

36th

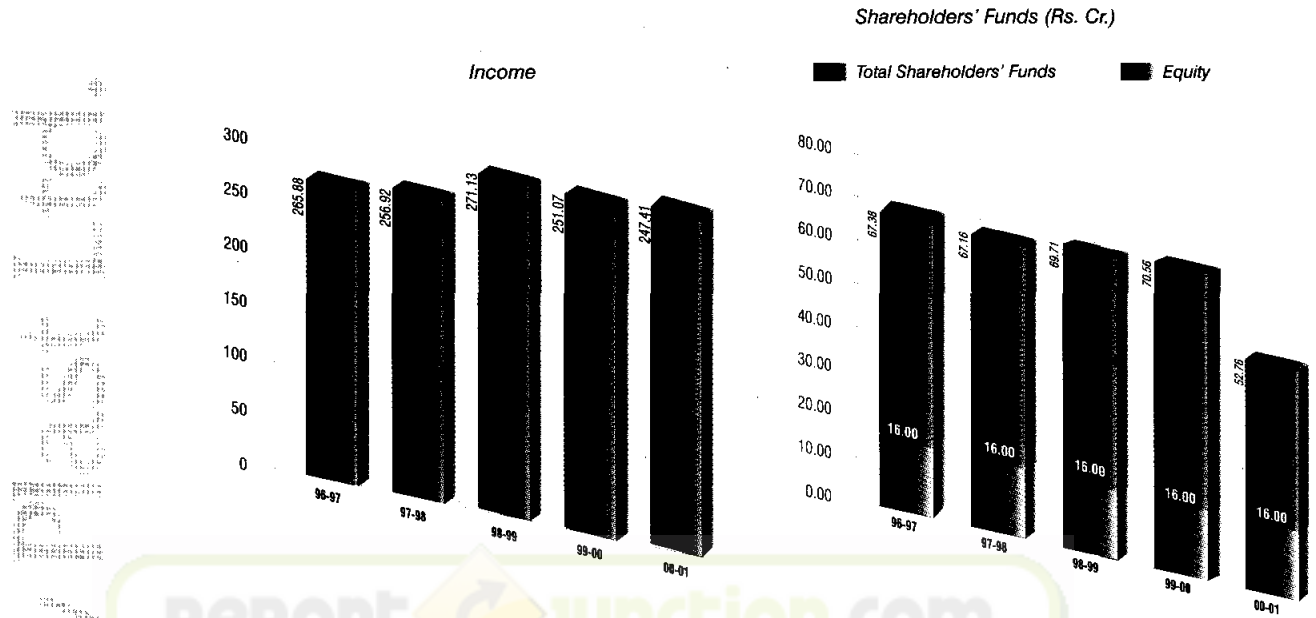
A n n u a l R e p o r t

REPORT  JUNCTION.COM

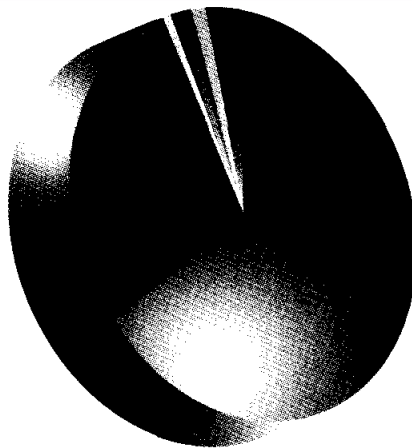
2000 - 2001



Blow Plast Ltd.



Report  junction.com



Distribution of Income

- Cost of Materials - 64.00%
- Other expenses - 28.47%
- Employees remuneration - 3.45%
- Interest - 1.37%
- Depreciation - 0.73%
- Extra-ordinary/Prior Period (net) - 1.27%
- Income Tax - 0.72%

A n n u a l R e p o r t

DIRECTORS

MR. DILIP G. PIRAMAL *Chairman*
 MR. B. C. DALAL
 MR. N. R. DAVAR
 Mr. G. L. MIRCHANDANI
 DR. GITA D. PIRAMAL
 MR. M. J. TIBREWALA
 MR. A. G. WAREY *Managing Director*
 MR. K. C. GUPTA *Director (Finance)*

**VICE PRESIDENT (LEGAL)
& COMPANY SECRETARY**

MR. M. K. ARORA

AUDITORS

M/S. M. L. BHUWANIA & CO.
Chartered Accountants

M/S. SURESH SURANA & ASSOCIATES
Chartered Accountants

BANKERS

Canara Bank
 Syndicate Bank
 State Bank of India
 Bank of India
 Allahabad Bank

REGISTERED OFFICE

DGP House, 88-C, Old Prabhadevi Road,
 Mumbai - 400 025.

