

# TWENTYTHIRD ANNUAL REPORT



**BIOPAC INDIA CORPORATION LIMITED**

**2 0 1 0 - 2 0 1 1**

**BOARD OF DIRECTORS**

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

**BANKERS**

State Bank of Hyderabad  
Canara Bank  
Vijaya Bank

**WORKS**

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

**REGISTERED 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](http://www.biopacindia.com)

**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 23rd Annual General Meeting of the Members of BIOPAC INDIA CORPORATION LIMITED will be held as under:

<b>Venue</b>	<b>The Banquet Hall, Hotel Karl Residency 36 Lallubhai Park Road, Andheri [West], Mumbai – 400 058.</b>
<b>Day</b>	<b>Friday</b>
<b>Date</b>	<b>22nd July, 2011</b>
<b>Time</b>	<b>4.00 pm</b>

to transact the following business :

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 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. Mehul Patel, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint Auditors and fix their remuneration.

**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, 6<sup>th</sup> June, 2011

**Pankaj Doshi**  
Managing Director

**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. The Register of Members and the Transfer Books of the Company will remain closed for the purpose of Annual General Meeting from Monday, the 18th July, 2011 to Friday, the 22nd July, 2011 (both days Inclusive)
3. 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.
4. 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.
5. The Ministry of Corporate Affairs ("MCA") has issued Circulars stating that the service of notice / document by a company to its shareholders can now be made through electronic mode for prompt receipt of communication, apart from helping avoid losses / delays in postal transit.

In view of the above, we request all the Members to provide their valid e-mail id along with their folio no. and their residential address as under:-

(I) **Through post at :-**

[A] The Registrar and Transfer agent of the Company i.e. M/s. Link Intime India Private Limited at C- 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078.

**OR**

[B] The Registered Office of the Company at 301-302, Sagar Avenue, S.V.Road, Andheri (W), Mumbai 400 058.

**OR**

(II) **Through email at:-**

[member@biopacindia.com](mailto:member@biopacindia.com)

**DIRECTORS' REPORT****TO THE MEMBERS**

The Directors have pleasure in presenting their 23<sup>rd</sup> Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March 2011.

**Financial Results***[Rs. In Lacs]*

<b>Particulars</b>	<b>Year ended 31.03.2011</b>	<b>Year ended 31.03.2010</b>
Gross Revenues	4147.17	4448.46
Profit / (Loss) before Interest, Depreciation and Tax	845.72	641.11
Financial Expenses	72.15	224.23
Depreciation & Amortization	451.76	400.46
(Loss)/ Profit Before Tax	321.80	16.42
Taxation for the year	64.74	3.22
(Loss)/ Profit After Tax	257.06	13.20
Deferred Tax Adjustment	101.16	9.98
Net (Loss) Profit after Deferred Tax Adjustment	155.89	3.22
Profit/(Loss) brought forward from previous year	(121.84)	(125.05)
Balance carried forward	34.04	(121.83)

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 2010-11 was Rs. 4,147.17 Lacs compared to Rs. 4,448.46 Lacs of previous fiscal year, The Company has made a turnaround in its performance during the year and made Rs 321.80 lacs profit before tax. The Cash Profit during the year was Rs. 708.82 as compared to Cash profit of Rs.413.66 lacs during the previous year.

**Products & Business**

The Company's main business of "Food Service Disposables". Your company continues to be market leader in India.

**Exports**

During the year the Company achieved an Export Turnover of Rs. 519.12 Lacs as compared to Rs. 691.86 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 preparation of the Annual Accounts, applicable accounting standards 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/Loss 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**

As required under Section 217 (2A) of the Companies Act, 1956 and rules made there under, there are no particulars to be furnished as none of the employees was in receipt of remuneration aggregating Rs.60,00,000/- or more per annum ,if employed throughout the year or Rs.5,00,000/- or more per month, in case employed for part of the year.

**Directors**

Mr. Mehul Patel, the Director of the Company retires by rotation at the ensuring Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his reappointment.

**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 "B" which form part of the Directors' Report.

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 'C' 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**  
**Date : 6<sup>th</sup> June 2011**

**Pankaj B. Doshi**  
**Managing Director**

**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 31.03.2011	PREVIOUS YEAR 31.03.2010
1. Electricity		
a. Purchased		
Unit (KWH)	2664.48	2416.54
Total Amount (Rs.)	1,27,53,894	1,40,50,633
Rate/KWH (Average) Rs.	4786.64	5814.36

**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.46,400,518.00
Foreign Exchange Outgo	: Rs. 26,01,956.00

**For and on behalf of the Board**

**Place: Mumbai**  
**Date : 6<sup>th</sup> June 2011**

**Pankaj B. Doshi**  
**Managing Director**

## ANNEXURE 'B'

## 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 5 [Five] members. The composition of the Board is in conformity with the Listing Agreement, having one Managing Director, one Executive Chairman and the required number of Non Executive and Independent Directors.

