



Bisil Plast Limited

**NINETEENTH ANNUAL REPORT
2004-05**



Bisil Plast Limited

NINETEENTH ANNUAL REPORT 2004-05

BOARD OF DIRECTORS :

Shri Surendra T. Shah	<i>Chairman</i>
Shri Sanjay S. Shah	<i>Managing Director</i>
Smt. Shilaben S. Shah	<i>Director</i>
Smt. Ritaben S. Shah	<i>Director</i>
Shri Kashyap R. Mehta	<i>Director</i>
Shri Sanjay V. Karkare	<i>Director</i>

BANKERS :

The Ahmedabad Mercantile Co-Op. Bank Ltd.
Navrangpura,
Ahmedabad-380 009.

AUDITORS :

M/s. Shah & Dalal
Chartered Accountants,
Ahmedabad.

LEGAL ADVISORS :

Shri Mihir H. Joshi
Advocate
Ahmedabad.

COMPANY LAW CONSULTANT :

Shri Kashyap R. Mehta
Company Secretary
Ahmedabad.

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.

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NOTICE

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

Date : 22nd September, 2005
 Day : Thursday
 Time : 10.00 A. M.
 Place : At the Registered Office of the Company at:
 406, Silver Oaks Commercial Complex,
 Opp. Arun Society, Paldi,
 Ahmedabad - 380 007.

to transact the following business :

ORDINARY BUSINESS:

1. To receive and adopt Audited Profit and Loss Account for the year ended 31st March, 2005 and the Balance Sheet as on that date alongwith Directors' Report thereon.
2. To appoint a Director in place of Shri Surendra T. Shah, who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Shri Kashyap R. Mehta, who retires by rotation and, being eligible, offers herself for re-appointment.
4. 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:

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 provisions of Section 61 and other applicable provisions of the Companies Act, 1956 and Clause 6.1 and other applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 (hereinafter referred to as 'Delisting Guidelines') and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company ('the Board' which term shall be deemed to include any Committee thereof), consent of the Company be and is hereby accorded to the Board to delist the Equity Shares of the Company from the Stock Exchanges at Ahmedabad and Delhi."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of Shares as it may in absolute discretion deem fit without being required to seek any further approvals of the Members or otherwise to the end and intend that the Members shall be deemed to have given their approvals expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its committees or any of its directors or any of the officers of the Company to do all such acts, deeds or things to give effect to the aforesaid resolution."

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any of the Companies Act, 1956 and Article 10 of the Articles of Association of the Company, the issued, subscribed and paid up capital of the Company be and is hereby sub divided by splitting 54,03,100 (Fifty four lacs three thousand one hundred) Equity shares of Rs. 10/- (Rupees ten only) each into 5,40,31,000 (Five crores forty lacs thirty one thousand) Equity shares of Re.1/- (Rupee one only) each with further provision that in respect of partly paid up Equity Shares, the ratio between the paid up value and unpaid value per share shall remain the same after such split/sub-division."

"RESOLVED FURTHER THAT Clause V of the Memorandum of Association be substituted with the following Clause:

- V. The Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees six crores only) divided into 6,00,00,000 (Six crores) Equity shares of Re. 1/- (Rupees one only) each."



"RESOLVED FURTHER THAT Article 5 (a) of the Articles of Association of the Company be substituted with the following Article:

5. (a) The Authorised Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with powers to increase or reduce the Share Capital and to divide the Share Capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

"RESOLVED ALSO THAT the Board of Directors of the Company be and is hereby authorised to do all other acts, deeds, matters and things and to settle any question, doubt or difficulty in the best interest of the Company, for effective implementation of this resolution."

Registered Office :

406, Silver Oaks Commercial Complex,
Opp. Arun Society, Paldi,
Ahmedabad-380 007.
Date :4th August, 2005

By Order of the Board

Sanjay S. Shah
Managing Director

NOTES:

1. The relevant Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business at Item Nos. 5 and 6 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 Shares Transfer Books of the Company will remain closed from Tuesday, the 6th September, 2005 to Thursday, the 22nd September, 2005 (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.
6. The Equity Shares of the Company are now available for dematerialisation, as the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE214D01013.