REGISTRARS & SHARE TRANSFER AGENTS

Intime Spectrum Registry Pvt. Ltd.
 260 Shanti Industrial Estate,
 Sarojini Naidu Road,
 Mulund (West),
 Mumbai - 400 080.

36th Annual General Meeting

Date - 28th September, 2001
 Day - Friday
 Time - 11.30 a.m.
 Place - Auditorium of The Synthetic
 & Art Silk Mills' Research
 Association (SASMIRA),
 Dr. Annie Besant Road,
 Worli, Mumbai - 400 025

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF ANNUAL REPORT TO THE ANNUAL GENERAL MEETING.



Blow Plast Ltd. 1

| YEARS ENDED | 31st March 1992 | 31st March 1993 | 31st March 1994 | 31st March 1995 |
|--|--------------------|--------------------|--------------------|--------------------|
| A. SUMMARISED BALANCE SHEET | | | | |
| Assets Employed : | | | | |
| Fixed Assets (Net) | 29,090 | 30,335 | 31,487 | 131,317 |
| Investments | 8,390 | 47,259 | 134,380 | 129,429 |
| Net Current Assets | 190,684 | 222,511 | 245,760 | 452,208 |
| | <u>228,164</u> | <u>300,105</u> | <u>411,627</u> | <u>712,954</u> |
| Financed By : | | | | |
| Shareholders' Funds | 140,527 | 152,527 | 332,823 | 404,611 |
| Loan Funds | 87,637 | 147,578 | 78,804 | 308,343 |
| | <u>228,164</u> | <u>300,105</u> | <u>411,627</u> | <u>712,954</u> |
| B. SUMMARISED OPERATIONS | | | | |
| Sales | 1,500,767 | 1,617,398 | 1,825,949 | 2,188,759 |
| Gross Profit after interest | 111,219 | 48,460 | 83,363 | 114,944 |
| Depreciation | 5,695 | 4,528 | 4,512 | 10,619 |
| Profit before Tax | 105,524 | 43,932 | 78,851 | 104,325 |
| Extra Ordinary Item | — | — | — | — |
| Taxation | 35,198 | 21,400 | 36,700 | 12,000 |
| Profit after Tax | 70,326 | 22,532 | 42,151 | 92,325 |
| Dividends (including dividend tax) | 10,000 | 10,000 | 16,965 | 21,000 |
| Retained Earnings | 60,420 | 12,532 | 24,380 | 71,325 |
| C. KEY RATIOS/PERCENTAGES | | | | |
| Profit before Tax/Sales % | 7.03 | 2.72 | 4.31 | 4.76 |
| Profit after Tax/Shareholders' Funds % | 50.04 | 14.77 | 12.66 | 22.81 |
| Earnings per Equity Share (Rs.) | *17.60 | 5.60 | **7.45 | 15.38 |
| Net Worth per Equity Share % | 351.3 | 381.3 | 554.7 | 674.3 |
| Sales : Fixed Assets (Net) | 51:1 | 53:1 | 58:1 | 16:1 |
| Current Ratio | 2.5:1 | 3.2:1 | 2.8:1 | 4.1:1 |
| Dividend % | 25 | 25 | 30 | 35 |
| D. BONUS/RIGHTS ISSUES | | | | |
| | 1:1 (Bonus) | | 1:2 (Rights) | |

* Based on increased capital after Bonus Issue.

