



**Bisil Plast Limited**

**THIRTEENTH ANNUAL REPORT  
1998-99**

# **Bisil Plast Limited**

## **THIRTEENTH ANNUAL REPORT 1998-99**

### **BOARD OF DIRECTORS**

**Shri Sanjay S. Shah** *Chairman & Managing Director*

**Shri Surendra T. Shah** *Director*

**Smt. Shilaben S. Shah** *Director*

**Smt. Ritaben S. Shah** *Director*

### **BANKERS**

**The Ahmedabad Mercantile Co-Op. Bank Ltd.**

Navrangpura, Ahmedabad - 380 009.

### **AUDITORS**

**M/s. Shah & Dalal**

Chartered Accountants

Ahmedabad.

### **COMPANY LAW**

**Shri Kashyap R. Mehta**

### **CONSULTANT**

Company Secretary

### **LEGAL ADVISORS**

**Mihir H. Joshi**

Advocate

### **REGISTERED OFFICE**

406, Silver Oaks Commercial Complex,

Opp. Arun Society, Paldi,

Ahmedabad - 380 007.

### **FACTORY**

2410/11, GIDC Industrial Estate,

Chhatral (N. Guj.)

Tal. : Kalol, Dist. : Mehsana.

**THIRTEENTH ANNUAL REPORT 1998-99****NOTICE**

NOTICE is hereby given that the **THIRTEENTH ANNUAL GENERAL MEETING** of the Members of **BISIL PLAST LIMITED** will be held as scheduled below :

**Date** : 15th September, 1999  
**Day** : Wednesday  
**Time** : 4.00 P. M.  
**Place** : The Ahmedabad Textile Mills' Association Hall,  
 Ashram Road, Ahmedabad-380 009

to transact the following business :

**ORDINARY BUSINESS**

1. To receive and adopt Audited Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet as on that date alongwith Directors' Report thereon.
2. To appoint a Director in place of Ms. Ritaben S. Shah who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to 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 provisions of Section 198, 269, 309, 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company do hereby accord its approval to the re-appointment of Shri Sanjay S. Shah as Managing Director of the Company for a period of five years with effect from 16th January, 2000 to 15th January, 2005 on the terms and conditions set out in the draft agreement of appointment submitted to this meeting duly initialled by the Chairman for identification and that he be paid remuneration by way of Salary and Perquisites not exceeding the amount thereof as set out in the accompanying explanatory statement which is permissible under Part II of Schedule XIII of the Companies Act, 1956 as may be decided by the Board of Directors of the Company from time to time."

"RESOLVED FURTHER THAT the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 1956 for the



payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again."

Registered Office :  
406, Silver Oaks Commercial Complex,  
Opp. Arun Society, Paldi,  
Ahmedabad-380 007

By Order of the Board

**Sanjay S. Shah**  
Chairman & Managing Director

Date : 27th May, 1999

#### NOTES

1. The relevant Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business at Item No. 4 set out in the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
3. Pursuant to Section 154 of the Companies Act, 1956 Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 1st September, 1999 to Wednesday, the 15th September, 1999** (both days inclusive).
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Members are requested to :
  - a) Intimate, if shares are held in the same name or in the same order and names, but in more than one account to enable the Company to club the said accounts into one account.
  - b) Notify immediately the change in their registered address, if any, to the Company.

**THIRTEENTH ANNUAL REPORT 1998-99****ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No.4 in the accompanying notice dated 27th May, 1999 and should be taken as forming part of the notice.

**In respect of Item No. 4**

Shareholders may recall that in the Extraordinary General Meeting held on 16th January, 1995, Shri Sanjay S. Shah was appointed as Managing Director of the Company for a period of five years from 16th January, 1995 to 15th January, 2000. The Board of Directors in their meeting held on 27th May, 1999 has reappointed Shri Sanjay S. Shah as managing Director for further period of five years i.e. from 16th January to 15th January, 2005.

The major terms and conditions of his reappointment are as under :

**I. PERIOD :**

The terms of the Managing Director shall be for a period of five years from 16th January to 15th January, 2005.