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, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item Nos. 5 and 6 of the accompanying Notice dated 4th August, 2005 and should be taken as forming part of the notice.

In respect of Item No. 5:

In order to provide liquidity to the Shareholders and Investors, the Company's Equity Shares were listed on the Stock Exchanges at Mumbai (BSE), Ahmedabad (ASE), and Delhi. The most of the trading in the Company's Equity Shares takes place on BSE.

It has been observed since last few years, trading in Equity Shares of the Company on Ahmedabad and Delhi Stock Exchanges is rare and negligible and is disproportionate to the listing fees payable by the Company to the said Stock

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Exchanges owing to expansion of BSE. Further, the Company has been spending money on listing fees, advertisement in newspapers etc. and no particular benefit is available to the Shareholders of the Company by continuing the listing of the Equity Shares on the said Stock Exchanges.

In view of the aforesaid, it is considered desirable to delist the Equity Shares of the Company from Ahmedabad and Delhi Stock Exchanges, subject to the Company complying the various provisions of SEBI (Delisting of Securities) Guidelines, 2003 and obtaining requisite approvals, permissions and sanctions in this regard. The Company's Equity Shares, however, will continue to be listed on the Mumbai Stock Exchange.

In terms of the delisting guidelines, a public announcement regarding proposed delisting will be published. The delisting will take effect only after all approvals, permissions and sanctions have been received. The exact date on which delisting will take place will be notified.

No Director is concerned or interested in the said resolution.

In respect of Item No. 6:

As members are aware that the present Authorised Share Capital of the Company is Rs. 6,00,00,000/- divided into 60,00,000 Equity shares of Rs. 10/- each and that the present Issued, Subscribed and Paid up capital of the Company is Rs. 5,22,42,500 divided into 54,03,100 Equity shares of Rs. 10/-. There has been calls in arrears amounting to Rs. 17,88,500/- on some of the Equity shares of the Company.

With the view of broad base the number of Equity shares of the Company and as a measure to improve the liquidity of the Equity shares of the Company on the Stock Exchanges, it is thought prudent to sub divide (split) the Equity shares of the Company from face value of Rs. 10/- each to the face value of Rs. 1/- each. After the proposed split, each Equity shareholders holding one Equity share of Rs.10/- each in the Share Capital of the Company will get ten Equity shares of Re.1/- each. Thus this proposal will benefit the Equity share holders of the Company and in turn will also be in the interest of the Company.

Section 94 of the Companies Act, 1956 permits the Company to sub divide its Share Capital into shares of smaller denomination with the approval of the members of the Company by way of Ordinary Resolution. As clause (a) of Article 5 of the Articles of Association of the Company has specific capital clause, as a corollary, necessary amendment is also required to be carried out in the Articles of Association of the Company. Section 31 of the Companies Act, 1956 enables the Company to alter its Articles of Association with approval of the members of the Company by way of special resolution. The Directors therefore recommend this resolution for the approval of the members of the Company by way of Special Resolution.

As required by Section 94 of the Companies Act, 1956, it is proposed that in respect of partly paid up shares, the ratio of paid up amount and unpaid amount would remain the same after such sub division of the Equity Share Capital of the Company in respect of partly paid up Equity shares.

As various steps are required to be taken for sub-division/split viz. corporation action for shares held in demat mode, listing of shares after sub-division, filing of forms, issue of fresh share certificate etc., it is thought prudent to authorise the Board of Directors of the Company.

For sub-division of Equity Share Capital of the Company, necessary authority is already contained in Article 10 of the Articles of Association of the Company.

Copy of the Memorandum and Articles of Association of the Company are open for inspection at the Registered office of the Company on all working days during normal business hours.

None of the Directors of the Company is in any way concerned or interested in this resolution except to the extent of their respective shareholding in the Company.

Registered Office :

406, Silver Oaks Commercial Complex,
Opp. Arun Society, Paldi,
Ahmedabad-380 007.
Date :4th August, 2005

By Order of the Board

Sanjay S. Shah
Managing Director



DIRECTORS' REPORT

Dear Shareholders,

The Directors present the NINETEENTH ANNUAL REPORT together with the Audited Statement of Account for the Financial Year 2004-05 ended 31st March, 2005.

