

FOURTEENTH ANNUAL REPORT



Report  Junction.com

BIOPAC INDIA CORPORATION LTD.

2 0 0 1 - 2 0 0 2

Board of Directors :

Shri Harish B. Doshi Chairman
 Shri Pankaj B. Doshi Managing Director
 Shri N.M. Bijlani Director

**Vice President (Finance) &
 Company Secretary :**

Shri Vijay P. Shenoy

Bankers :

State Bank of Hyderabad
 Overseas Branch, 1204, Tulloch Road,
 Colaba, Mumbai 400 039.

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

Registered and Corporate Office :

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

Registrar & Share Transfer Agents :

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

Solicitors & Legal Advisors :

Desai and Diwanji
 Advocates, Solicitors & Notaries
 Lentin Chambers, Dalal Street, Fort,
 Mumbai 400 023.

Auditors :

T. K. Singhal & Associates
 Chartered Accountants
 Devkaran Mansion, 2nd Floor,
 63, Shamaldas Gandhi Marg,
 Mumbai 400 023.

Report  junction.com

NOTICE

Notice is hereby given that the 14th Annual General Meeting of the members of **BIOPAC INDIA CORPORATION LIMITED** will be held at :

Venue	Ajivasan Hall, Next to S.N.D.T. University, Juhu Tara Road, Juhu, Mumbai 400 054.
Day	Friday
Date	5 th July, 2002.
Time	3.00 pm

to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the Audited Balance Sheet as at 31st March 2002 and Profit & Loss Account for the year ended 31st March 2002 and the reports of the auditors and Directors thereon.
2. To appoint a Director in place of Mr. Harish B. Doshi, who retires by rotation and being eligible offer himself for re appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT M/s. Haribhakti & Company be and they are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company".

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.
"RESOLVED THAT Mr. N. M. Bijlani, be and is hereby appointed as a Director of the Company"
5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.
"RESOLVED THAT the approval of the Company be and is hereby accorded to the appointment of and to the remuneration payable to Mr. Pankaj B. Doshi as a Managing Director of the Company for a period of five years w.e.f. 1st January, 2002 on the terms and conditions set up in the agreement between the company and the Managing Director, a draft of which is initialed by the Chairman for the purpose of identification and placed before the meeting ".

Mumbai.

Date: 16th May, 2002.

By Order of the Board
For Biopac India Corporation Limited

Registered Office :

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

Vijay Shenoy
Vice President (Finance) & Company Secretary

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. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed for the purpose of Annual General Meeting from Wednesday, 26th June, 2002 to Friday, 5th July, 2002 (both days inclusive).
3. 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.
4. Please note that your Company's Shares are compulsorily traded in Electronic Form. Your Company has already enter in the agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members who hold shares in physical form and desirous to convert them in Dematerialised form, may send letters along with the Dematerialised Request Form (s) through the concerned Depository Participant.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.**Item no. 3**

M/s. T. K. Singhal & Associates, the retiring Auditors have expressed their desire not to seek reappointment at the forthcoming Annual General Meeting of the Company. The company has received a special notice pursuant to Section 225 of the Companies Act, 1956 from a member proposing an Ordinary Resolution for appointment of M/s. Haribhakti & Company as Auditors of the company.

No Director of the Company is concerned or interested in this Resolution.

The Board of Directors recommend the same for approval of the members.

Item no. 4

Mr. N. M. Bijlani was appointed as an Additional Director on 5th January, 2002. Mr. Bijlani has been associated with the Company as a Nominee Director of GILC a term lending institution, from whom the company had availed of loan for financing its project. Mr. Bijlani was formerly the Vice Chairman of GIDC and has been associated with the company. The nomination of Mr. Bijlani has been withdrawn by GILC and the company felt it prudent to retain the services of Mr. Bijlani as an additional Director of the company. Accordingly, the Board appointed Mr. Bijlani as a Director.

Notice in writing under Sub Section 1 of Section 257 of the Companies Act, 1956 has been received from a member of the company proposing the candidature of Mr. N. M. Bijlani for the office of Director alongwith a deposit of Rs.500.

No Director of the Company except Mr. Bijlani is concerned or interested in the Resolution set out in Item no.4.

The Board of Directors recommend the same for approval of the members.