## During the year Four Meetings of the Board of Directors were held:

Name of Director	Category	Date of Board Meetings				Date of AGM
		07.05.2010	19.07.2010	30.10.2010	24.01.2011	29.07.2010
Mr. Harish B. Doshi	Promoter & Executive	P	P	P	P	P
Mr. Pankaj B. Doshi	Promoter & Executive	P	P	P	P	P
Mr. Mehul D. Patel	Independent & Non – Executive	P	P	P	P	P
Mr. R.S. Maker	Independent & Non – Executive	P	P	P	P	P
Mrs. Smita L. Sanghavi	Independent & Non - Executive	P	P	P	P	P

**P = Present A = Leave of Absence**

## Details of other Directorships / Committees –

Name of Director	Committee Membership	Committee Chairmanship	No of Directorships in other Companies
Mr. Harish .B.Doshi – Chairman	2	1	–
Mr. Pankaj .B.Doshi - Managing Director	1	–	–
Mr. Mehul Patel – Director	2	1	–
Mr. R. S. Maker – Director	2	1	–
Mrs. Smita L. Sanghavi – Director	–	–	–



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 Non – Executive Directors, who 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 was comprised of Mr. Mehul Patel and Mr. R. S. Maker. The Chairman of the Committee is Mr. Mehul Patel.

There were 4 [Four] Audit Committee Meetings held during the financial year 2010-11 – 1)07.05.2010, 2) 19.07.2010, 3) 30.10.2010 & 4) 24.01.2011. All the Committee Members have attended all the 4 Audit Committee Meetings.

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under the revised clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956.

The Audit Committee is responsible for overseeing the Company's financial reporting process; reviewing with the management the quarterly, half year and annual financial statements, adequacy of internal audit function, discuss significant internal audit findings and recommending the appointment of Statutory Auditor. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Committee interacts with the external Auditors to discuss their audit methodology, audit planning and significant observations/ suggestions made by them.

### REMUNERATION COMMITTEE

The composition of the Committee comprises of two Non – Executive Directors namely Mr. R. S. Maker, Mr. Mehul Patel and one Executive Director, Mr. Harish B. Doshi. The Chairman of the Committee is Mr R. S. Maker.

### REMUNERATION

The Details of the Remuneration paid including sitting fees for the year ending 31<sup>st</sup> March 2011 is as follows:

Name of Director	Remuneration/ Salary Paid. Rs.	Sitting Fees Rs.
Mr. Harish Doshi	36.00 Lacs	Nil
Mr. Pankaj Doshi	36.00 Lacs	Nil
Mr. Mehul D. Patel	Nil	20,000
Mr. R.S. Maker	Nil	20,000
Mrs. Smita L. Sanghavi	Nil	20,000

### SHAREHOLDERS COMMITTEE

The Company has complied with the requirements of the sub clause VI (A), (B) of the Clause 49 of the Listing Agreement. The Committee comprises Mr. Harish Doshi, Executive Chairman and Mr. Pankaj Doshi, Managing Director. The Chairman of the Share Transfer Committee is Mr. Harish Doshi. The Committee has empowered Mr. Pankaj Doshi, Managing Director to approve the Share Transfers.

There is no complaint received during the year by the Company and its Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd.

Name, Designation and Address of Compliance Officer:

Mr. Pankaj Doshi  
Managing Director  
Biopac India Corporation Ltd.  
301-302 Sagar Avenue, S.V. Road,  
Opp.Shoppers Stop,  
Andheri (West), Mumbai – 400 058

### CODE OF CONDUCT

Pursuant to the amended Clause 49 of the Listing Agreement, the Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code, while laying down, in detail, the standards of business conduct, ethics and governance, centers on the following philosophy:

#### Philosophy:

Biopac India Corporation Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. Each Director, officer and employee is expected to comply with the letter and spirit of this Code.

The Directors, officers and employees of the Company must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business, They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

*A Declaration signed by the Managing Director is given below:*

I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with Code of Conduct and ethics for the Director and Senior Management in respect of the Financial Year 2010-2011.

Pankaj Doshi  
Managing Director

### GENERAL BODY MEETINGS

The Annual General Meetings & Extra-ordinary General Meeting of the Company have been held at the following places in the last three years.

For the year	Venue	Day and Date	Time
2007-2008[AGM]	The Banquet Hall,Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai – 400 058	Friday19 <sup>th</sup> September 2008	4.00 p.m.