1. FINANCIAL RESULTS :

	For the year 2004-2005	(Rs.in Lacs) Previous Year 2003-04
Operating Profit	53.41	71.48
(Before Interest & Depreciation)		
Less : Interest	19.75	22.15
Profit before Depreciation	33.66	49.33
Less : Depreciation	39.02	45.87
Net Profit/(Loss) before Tax	(5.36)	3.46
Less : Provision for Taxation	---	0.30
Profit/(Loss) after Tax	(5.36)	3.16
Balance brought forward from Previous year	(228.12)	(231.28)
Net (Loss) carried to Balance Sheet	(233.48)	(228.12)

In view of unabsorbed depreciation and carried forward losses and also in view of absence of virtual certainty of future income, deferred tax assets/liabilities have not been recognised.

2. DIVIDEND:

Your Directors are unable to recommend Dividend for the year ended 31st March, 2005 in view of the losses suffered by the Company during the year under review and accumulated losses.

3. PRODUCTION, SALES AND WORKING RESULTS:

The performance of the Company was adversely affected during the year under review compared to the year 2003-04 as there were several adverse factors beyond the control of the Company.

The production of Mineral Water Bottles during the year under review was 25 lacs pcs. compared to 32 lacs pcs. during 2003-04. The Company also undertook jobwork of Pet bottles of 38 lacs pcs. during the year under review.

The Sales and other income decreased to Rs. 162 lacs during the year under review compared to Rs. 192 lacs during 2003-04. The Operating Profit (before Interest and Depreciation) came down to Rs. 53.41 lacs compared to Rs. 71.48 lacs during 2003-04. After providing for Interest, the Profit before Depreciation stood at Rs. 33.66 lacs during the year under review compared to Rs. 49.33 lacs during 2003-04. The Net Loss of the Company stood at Rs. 5.36 lacs compared to Profit of Rs. 3.16 lacs during 2003-04.

4. FUTURE PLANS:

The Management has planned to commence activities to manufacture and sale refined medical and pharmaceutical products as mentioned in Clause 4 of 'Other Objects' of the Memorandum of Association of the Company.

5. FINANCE:

5.1 During the year, the Company continued to repay interest and principal amount to Banks as per rescheduled payment period.

5.2 The Company's Income-tax Assessment has been completed upto the Assessment Year 2002-03 and Sales-tax Assessment has been completed upto the Year 2002-03.

ANNUAL REPORT 2004-05**6. DIRECTORS:**

Two of your Directors viz. Shri Surendra T. Shah and Shri Kashyap R. Mehta retire by rotation in terms of Articles 153 and 154 of the Articles of Association of the Company. They, being eligible, have offered themselves for reappointment.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2005 being end of the financial year 2004-05 and of the Losses of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

8. DEMATERIALISATION OF EQUITY SHARES:

To facilitate holding of securities in dematerialised/electronic form, the Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Thus, shareholders have an option to dematerialise their shares with either of the depositories. The ISIN No. allotted is INE214D01013.

9. SPLITTING/ SUB- DIVISION OF SHARES:

The Board of Directors, with the view to broad base the number of Equity shares of the Company and as a measure to improve the liquidity of the Equity shares of the Company on the Stock Exchanges, felt it prudent to sub divide (split) the Equity shares of the Company from face value of Rs. 10/- each to the face value of Rs. 1/- each. After the proposed split, each Equity shareholders holding one Equity share of Rs.10/- each in the Share Capital of the Company will get ten Equity shares of Re.1/- each. Thus this proposal will benefit the Equity share holders of the Company and in turn will also be in the interest of the Company.

The approval of the members is recommended as per Special Resolution embodied notice convening Annual General Meeting.

10. PERSONNEL AND H.R.D.:

Your Directors are glad to report that the industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H.R.D.

11. CORPORATE GOVERNANCE:

The report on Corporate Governance as per Clause 49 of the Listing Agreement is annexed.

12. LISTING:

12.1 The Equity Shares of the Company are listed on Ahmedabad, Mumbai and Delhi Stock Exchanges and the Company has paid Annual Listing Fees upto the year 2004-05.

