

TWENTYFIRST ANNUAL REPORT



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BIOPAC INDIA CORPORATION LIMITED

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BIOPAC INDIA CORPORATION LIMITED**ANNUAL REPORT 2008-2009****BOARD OF DIRECTORS**

Mr. Harish B. Doshi	Chairman
Mr. Pankaj B. Doshi	Managing Director
Mr. Harshad Valia	Director
Mr. Mehul Patel	Director
Mr. R.S. Maker	Director
Mrs. Smita Sanghavi	Director

REGISTER AND CORPORATE OFFICE

301/302, Sagar Avenue,
S. V. Road, Opp. Shoppers Stop,
Andheri (W), Mumbai – 400 058
Tel # 2670 8645/2671 1897
Website : www.biopacindia.com

BANKERS

State Bank of Hyderabad
Canara Bank
Vijaya Bank

WORKS

Survey No. 38.
Khanvel-Dapada Road,
Dapada Village, Silvassa.

AUDITORS

Shah, Shah & Shah
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (W),
Mumbai - 400 078.

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NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Members of **BIOPAC INDIA CORPORATION LIMITED** will be held as under:

Venue	The Banquet Hall, Hotel Karl Residency 36 Lallubhai Park Road, Andheri [West], Mumbai – 400 058.
Day	Friday
Date	4 th September, 2009
Time	4.00 pm

to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the reports of the Auditors and Directors thereon.
- 2) To appoint a Director in place of Mr. R. S. Maker, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

- 4) To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 including Schedule XIII (including any statutory modifications or reenactment thereof for the time being in force)and subject to such consents, approvals, permissions as may be required, the approval of the Company be and is hereby accorded to the reappointment of and to the remuneration payable to Mr. Pankaj B. Doshi, as a Managing Director of the Company for a further period of three years w.e.f. 1st January, 2010 on the terms and conditions set out 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."

- 5) To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 including Schedule XIII (including any statutory modifications or reenactment thereof for the time being in force)and subject to such consents, approvals, permissions including from the Central Government as may be required, the approval of the Company be and is hereby accorded to the appointment of and to the remuneration payable to Mr. Harish B. Doshi, as a Executive Chairman of the Company for a period of three years w.e.f. 1st April, 2009 on the terms and conditions set out in the Agreement between the Company and the Executive Chairman, a draft of which is initialed by the Managing Director for the purpose of identification and placed before the meeting."

By Order of the Board
For Biopac India Corporation Limited

Registered Office :

301-302, Sagar Avenue
S.V.Road, Andheri (W)
Mumbai 400 058.

Mumbai, 12th June, 2009

Harish 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 OF THE COMPANY. 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. An Explanatory Statement relating to the Special business as required u/s 173(2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and the Transfer Books of the Company will remain closed for the purpose of Annual General Meeting from Tuesday the 1st September, 2009 to Friday, the 4th September, 2009 (both days inclusive).
4. Members are requested to notify any change in their addresses to their Depository Participants in respect of their electronic share accounts quoting client ID No. and to M/s.Link Intime India Pvt. Ltd. Unit:: BIOPAC INDIA CORPORATION LIMITED, C-13, Pannalal Silk Mill Compound, L.B.S.Marg, Bhandup (West), Mumbai-400 078, the Registrar and share Transfer Agent of the company in respect of their physical shares, quoting folio No.
5. Please note that your Company's Shares are compulsorily traded in Electronic Form. Your Company has already entered 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 De-materialized form may send letters along with the De-materialized Request Form (s) through the concerned Depository participant.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956****Item No. 4**

Mr. Pankaj Doshi has been associated with the Company since inception. The terms of his appointment were approved by the members for a period of three years w.e.f. 1st January 2007. In view of this, his term is expiring on 31.12.2009, the Board of Directors at its meeting held on 12th June, 2009 has reappointed Mr. Pankaj B. Doshi for a further period of three years w.e.f. 1st January 2010 and approved remuneration payable to him subject to approval of shareholders in General Meeting and subject to the provisions of Schedules XIII of the Companies Act, 1956.

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

SALARY	: Rs. 3, 00,000/- Per month inclusive of all perquisites
PERIOD	: Three years w.e.f. 1 st January, 2010
NOTICE PERIOD	: Three Months

The above terms and conditions including the 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 Schedules 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 11.00A.M. to 4.00 P.M. on all working days prior to the date of the meeting and at the meeting.

The resolution as set out in item No. 4 along with this explanatory statement may be treated as abstract u/s 302 of the Companies Act, 1956.

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

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

Item No. 5

Mr. Harish Doshi has been associated with the Company since 1996. The Board of Directors at its meeting held on 12th June, 2009 has appointed Mr. Harish Doshi as Executive Chairman for a period of three w.e.f. 1st April, 2009 and approved remuneration payable to him subject to approval of shareholders in General Meeting, approval of the Central Government and subject to the provisions of Schedules XIII of the Companies Act, 1956.

