



MD	✓		BKC	✓
CS	ND		DPY	NA
RO	✓		DIV	NA
TRA	ND		AC	✓
ACM	✓	✓	SHI	✓
YE	✓	✓		✓

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BLOOM DEKOR LIMITED

ANNUAL REPORT

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DIRECTORS

Shri Ashok Gandhi
 Dr. Sunil Gupta
 Shri Mayur Parikh
 Dr. Ramesh Shah
 Smt. Rupal Gupta

Chairman
Managing Director

LEGAL ADVISORS

C. C. Gandhi & Co.
 2, Prabhat Society,
 Ahmedabad - 380 007

BANKERS

State Bank of India
 Commercial Branch
 Ahmedabad - 380 006

AUDITORS

Gaurang M. Shethwala
 Chartered Accountant
 Ahmedabad - 380 052

HEAD OFFICE

1/F, Dhanlaxmi Chambers
 Ashram Road
 Ahmedabad - 380 014

REGISTERED OFFICE & WORKS

Oran 267, Tal. Prantij, Dist. : Sabarkantha
 National Highway No. 8
 North Gujarat - 383 205

**BLOOM DEKOR LIMITED****NOTICE**

NOTICE is hereby given that Sixth Annual General Meeting of the members of Bloom Dekor Limited will be held on 12th August, 1997 at 10.00 a.m. at the Registered Office of the Company at Village Oran, Tal : Prantij, Dist : Sabarkantha to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.97 and Profit and Loss Account for the year ended on that date & the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Mayur Parikh, who retires by rotation and is eligible 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 Resolutions as an Ordinary Resolutions:-

I. "RESOLVED THAT Dr. Ramesh Shah who was appointed as an Additional Director of the Company pursuant to Article 131 of the Articles of Association of the Company and who according to Section 260 of the Companies Act, 1956 holds office upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 257 of the said Act be and is hereby appointed as a Director of the Company, retiring by rotation."

II. "RESOLVED THAT in accordance with provisions of Section 198, 269, 309 read with Schedule XIII and all other applicable provisions of Companies Act, 1956 (including any statutory modification and reenactment thereof for the time being in force) consent of the company be and is hereby accorded to the reappointment of Dr. Sunil Gupta, Managing Director of the Company for a period of five years w.e.f. 01.09.97 on the terms and conditions including remuneration as are set out in the draft agreement to be entered into between the company and Dr. Sunil Gupta a draft whereof is placed before this meeting with a liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment/agreement so as not to exceed the limits specified in schedule XIII of Companies Act, 1956 including any statutory modification or reenactment thereof for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government or as may be agreed to between the Board of Directors and Dr. Sunil Gupta.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII of the Companies Act, 1956 the Board of Directors be and is hereby authorised to vary, enlarge, increase and modify the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the aforesaid draft agreement between the company and Dr. Sunil Gupta be suitably amended to give effect to such modification, relaxation or variation without any further reference to the company in a General meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company is authorised to take such steps as may be necessary to give effect to this resolution.

By order of the Board of Directors

Place : Ahmedabad
Date : 20.06.97

SHRI ASHOK GANDHI
Chairman

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member.
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Item No. 4 I&II if Notice is annexed hereto.
3. The Register of Members & Share Transfer Books will remain close from Saturday 2nd August, 1997 to Tuesday 12th August, 1997 (both days inclusive).
4. Shareholders desiring any information on records of accounts are requested to write to the Company before 10 days of Annual General Meeting so as to enable the Management to keep the information ready.
5. All the documents referred to in accompanying Notice and explanatory statement are open for inspection at the Registered office of the company during the office hours on all working day between 10.00 a.m to 1.00 p.m. prior to the date of Annual General Meeting.

ANNEXURE

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 4

- I. Dr. Ramesh Shah was appointed as Additional Director of the Company at Board Meeting held on 27.03.97. In accordance with Section 260 of the Companies Act, 1956, he holds office upto the date of ensuing Annual General Meeting. The



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Company had received notice under Section 257 of the Companies Act, 1956 from a member signifying the intention to propose Dr. Ramesh Shah as a Director of the Company. Due to Dr. Ramesh Shah's proficiency in business, it is in the best interest of the Company to appoint Dr. Ramesh Shah as Director of the Company retiring by rotation. None of the Directors is interested in the Resolution except Smt. Rupal Gupta being relative and Dr. Ramesh Shah for his respective appointment.