Item no. 5

Mr. Pankaj Doshi has been associated with the Company as a Promoter and has been the Managing Director of the Company. In view of the losses suffered by the Company in the past, he has not been drawing any remuneration. At the Board Meeting held on 5th January, 2002, it was proposed to pay to Mr. Pankaj Doshi, remuneration in terms of the agreement referred to in Item no. 5 of the notice

Notice in writing under Sub Section 1 of Section 257 of the Companies Act, 1956 has been received from a member of the company proposing the candidature of Mr. Pankaj B. Doshi for the office of Director alongwith a deposit of Rs.500.

The remuneration payable to Mr. Pankaj Doshi as contained in the draft of the agreement is reproduced below :

SALARY	:	Rs.1,00,000 per month
PERIOD	:	Five years w.e.f. 1 st January, 2002.
COMMISSION	:	2% of the net profits of the company payable at quarterly rests.
PERQUISITES	:	Such perquisites as payable to the Senior Executives of the Company and as may be decided by the Board of Directors.
NOTICE PERIOD	:	Three months

The above terms and conditions including the terms as to remuneration payable to the Managing Director would be the minimum remuneration payable in the event of loss or inadequacy of profits in any financial year, subject to the provisions of Schedule XIII of the Companies Act, 1956.

A copy of the draft agreement is available for inspection to the members of the company at the registered office of the company between 9.00 am to 5.00 pm on all working days prior to the date of the meeting and at the meeting.

The resolution set out in Item no. 5 alongwith this explanatory statement may be treated as Memorandum of Understanding u/s. 302 of the Companies Act, 1956.

No Director of the Company, except Mr. Pankaj Doshi and Mr. Harish Doshi, being relatives are concerned or interested in this resolution.

The Board of Directors recommend the same for approval of the members.

Mumbai :

Date: 16th May, 2002.

Registered Office :

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

By Order of the Board

For Biopac India Corporation Limited

Vijay Shenoy

Vice President (Finance) & Company Secretary

DIRECTORS' REPORT**TO THE MEMBERS**

The Directors have pleasure in presenting their Fourteenth Annual Report and Accounts for the year ended 31st March, 2002.

Financial Results

Particulars	Year ended 31 st March, 2002. (Rs. In Lacs)	Year ended 31 st March, 2001. (Rs. In Lacs)
Net Sales and other Income	1076.08	523.90
Profit / (Loss) before interest, Depreciation and Tax	178.20	(36.62)
Financial Expenses	21.69	28.13
Depreciation	136.80	110.52
Profit /(Loss) Before Tax	19.71	(175.27)
Taxation	—	—
Profit /(Loss) After Tax	19.71	(175.27)
Profit /(Loss) brought forward from previous year	(472.78)	(297.51)
Balance carried forward	(453.06)	(472.78)

Dividend

In view of the accumulated losses of prior years, your Directors do not recommend any dividend for the year under review.

Operations

The Net sales revenue of the Company during the year 2001-2002 was Rs.1076.08 Lacs as against Rs.523.90 Lacs in the previous year showing a growth of 105%. We are pleased to inform you that the growth in the turnover and the product mix has been instrumental in a turnaround for the Company and achieve profits for the first time since commencement of manufacturing activity. The Company has also developed new products for the industrial applications and this is expected to increase the turnover and profitability in the future.

Exports

The exports during the year showed a growth of 430% and your company's products are now exported to highly developed and quality conscious countries of U.K., U.A.E., Mauritius, Lebanon, Israel, Singapore, Oman and Kuwait. During the current year, your company has focused in increasing its exports business by securing repeat orders. Your Directors are pleased to inform you that the first shipment to USA has been completed in May, 2002 and we are confident of generating volume business in future.

Future Prospects

Your Company has increased its distribution network by appointment of additional superstockist / distributors. In the domestic market, the company has launched a 'retail pack' to enter the retail market. This is expected to go a long way in increasing the visibility of our 'Biopac' brand. Your Company has also launched several promotional schemes and staff network has also been increased to create better awareness of the product and tap the new areas in the consumer market. These measures are expected to improve the market share and lead to better profitability.

Directors' Responsibility [Section 217 (2AA)]

In terms of Sec. 217 (2AA) of the Companies Act, 1956, your Directors would like to inform the members that the audited accounts containing the financial statement for the year 2001-2002 are in full conformity with the requirements of the Act and they believe that the financial statement reflect fairly the form and substance of transactions carried out during the year and reasonably present the company's financial condition and results of operation. These financial statements are audited by the Statutory Auditors, M/s. T. K. Singhal & Associates.