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

SALARY : Rs. 3, 00,000/- Per month inclusive of all perquisites
PERIOD : Three years w.e.f. 1st April, 2009
NOTICE PERIOD : Three Months

The above terms and conditions including the remuneration payable to the Executive Chairman would be the minimum remuneration payable in the event of loss or inadequacy of profits in any financial year subject to the provisions of Schedules 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 11.00A.M. to 4.00 P.M. on all working days prior to the date of the meeting and at the meeting.

The resolution as set out in item No. 5 along with this explanatory statement may be treated as abstract u/s 302 of the Companies Act, 1956.

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

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

**By Order of the Board
For Biopac India Corporation Limited**

Registered Office :
301-302, Sagar Avenue
S.V.Road, Andheri (W)
Mumbai 400 058.
Mumbai, 12th June, 2009

Harish Doshi
Chairman

DIRECTORS' REPORT

TO THE MEMBERS

The Directors have pleasure in presenting their 21st Annual Report and Audited Accounts for the year ended 31st March 2009.

Financial Results

[Rs. In Lacs]

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Gross Revenues	3431.38	2379.86
Profit / (Loss) before Interest, Depreciation and Tax	701.30	743.01
Financial Expenses	249.25	268.66
Depreciation & Amortization	401.79	384.46
(Loss)/ Profit Before Tax	50.25	89.89
W/Off / Extra Ordinary Items	0.00	0.00
Taxation for the year	6.81	12.55
(Loss)/ Profit After Tax	43.43	77.33
Deferred Tax Adjustment	13.55	145.91
Net (Loss) Profit after Deferred Tax Adjustment	29.87	(68.58)
Profit/(Loss) brought forward from previous year	(128.20)	(59.62)
Balance carried forward	(125.05)	(128.20)

Note: Previous year figures have been regrouped wherever considered necessary.

Dividend

In view of the inadequate Profit during the year, your Directors do not recommend any dividend for the year under review.

Operations

The total revenue of the Company during the year 2008-09 was Rs. 3,431.38 Lacs compared to Rs. 2379.86 Lacs of previous fiscal year, an increase of about 44.18% in the Gross Revenue of the Company during the year under review. The Company has made a turnaround in its performance during the year and made Rs 50.25 lacs profit before tax. The Cash Profit during the year was Rs. 452.04 lacs as compared to Cash profit of Rs. 474.35 lacs during the previous year.

Product & Business

The Company's main business of "Food service disposables" is now in high growth trajectory. The awareness of our products "**Disposable Polystyrene Plates, bowls, serving trays and take-away containers**" has now reached a level where the management feels that its growth rate is sustainable.

Further, your company has achieved a reasonable market share in the "**Kitchen Aluminium foils**" and "**Aluminum container**" market during the current year.

Considering the growth in demand for our products as well as full utilization of our existing capacity, your management has decided to add another line of production of foam dinnerware which will increase our capacity by 50 % by the end of the 3rd Quarter of the current year.

This will ensure that your company retains the market leadership position and maintain healthy cashflows.

Exports

During the year the Company achieved an Export Turnover of Rs. 570.09 Lacs as compared to Rs. 587.22 Lacs in the previous year.

Directors' Responsibility [Section 217 (2AA)]

In terms of Sec. 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

1. In the preparation of the Annual Accounts, for the year ended 31st March, 2009 all the applicable accounting standards prescribed by the Institutes of Chartered Accountants of India have been followed.
2. They have selected such accounting policies and applied them consistently. The accounting policies have been consistently applied and reasonable, prudent judgment 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 Profit of the Company for the year under review;
3. They have taken proper and sufficient care for the maintenance of adequate accounting record 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
4. They have prepared the Annual Accounts on a going concern basis.

Fixed Deposits

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

Auditors

The terms of office of M/s. Shah, Shah & Shah as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment as Auditors of the Company.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of the provisions of Section 217(1)(e) read with the companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 particulars as prescribed therein relating to Conservation of Energy, Technology Absorption and foreign Exchange Earnings and Outgo are given in Annexure "A" forming part of this Report.

Companies (particulars of employees) Rules, 1975

Information required pursuant to section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given in the Annexure "B" forming part of this report.

Directors

Mr. R.S.Maker, the Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his reappointment. During the year Mr. Nikhil Vora resigned from Board of Directors of the Company w.e.f. 19th January, 2009.

The Board of Directors of the Company has recommended for the approval of the member, the appointment of and to the remuneration payable to Mr. Harish Doshi as Executive Chairman of the Company for a period of three years w.e.f. 1st April, 2009 and reappointment of and to the remuneration payable to Mr. Pankaj Doshi as Managing Director of the Company for further period of three years w.e.f. 1st January, 2010 details of which are mentioned in the notice of the Annual General Meeting.

Corporate Governance

In terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges at Mumbai, a Report on Corporate Governance and Certificate from the Auditors of the Company is given in the annexure "C" which form part of the Directors' Report.