12.2 In view of no trading of the Equity Shares of the Company at Ahmedabad and Delhi Stock Exchanges, it has been proposed to delist the Equity Shares from Delhi and Ahmedabad Stock Exchanges for which approval of the members has been sought as enumerated in the notice convening 19th Annual General Meeting.



13. GENERAL:

13.1 INSURANCE:

The Company's properties including building, plant and machinery, stocks, stores etc. continue to be adequately insured against risks such as fire, riot, strike, civil commotion, malicious damages, machinery breakdown etc.

13.2 AUDITORS:

The present Auditors of the Company M/s. Shah & Dalal, Chartered Accountants, Ahmedabad will retire at the ensuing Annual General Meeting. They have submitted certificate for their eligibility for re-appointment under Section 224(1-B) of the Companies Act, 1956. The notes of the Auditors for non-provision of doubtful debts amounting to Rs. 5,62,952/- and non-recognition of deferred tax assets/liabilities are self-explanatory.

13.3 PARTICULARS OF EMPLOYEES:

None of the employees of the Company is drawing remuneration requiring disclosure under Section 217(2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

13.4 DEPOSITS:

The Company has not accepted any deposit as defined under the Companies (Acceptance of Deposits) Rules, 1975.

14. PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

A. Conservation of Energy:

Measures taken for Conservation of Energy, additional proposals and its impacts:

The Company has installed individual capacitors to various machineries in the process. This has resulted in the saving of power to large extent.

Total energy consumption and energy consumption per unit of production as per Form-A prescribed in the Rules is at Annexure - I to this report.

B. Technology absorption:

Efforts made in technology absorption as per Form B prescribed in the Rules is at Annexure - II to this report.

C. Foreign Exchange Earnings and Outgo:

The Company has not earned or spent any Foreign Exchange during the year under review.

15. ACKNOWLEDGMENT:

Your Directors express their sincere gratitude for the assistance and co-operation extended by Banks, Government authorities, Shareholders, Suppliers and Customers.

Your Directors also wish to place on record their appreciation of the contribution made by the employees at their levels towards achievements of the Company's goals.

For and on behalf of the Board,

Place : Ahmedabad
Date : 4th August, 2005.

Surendra T. Shah
Chairman

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ANNEXURE - I

FORM - A

Disclosure of particulars with respect to Conservation of Energy

	2004-05	2003-04
A. Power and fuel Consumption		
1. Electricity		
a) Purchased Unit	2,09,056	2,36,456
Total amount (Rs. in Lacs)	10.40	11.61
Rate per Unit (Rs.)	4.97	4.91
b) Own generation		
Through Diesel Generator		
Unit	4,877	6,460
Unit per Ltr. of Diesel oil	2.69	2.80
Cost per Unit (Rs.)	11.33	9.29
2. Coal	NIL	NIL
3. Furnace oil	NIL	NIL
4. LSHS	NIL	NIL
B. Consumption per lac of Bottles of Production		
Products PET Bottles SBM Bottles		
Electricity Unit	3,478	3,130

ANNEXURE - II

FORM - B

Disclosure of Particulars with respect to Technology Absorption :

1) Research and Development (R & D), its benefits and future plan of actions:

The R & D Wing have designed process to manufacture PET Bottles in various volumes and shapes. As a result of continuous efforts, the Company has been able to pack mineral water in various volumes and shapes of Pet Bottles. The company has developed new moulds of different shapes and volumes of Pet bottles to suit requirement of the market with a view to tap the increasing market potential for mineral water.

The Company is in the process to put up ultramodern laboratories for complete testing of water for chemical and microbiological aspects so as to ensure utmost quality of mineral water and in par with Bureau of Indian Standards IS: 14543.

2) Technology absorption, adaptation and innovation

The Company has not imported technology so far. The suggestions of plant & machinery suppliers and R & D Department are being incorporated continuously to improve the quality and process of manufacturing PET Bottles.

For and on behalf of the Board,

Place : Ahmedabad

Date : 4th August, 2005.

Surendra T. Shah

Chairman