Your Directors further confirm that :

- i. In the preparation of the Annual Accounts, applicable accounting standards have been followed;
- ii. The Directors have selected such accounting policies and applied them consistently. The accounting policies have been consistently applied and reasonable, prudent judgement and estimates are made 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. The Directors have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. Have prepared the Annual Accounts on a going concern basis.

The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the company's established policies and procedures have been followed.

Fixed Deposits

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

Auditors

The present Auditors, M/s. T. K. Singhal & Associates have expressed their desire not to continue as Auditors. M/s. Haribhakti & Co., Chartered Accountants have given their consent to act as Auditors, if appointed. You are requested to confirm the appointment.

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 the 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 given in Annexure 'B'.

Corporate Governance

In terms of Clause 49 of the amended listing guidelines, of the Mumbai / Ahmedabad Stock Exchange, a note on the Corporate Guidelines followed by the Company is given in Annexure 'C' which form part of the Directors' Report.

Directors

During the year, GLIC withdrew the nominee, Mr. N. M. Bijlani and appointed Dr. N. R. Desai in his place as a Nominee Director of GLIC. In March, 2002, the Company settled the outstanding loan of GLIC in full and accordingly, GLIC withdrew their Nominee Director, Dr. N. R. Desai. Your directors place on record its deep and sincere appreciation of the valuable advice and guidance given by them during their tenure as Directors of the Company.

Mr. N. M. Bijlani was appointed as an additional Director of the Company.

Management Discussions and Analysis

A brief note on management discussion and analysis of the results for the year under review is given in Annexure 'D' which forms part of the Directors' Report.

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, Banks and other Government authorities during the year under review.

For and on behalf of the Board

Place : Mumbai

Harish B. Doshi

Date : 16th May, 2002.

Chairman

ANNEXURE - 'A' TO THE DIRECTORS REPORT

Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988.

In terms of Section 217 (1)(e) of the Companies Act, 1956, and the Companies (Disclosure of particulars in the Report of the Board of Directors) Rule, 1988, your Directors furnish hereunder the additional information which form part of the Directors' Report :

A. CONSERVATION OF ENERGY

General awareness is being brought about among the entire work force at company's plant to reduce the consumption of energy in particular to avoid wastage.

B. TECHNOLOGY ABSORPTION

The Company's manufacturing process is based on indigenous technology. The Company has not imported any technology during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Information regarding Company's contribution towards Company's foreign exchange earnings is given in Notes to accounts.

FOR and on behalf of the Board

Harish B. Doshi
Chairman

Mumbai : 16th May, 2002.

ANNEXURE "B" TO THE DIRECTORS' REPORT

Statement under sub-section (2A) of section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, and forming part of the Director's report for the year ended 31.3.2002

Name of the Employees	Designation/ Nature of Duties	Remuneration Received (Rs)	Age (Years)
Mr Pankaj B. Doshi	Managing Director	3,60,000 #	45

Remuneration for the period from 1.1.2002 to 31.3.2002.

Notes :

1. Nature of Employment is Contractual, other terms and conditions as per Company's rules.
2. Remuneration received as per the schedule XIII of the Companies Act, 1956.

FOR and on Behalf of the Board

Harish B. Doshi
Chairman

Mumbai : 16th May, 2002

ANNEXURE 'C'**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

The Securities and Exchange Board of India (SEBI) constituted the committee on Corporate Governance to promote and raise the standard of corporate governance of listed companies. The committee made recommendations on the composition of the board of directors, audit committee, board procedure etc.

The Company is taking necessary steps to comply with the clause 49 of the Revised Listing Agreement. Given below is the report of the Directors on the corporate governance.

REPORT ON CORPORATE GOVERNANCE**COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the shareholder value, keeping in mind the needs and interest of other stakeholders. In compliance thereof, the following information is placed before the shareholders.

BOARD OF DIRECTORS

Name of Director	Category	Date of Board Meeting					Date of AGM 24.8.2001
		3.5.01	30.7.01	24.8.01	6.11.01	5.1.02	
Mr. H.B.Doshi	Promoter	P	A	P	A	P	P
Mr. P.B.Doshi	Promoter	P	P	P	P	P	P
Mr. N.M.Bijlani	Independent	P	P	P	P	P	P

P-Present A-Leave of absence granted

Note: Mr. P.B.Doshi is a Managing Director and Mr. N.M.Bijlani is a Nominee Director of GILC upto 4.1.2002 and w.e.f 5.1.2002 as an additional director

No Directors are having Chairmanship of more than five companies where they are director.