- II. Dr. Sunil Gupta was appointed as Managing Director of the Company for a period of five years w.e.f 01.09.97. His appointment expires on 31.08.97. Dr. Sunil Gupta is a promoter Director of the Company. He manages day to day affairs of the Company and is looking after Marketing, Export-Import front and other related activities of the Company. It would be in the interest of the Company to reappoint Dr. Sunil Gupta for a further period of 5 years w.e.f 01.09.97. In view of the increasing responsibilities shouldered by him, it is proposed to vary the terms and conditions of his remuneration. Brief particulars which are mentioned hereinbelow. Board of Directors of the Board Meeting held on 20.06.97 had reappointed Dr. Sunil Gupta for a further period of five years w.e.f 01.09.97. Board recommended the Resolution as mentioned in item No. 4 of Notice for approval of members.

1. Salary : Rs. 26,000/- per month (from 01.09.97 to 31.08.2002)
2. Commission : At a rate of 1% of Net Profit in addition to salary and perquisites based on the Net Profit of the Company in that financial year subject to the overall ceiling laid down in section 198 and 309 of the Companies Act, 1956.

Part A :

- i. Housing I : The expenditure by the company on hiring furnished accommodation for the appointee will be subject to the following ceiling:
Sixty percent of the salary, over and above ten percent payable by the appointee.
- Housing II : In case the accommodation is owned by the company, ten per cent of the salary of the appointee shall be deducted by the company.
- Housing III : In case no accommodation is provided by the company, the appointee shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

Explanations : The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the subject to a ceiling of ten per cent of the salary of the appointee

- ii. Medical Reimbursement : expenses incurred for the appointee and the family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii. Leave Travel Concession for the appointee and his family once in a year incurred in accordance with any rules specified by the Company.
- iv. Club fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.
- v. Personal accident Insurance . Premium not to exceed Rs. 4,000/- per annum.

Part B :

1. Contribution to provident fund, super annuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable should not exceed half a month's salary for each completed year of service.
2. Encashment of leave at the end of the tenure will not included in the computation of the ceiling on perquisites.

Part C :

Provisions of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individual appointee concerned.

Notwithstanding anything contained to the contrary herein contained where in any Financial Year during the currency of the tenure of the Managing Director the Company has no profits or its profits are inadequate the company will pay salary and perquisites as specified above and in addition thereto perquisites not exceeding the limits specified under Section II of Part II of schedule XIII to the Companies Act, 1956.

The Managing Director so long as he functions as such shall not be paid any sitting fees for attending the meeting of Board or committees thereof.

This may be treated as an Abstract of terms of contract for the appointment of the Managing Director under the provisions of Section 302 (2) of the Companies Act, 1956. None of the Directors except Smt. Rupal Gupta and Dr. Sunil Gupta are interested in the Resolution.

By order of the Board of Directors

Place : Ahmedabad
Date : 20.06.97

SHRI ASHOK GANDHI
Chairman

BLOOM DEKOR LIMITED**DIRECTORS' REPORT****TO THE MEMBERS OF BLOOM DEKOR LIMITED**

The Directors hereby present the Sixth Annual Report and Audited Statement of Accounts for the year ended 31st March, 1997.

FINANCIAL HIGHLIGHTS

The Financial Year 1996-97 was year of turn around for your Company. The Turnover has achieved a growth of 48% by registering total turnover of Rs. 1498.00 lacs, compared to that of Rs 1012.00 lacs in the year 1995-96. Exports have increased to Rs. 888.68 lacs in year 1996-97 from Rs. 530.00 lacs of 1995-96 with a positive growth rate of 68%. Your Company has achieved Gross Profit before Depreciation and taxation of Rs.118.19 lacs in the second full year of operations itself.

This turn around in the performance of your company is mainly due to the induction of additional new press plates in place of defective press plates supplied by M/s. Hindrich Auffermann GmbH, Germany, the support extended by the Suppliers and dedicated work of the staff.

Your Company has started encashing upon the reputation and brand image that has been generated during last two years of operations. You can look forward for better performance from now onwards.

PROSPECTS**INTERNATIONAL MARKET**

Pursuant to the strategy of your company of entering and consolidation in the markets on selective basis, your company has consolidated its position in South East Asian countries, besides entering the market of Korea and USA in the Financial Year 1996-97. In the coming years, your company shall be exploring the markets of Middle East and USA.

DOMESTIC MARKET

The Board of Directors have the pleasure to inform you that your company has established a very strong presence in coach building activities of Tamil Nadu State Transportation Undertakings. Further the testing and evaluation of Fire Retardant grade laminates has been undertaken in this Financial Year. This will further help in consolidation of the presence of BLOOM in the special application areas for Railways and Navy etc.

FIXED DEPOSIT

During the year under review, the Company has not accepted any Deposits from public.

