members, the Index of Members, Copies of Annual Returns prepared under section 159 of the Companies Act, 1956 together with the copies of the certificates and documents required to be annexed thereto under section 161 of the Act or any one or more of them, instead of being kept at Registered Office of the company, be kept at the office of M/s Intime Spectrum Registry Pvt. Limited, Registrar and Share Transfer Agents of the Company situated at 260-A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (west), Mumbai 400 080 with effect from 10/05/2000.

RESOLVED FURTHER THAT the Registers, Index, Returns, Books, Certificates and Documents of the Company required to be maintained and kept for inspection under the provisions of the Companies Act, 1956 be kept open for such inspection, at the above mentioned place for persons entitled thereto, to the extent and in the manner and on payment of fees, if any, specified in the aforesaid Act, between 11.00 a.m. to 12.30 p.m. on any working day (Monday to Friday) except when the Registers and Books are closed under the provisions of the said Act or the Articles of Association of the Company, provided however, that the Register required to be maintained under Section 307 of the said Act shall be open for inspection to the Members of the company at the Registered Office of the Company between the hours above mentioned during the period prescribed by sub-section 5 (a) of Section 307 of the said Act."

Mumbai
Date: 10th May, 2000
Registered Office:
206, Trade Corner, Saki Vihar Road,
Sakinaka, Andheri (E),
Mumbai 400 072

By Order of the Board
Harish. B. Doshi
Chairman

NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER
- (2) The Register of Members and the Transfer Books of the Company will remain closed for the purpose of Annual General Meeting from Thursday, 14th September, 2000 to Thursday, 21st September, 2000 (both days inclusive).
- (3) The relative Explanatory Statements, pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under Item Nos. 5 and 6 are annexed hereto.
- (4) Members are requested to advise indicating their folio number, the change of their addresses, if any, to M/s. Intime Spectrum Registry Pvt. Ltd Unit: BIOPAC INDIA CORPORATION LIMITED, 260A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (w), Mumbai-400 080 the Registrar and share Transfer Agent of the company or to their respective depository participant as the case may be.
- (5) THE REGISTERED OFFICE OF THE COMPANY WILL BE CHANGED W.E.F 1/8/2000 TO C/15, MODERN PAINT HOUSE, DALIA INDUSTRIAL ESTATE, OFF. NEW LINK ROAD, ANDHERI (WEST), MUMBAI-400 053.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 5

The Stock Exchange, Mumbai and the Ahmedabad Stock Exchange, at the time of listing of shares of the company, have instructed the amendments in the Articles of Association of the company as set out in item no.5 of the Notice to the members. Accordingly the same is being placed before the Shareholders for their approval. None of the Directors are interested in the resolution.

A copy of the Articles of Association of the Company together with the proposed alteration is available for inspection at the Registered Office of the Company between 11.00 a.m. to 3.00 p.m. on any working day of the Company.

Item No. 6

Keeping in view the smooth functioning and better services to the Company's Shareholders It has been decided to appoint M/S Intime Spectrum Registry Pvt. Limited, as its Registrars and Share Transfer Agents to carry out the duties, functions, and obligation of the Share Department and to perform all matters, deeds, acts, ancillary thereto.

Under the provision of section 163 of the Companies Act, 1956 certain documents such as Register of Members, Index of Members, Annual Returns etc have to be kept at the Registered Office of the Company, but the company may, by a Special Resolution, authorise that all or any of such registers, indexes and other documents may instead of being kept at the Registered Office, be kept at any other place within the city in which the Registered Office of the Company is situated. These records are presently kept at the Registered Office of the Company.

After obtaining the members approval, part of the share department's records will be shifted to the office of M/S Intime Spectrum Registry Pvt.Ltd at 260 A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai 400 080. Tel.No. 5647731, 5672716.

The Approval of the shareholder is therefore, sought by a Special Resolution as set out at Item No.6 of the accompanying notice for keeping the Register and Index of Members, Returns of Allotment, Annual Returns and other documents at the above mentioned location with effective from 10/5/2000. The time for inspection of the documents by the Shareholders or such persons as are entitled to such inspection, will be between 11.00 a.m. to 3.00 p.m. on any working day.