Details of other Directorships:

Name of Director	Other Directorship (No of Company)
Mr. H.B.Doshi	4
Mr. P.B.Doshi	4
Mr. N.M.Bijlani	1

In line with the requirements of the code of the Corporate Governance, the board of directors comprises three members. The composition of the Board is in conformity with the revised listing agreement, having one Managing Director and remaining 2 Directors are Non- Executive Directors. The Board also has one independent Director.

SHAREHOLDERS:

Mr. Harish B. Doshi, Chairman, retires by rotation and is eligible for re-appointment as a Director if appointed. Mr. Harish B. Doshi has been one of the Promoters of the Company and has over 20 years experience in the plastics and chemicals trading business in USA. He is the founder chairman and CEO of Pushpa America Corporation, USA. He is on the Board of 4 other companies as a Director, namely Pushpa America Corporation-USA, Pushpa Holding Inc-USA, BVD Sons (Mauritius) Ltd and BVD (Sons) LDC.

AUDIT COMMITTEE

Presently the company has three Directors. The Chairman of the company is a Non-executive Director. The Company has independent Internal Auditors who submit the report to the management on monthly basis and action is taken on the same by the Managing Director on regular basis.

Pursuant to the revised clause 49 of the listing agreement, the company is taking necessary steps to constitute the

Independent Audit Committee. The scope, function and role of the Audit Committee would be in line with the requirements of the revised listing agreement.

REMUNERATION COMMITTEE

No remuneration is paid to any Director except the Managing Director. The remuneration paid to Mr. Pankaj Doshi, Managing Director is governed by the requirement of Section 269, 309 and other applicable provisions of the Companies Act, 1956 read with the Schedule XIII of the Companies Act, 1956. No sitting fees are payable to any Director.

SHAREHOLDERS COMMITTEE

The company has complied the requirements of the sub clause VI (A) , (B) of the Clause 49 of the Listing Agreement.

- Mr. N. M. Bijlani Director heads the Committee.

- Mr. V. P. Shenoy Vice President (Finance) and Company Secretary is the Compliance Officer.

During the year , the company and their Registrar and Share Transfer Agents M/s Intime Spectrum Registry P.Ltd received about 25 complaints which were resolved immediately. These complaints were in nature of non receipt of electronic credit, change of address, non receipt of share certificate, Annual Report etc. All shareholders complaints are redressed within the time frame prescribed by the SEBI/ Stock Exchanges and a certificate to this effect duly signed by a practicing company secretary has been furnished to the concerned stock exchanges where the shares are listed.

The Share received for Transfer are approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

GENERAL BODY MEETING :

The Company's Shares were listed on Bombay Stock Exchange and Ahmedabad Stock Exchange in May, 2000 . The 13th Annual General Meeting of the shareholders was held on 24th August,2001 at 3.00 p.m. at Ajivasan Hall, Next to S.N.D.T. Women's University, Juhu Tara Road, Mumbai 400 054

DISCLOSURES:

As per the disclosures given by the Directors of the Company there were no materially related party transactions attracting Section 297 of the Companies Act,1956.

All the guidelines issued by the SEBI and Stock Exchange or other statutory authority on the matter related to capital markets are fully complied.

MEANS OF COMMUNICATION:

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in Free Press Journal(English) and Navshakti (Marathi) as required by the listing agreement. Steps are being taken to display the same on the corporate website, which is being developed.

GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting :	Date: 5th July, 2002
(Date , Time and Venue)	Time : 3 p.m.
	Venue : Ajivasan Hall, Next to S.N.D.T. Women's University, Juhu Tara Road, Mumbai-400 054.
Financial Calendar:	1st April , 2001 to 31st March,2002
Date of Book Closure:	From : Wednesday, 26th June 2002 to Friday, 5th July 2002.
	(Both days inclusive)
Dividend Payment Date:	No dividend declared.

MANAGEMENT

The Company will comply with the requirements of the sub-clause V of clause 49 of the revised listing agreement.

LISTING ON STOCK EXCHANGE :

1. The Stock Exchange, Mumbai
2. Ahmedabad Stock Exchange