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As regards the observations made in auditors Certificate on Corporate Governance the Directors clarify as under.

The company is in process of appointing a company secretary.

Management Discussions and Analysis

A brief note on Management Discussions 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 all Employees of the Company for their hard work, dedication and commitment and appreciate the co-operation received from the Bankers and other Government authorities during the year under review.

For and on behalf of the Board

Place : Mumbai

Harish B. Doshi

Date : 12th June, 2009

Chairman

ANNEXURE - 'A'

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.

POWER AND FUEL CONSUMPTION	CURRENT YEAR	PREVIOUS YEAR
	31.03.2009	31.03.2008
1. Electricity		
a. Purchased		
Unit (KWH.)	3406050	3131025
Total Amount (Rs.)	126,36,136	95,80,642
Rate/KWH (Average)	3.71	3.06

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

Foreign Exchange Earning	: Rs.6,45,96,757.00
Foreign Exchange Outgo	: Rs.5,31,692.00

For and on behalf of the Board

Place : Mumbai

Harish B. Doshi

Date : 12th June, 2009

Chairman

ANNEXURE 'B'

PARTICULARS OF EMPLOYEES

Information as per section 217(A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 2009.

EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING NOT LESS THAN RUPEES 24,00,000/- PER ANNUM.

NAME OF EMPLOYEE	AGE (Yrs)	DESIGNATION/ NATURE OF DUTY	QUALIFICATION	TOTAL EXPERIENCE (Yrs)	REMUNERATION RECEIVED (Rs.)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT
Pankaj B. Doshi	51	Managing Director	B.Sc	21 Year	36,00,000.00	02.04.1987	_____

NOTES:

1. The nature of employment of the Managing Director is contractual for a period of three years.
2. Remuneration mentioned above includes salary, commission, taxable value of perquisites, Company's contribution to Provident Fund and Superannuation Fund and contribution to Gratuity Fund under Annuity Policy with LIC.
3. Mr. Harsh Doshi is relative.

For and on behalf of the Board

Place : Mumbai
Date : 12th June, 2009

Harish B. Doshi
Chairman

ANNEXURE 'C'

REPORT OF THE DIRECTORS 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.

The Company is committed to good corporate governance. The Company fully understands the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders.

The basic philosophy of corporate governance in the Company is to achieve business excellence and dedicate itself to increasing long term shareholder value, keeping in view the needs and interest of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

BOARD OF DIRECTORS

In line with the requirements of the Code of the Corporate Governance, the Board of Directors comprises of 6 [Six] members. The composition of the Board is in conformity with the Listing Agreement, having one Managing Director and the required number of Non Executive and Independent Directors.

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During the year Seven Meetings of the Board of Directors were held:

Name of Director	Category	Date of Board Meetings							Date of AGM
		25.04. 2008	30.06. 2008	23.07. 2008	08.10. 2008	26.12. 2008	19.01. 2009	31.03. 2009	19.09. 2008
Mr. Harish B. Doshi	Promoter & Non – Executive	P	P	P	P	A	P	P	P
Mr. Pankaj B. Doshi	Promoter & Executive	P	P	P	P	P	A	P	P
Mr. Harshad C. Valia	Independent & Non – Executive	P	P	P	P	A	P	A	A
Mr. Mehul D. Patel	Independent & Non – Executive	P	P	P	P	P	P	A	P
Mr. R.S. Maker	Independent & Non – Executive	P	P	P	P	P	A	A	P
Mrs. Smita L. Sanghavi	Independent & Non - Executive	P	P	P	P	P	P	A	P
Mr. Nikhil Vora*	Independent & Non - Executive	A	A	A	A	A	A	A	A

P = Present A = Leave of Absence

* Mr. Nikhil Vora resigned as Director w.e.f 19.1.2009

Details of other Directorships / Committees

Name of Director	Committee Membership	Committee Chairmanship	No of Directorships in other Companies
Mr. Harish .B.Doshi -Chairman	4	–	1
Mr. Pankaj .B.Doshi - Managing Director	–	–	–
Mr. Harshad C. Valia- Director	4	–	3
Mr. Mehul Patel – Director	–	4	–
Mr. R. S. Maker – Director	–	–	–
Mrs. Smita L. Sanghavi – Director	–	–	–
Mr. Nikhil Vora – Director	–	–	3

None of the Directors are either Member or Chairman in any Committee of any other Company.

There are no pecuniary relationships or transaction of non executive directors except payment of director's sitting fees.

AUDIT COMMITTEE

The Audit Committee comprises of three Non – Executive Directors, majority of them are Independent Directors. The head of Finance, Internal Auditor and the Statutory Auditor of the Company are the invitees to the Audit Committee.

The Audit Committee comprises of Mr. Mehul Patel as the Chairman the Committee, Mr. Harshad Valia and Mr. Harish Doshi as the Members of the Committee.