**II. REMUNERATION :****A. SALARY :**

The Managing Director shall be entitled to salary of Rs. 25,000/- per month.

**B. PERQUISITES :****1. Medical reimbursement :**

Medical reimbursement expenses incurred for the Managing Director and family subject to a ceiling of one month's salary per year or three month's salary over a period of three years.

**2. Contribution to Provident Fund, Superannuation Fund and Annuity Fund**  
to the extent these either singly or put together are not taxable under the Income-Tax-Act, 1961.**3. Gratuity payable at a rate not exceeding half a month's salary for each**  
completed year of service.**4. Encashment of leave at the end of the tenure.****5. Free use of Company's car with driver for Company's business and free**  
telephone facility at residence.**6. Leave Travel Concession for himself and family not exceeding one month's**  
salary for every year.**III. The Managing Director shall be entitled to reimbursement of expenses incurred by**  
him in connection with the business of the Company.



IV. The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

**V. DUTIES :**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decide from time to time.

**VI. TERMINATION :**

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if a Special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 days' notice to the Company.

**VII. COMPENSATION :**

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 318 of the Companies Act, 1956.

As per the provisions of Section 198, 269, 309, 314 and all other applicable provisions, if any, of the Companies Act, 1956 consent of the Company accorded by the Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The terms and conditions mentioned in the above explanatory statement may be treated as abstract of the terms of proposed contract under Section 302 of the Companies Act, 1956.

Resolution of the Board of Directors reappointing Shri Sanjay S. Shah as Managing Director and Draft agreements of reappointment are open for inspection at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M.

Shri Sanjay S. Shah is concerned or interested in the business since it relates to his appointment as Managing Director of the Company. Shri Surendra T. Shah, Ms. Shilaben S. Shah and Ms. Ritaben S. Shah, Directors of the Company may also be deemed to be interested or concerned with the business of reappointment of Shri Sanjay S. Shah, since he is their relative.

Registered Office :  
406, Silver Oaks Commercial Complex,  
Opp. Arun Society, Paldi,  
Ahmedabad-380 007

By Order of the Board

**Sanjay S. Shah**  
Chairman & Managing Director

Date : 27th May, 1999

**THIRTEENTH ANNUAL REPORT 1998-99****DIRECTORS' REPORT TO THE MEMBERS**

Dear Shareholders,

The Directors present the THIRTEENTH ANNUAL REPORT together with the Audited Statement of Account for the Financial Year 1998-99 ended 31st March, 1999.

**1. FINANCIAL RESULTS**

	For the year 1998-99	(Rs. in Lacs) Previous year 1997-98
Operating Profit (before Interest & Depreciation)	16.65	31.74
Less : Interest	17.37	19.23
Profit / (Loss) before Depreciation	(0.72)	12.51
Less : Depreciation	44.58	49.27
Net (Loss)	(45.30)	(36.78)
Balance brought forward from Previous year	(57.65)	(20.87)
Net (Loss) carried to Balance Sheet	(102.95)	(57.65)

**2. DIVIDEND**

Due to losses suffered by the Company during the year under review, your Directors are unable to recommend Dividend for the year ended 31st March, 1999.

**3. PRODUCTION, SALES AND WORKING RESULTS**

The general recessionary trend and economy slowdown in general and other factors beyond the control of the Company have affected the overall performance of the Company during the year under review. The performance of the Company was not upto the satisfaction of the management. The turnover of the Company has almost remained static compared to that of the last year. The per unit sales realisation has gone down which have affected the profitability of the Company.

The production of PVC Stretch Blow Moulded Bottles for own sale and on job-work basis during the year under review was 28,56,840 and packed Mineral Water Bottles was 6,32,464 compared to 55,25,600 and 4,70,232 bottles respectively. The Sales of the Company during the year under review was Rs. 105 lacs compared to Rs. 107 lacs during 1997-98. The other income mainly of Mould Developing Charges was Rs. 18 lacs compared to Rs. 26 lacs for the earlier year.

Your Company achieved during the year under review an Operating Profit of Rs. 16.65 lacs compared to Rs. 31.74 lacs during 1997-98. After providing for interest and