The Board of Directors recommend the acceptance of the resolution. None of the Directors are concerned or interested in the passing of the said resolution.

Mumbai

Date: 10th May, 2000

Registered Office:

206, Trade Corner, Saki Vihar Road,

Sakinaka, Andheri (E),

Mumbai 400 072

By Order of the Board

Harish. B. Doshi

Chairman

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors have pleasure in presenting their Twelfth Annual Report and Accounts for the Year ended 31st March 2000.

Financial Results

	Year ended 31.03.2000 (Rs.in Lacs)	Year ended 31.03.1999 (Rs.in Lacs)
Sales and Other Income	489.06	191.51
Profit/(Loss) before interest, depreciation & tax	33.46	(18.52)
Financial Expenses	107.97	94.08
Depreciation	69.63	42.73
Profit/(Loss) before tax	(144.14)	(155.33)
Taxation	-	-
Profit/(Loss) after tax	(144.14)	(155.33)
Profit brought forward from previous year	(153.37)	2.17
Issue of Bonus Shares	-	0.21
Balance carried forward	(297.51)	(153.37)

Dividend

Since the Company is not having sufficient profits, no Dividend has been recommended by the Board of Directors.

Public Issue

The Company's maiden Public Issue for 40,30,000 Equity Shares of Rs. 10 each at par aggregating to Rs. 403.00 Lacs was launched in April 2000 and inspite of extremely difficult market conditions, the issue was oversubscribed. The Company now has approximately 3000 shareholders spread all over the country. The shares are traded on Mumbai and Ahmedabad Stock Exchanges and are traded in dematerialised form. The Company has already executed agreements with NSDL/CDSL in this regard.

Operations

The Company has successfully completed launching of new products and presently has 20 products range for the consumers. These products have been well accepted by the customers, who are serviced through a network of Superstockist and Authorised Dealers spread over 80% of the districts in the country. The Company has also been able to extend the end use of these products to Industrial segment and has been able to initiate good business with various reputed companies. The Company is confident of achieving a major breakthrough in new fields and applications which will substantially increase the turnover and the profitability in the future.

Exports

The Company has been able to export its products to countries like Mauritius, Singapore, Nigeria, U.A.E. and Kuwait. Enquiries are also been attended to extend the sales to other countries to compete with international suppliers by ensuring the best quality and competitive prices.

Future Prospects

Having established the concept of using superior and eco-friendly internationally accepted products as compared to conventional products like paper and other rigid plastics, your Directors are confident that your company will be able to expand its product range. The expansion of range will be not only in consumer segment but also with institution customer like poultry products, dairy products, fast food outlets, airlines, railways etc.

The Company has been working on a strategy of building the Brand BIOPAC which will help the company in future when the market place gets crowded with similar products. The Company has recently added vacuum foaming line, board making line and coating line which will substantially increase the capacity and product applications and also give value addition to the products.

Though the Company does not face any direct competition for its type of products, there is some competition from product substitutes such as paper/rigid plastic products which are mainly manufactured in the small scale and unorganised sector. The company is confident that it will successfully take care of this competition and maintain its market share.

Fixed Deposits

The Company has not accepted any Deposits from the Public during the year.

Auditors

You are requested to appoint Auditors and fix their remuneration.

Conservation of Energy,**Technology Absorption, Foreign Exchange Earnings and Outgo**

The particulars as prescribed under Sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure - A which forms part of the Directors' Report.

Employees

Particulars of Employees required under Section 217 (2A) of the Companies Act, 1956 read with companies (Particulars of Employees) Rules 1975 as amended, are not given as there were no employees drawing remuneration in excess of the prescribed limits.

Acknowledgement

Your Directors take this opportunity to thank Employees at all levels for their hard work, dedication and commitment and appreciate wholeheartedly the co-operation received from Financial Institutions, Bankers and other Government authorities during the year under review.

For and on behalf of the Board

HARISH B. DOSHI
Chairman

Mumbai : 10th May, 2000