DIRECTORS

As per the Articles of Association Shri Mayur Parikh retires by rotation but being eligible, offers himself for reappointment. Shri Vipul Mankad and Shri Keyur Chattapathi had resigned w.e.f. 02.05.97 as Nominee Directors from Gujarat Venture Finance Ltd. During the year under review Shri K.K. Shah has resigned as Additional Director due to his preoccupation. Your Directors express gratitude for the valuable guidance given by Shri Vipul Mankad, Shri Keyur Chattapathi and Shri K.K. Shah during their association with the Company. Dr. Ramesh Shah has been appointed as an Additional Director on the Board w.e.f. 27.03.97. Your Directors look forward to the valuable advise from Dr. Ramesh Shah.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The details of conservation of energy, Technology Absorption and foreign exchange earnings and outgo as per section 217 (1)(e) read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 are given in the Annexure forming part of this report.

AUDITORS

The Company's Auditors Mr. Gaurang Shethwala, Chartered Accountants, Ahmedabad will retire at the conclusion of ensuing Annual General Meeting and offer themselves for reappointment.

AUDITORS' REPORT

Notes forming part of the Accounts which are specifically referred to by Auditors in their Report are self



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explanatory and therefore do not call for any further comments.

PERSONNEL

Information to be provided under Section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 as amended are set out in Annexure II forming part of the report.

ACKNOWLEDGMENT

Your Directors place on record their appreciation of the continued co-operation of workers, members of staff and executives of the Company. Your Directors also place on record their appreciation to the State Bank of India and Gujarat State Financial Corporation for the assistance and co-operation given by them. We are also thankful to the Shareholders for their support and confidence in the Company.

On behalf of the Board

Place : Ahmedabad
Date : 20.06.97

SHRI ASHOK GANDHI
(Chairman)

ANNEXURE TO THE DIRECTORS REPORT

Annexure - I

Information pursuant to the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

(1) CONSERVATION OF ENERGY

(a) Energy conservation measures taken

Periodic checking of steam traps for flash steam wastage control and steam pipeline lagging/cladding implemented.

(b) Additional Investments and Proposal, If any, being implemented for Reduction of consumption of energy.

Effluent Treatment Plant is working satisfactorily and the treated water is being used for gardening and to reduce fresh water borewell energy consumption.

(c) Impact of the measures (a) and (b) above for reduction of the Energy consumption and consequent impact on the cost of production of goods.

About 11% additional savings in energy consumption has been achieved with implementation of the above measures and energy cost/ unit of production has reduced by that proportion.

(d) Total Energy consumption and energy consumption per unit of production in respect of the Company's products.

4,29,876 units consumed, which translates into 0.7 Units consumption per unit of production, to that of 0.8 units in 1995-96.

(2) TECHNOLOGY ABSORPTION

(e) Efforts made in technology absorption

There is no technological tie-in with anyone, since the plant is totally designed and the production process is based upon the promoters own experience and expertise. So there is no technology absorption.

(3) FOREIGN EXCHANGE EARNINGS AND OUTGO.

f) Total Exchange used and earned.	1996-97 Rs.	1995-96 Rs.
i. Foreign Exchange earned including direct and indirect exports	8,41,37,261	4,79,11,787
ii Foreign Exchange used	1,80,77,678	1,76,86,206

BLOOM DEKOR LIMITED**Form - A****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY**

	<u>Current year</u>	<u>Previous year</u>
(A) Power and Fuel Consumption		
1. Electricity :		
(a) Purchase : Units	4,29,876	3,72,114
Total Amount (Rs. in Lacs)	12.08	9.59
Rate / Unit	2.81	2.57
(b) Own Generation		
i Through Diesel Generator :	NIL	NIL
Units :		
Units per litre of Diesel Oil		
Cost/Unit		
ii Through Steam Turbine Generator :	NIL	NIL
Units :		
Unit per litre of Fuel		
Cost / Unit		
2. Coal :		
Quantity	NIL	NIL
Total Cost		
Average rate		
Lignite:		
Quantity	NIL	NIL
Total Cost		
Average rate		
3. Furnace Oil : Quantity	7,41,640	5,36,116
Total Amount Rs. in Lacs	51.79	30.20
Average rate Rs.	6.98	5.63
4. Others :		
(a) Gas	NIL	NIL
Quantity Consumed in M ³		
Total Cost		
Rate		
(b) L.P.G.	NIL	NIL
Quantity Consumed		
Total Cost		
Rate		
(B) Consumption per Unit of Production		
ELECTRICITY (UNITS/UNIT OF PRODUCTION)	0.70	0.79
FURNACE OIL (LTS/UNIT OF PRODUCTION)	1.21	1.15