** Pro-rata based on weighted Average Capital.

A n n u a l R e p o r t

| 31st March 1996 | 31st March 1997 | 31st March 1998 | 31st March 1999 | 31st March 2000 | Rupees '000 31st March 2001 |
|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------------|
| 264,079 | 255,004 | 190,907 | 189,600 | 163,258 | 147,217 |
| 297,873 | 434,810 | 631,507 | 733,069 | 719,258 | 463,333 |
| 352,297 | 392,148 | 340,662 | 344,561 | 318,378 | 347,947 |
| <u>914,249</u> | <u>1,081,962</u> | <u>1,163,076</u> | <u>1,267,230</u> | <u>1,200,894</u> | <u>958,497</u> |
| 661,041 | 673,770 | 671,556 | 697,102 | 705,553 | 527,525 |
| 253,208 | 408,192 | 491,520 | 570,128 | 495,341 | 430,972 |
| <u>914,249</u> | <u>1,081,962</u> | <u>1,163,076</u> | <u>1,267,230</u> | <u>1,200,894</u> | <u>958,497</u> |
| 2,539,505 | 2,582,991 | 2,509,546 | 2,657,030 | 2,432,642 | 2,372,884 |
| 146,275 | 135,149 | 124,938 | 135,550 | 120,591 | 67,079 |
| 24,806 | 31,882 | 22,468 | 22,875 | 23,257 | 18,032 |
| 121,469 | 103,267 | 102,470 | 112,675 | 97,334 | 49,047 |
| — | — | — | 3,083 | 6,834 | 207,228 |
| 1,000 | 47,000 | 34,600 | 34,000 | 30,000 | 17,700 |
| 120,469 | 56,267 | 67,870 | 75,592 | 60,500 | (175,881) |
| 24,500 | 44,000 | 44,000 | 44,400 | 44,400 | — |
| 95,969 | 12,267 | 23,870 | 31,192 | 16,100 | — |
| 4.78 | 4.00 | 4.08 | 4.12 | 3.72 | — |
| 18.22 | 8.35 | 10.11 | 10.84 | 8.57 | — |
| **17.21 | *3.52 | 4.24 | 4.72 | 3.78 | — |
| 826.3 | 421.1 | 419.7 | 435.6 | 440.9 | 329.7 |
| 10:1 | 10:1 | 13:1 | 14:1 | 15:1 | 16:1 |
| 2:1 | 2:1 | 1.7:1 | 1.8:1 | 1.9:1 | 2.2:1 |
| 35 | 25 | 25 | 25 | 25 | — |
| | | 1:1 (Bonus) | | | |



Blow Plast Ltd. 3

Your Directors present their 36th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2001.

| | Year Ended 31.03.2001 | (Rs. in Crores) Year Ended 31.03.2000 |
|--|--------------------------|---|
| Sales, Income from Operations & Other Income | 247.42 | 251.07 |
| Gross Profit | 6.70 | 12.06 |
| Depreciation | 1.80 | 2.33 |
| Profit before tax & extraordinary items | 4.90 | 9.73 |
| Extraordinary items | 20.72 | 0.68 |
| Tax Provision | 1.77 | 3.00 |
| Profit / (Loss) after tax | (17.59) | 6.05 |
| Prior year adjustment | (0.83) | — |
| Profit brought forward from previous year | 2.89 | 2.22 |
| Transferred from General Reserve | 15.53 | — |
| I.A.(Utilised) Reserve written back | — | 0.02 |
| Profit available for appropriation | NIL | 8.29 |

OVERALL PERFORMANCE AND OUTLOOK

The turnover for the year under review at Rs. 247.42 crores was marginally lower than the previous year (Rs. 251.07 crores) due to depressed market conditions. The loss for the year at Rs. 17.59 crores (previous year profit Rs. 6.05 crores) is mainly due to provision of Rs. 20.00 crores made towards diminution in value of investments.

The Company has maintained its dominant position in the luggage business in spite of increased competition from new entrants and cheap imports. Soft luggage in particular registered an impressive growth of 36.82% over the previous year. This was made possible through enlarging distribution network and sustained new product introduction. The Company has also recently launched a range of Personal Products under the brand Buddy. The Company is evaluating the market response and proposes to progressively enlarge the range of Personal Products. The expansion in the VIP Lounge and VIP World chain of retail stores is progressing as per plans.

As a part of strategic business re-alignment, Company has since discontinued the Ergonomics business activity as it had no synergy with the company's core business of marketing and distribution of luggage products. This rearrangement will bring in sharper focus needed to strengthen company's leadership position in the core business.

The company looks to the year ahead with confidence.

Reserves of the Company now stand at Rs. 37.73 crores.

DIVIDEND

In view of the losses your Directors do not recommend any dividend for the year (previous year 25%).

DIRECTORS' RESPONSIBILITY STATEMENT :

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

- that in the preparation of the annual accounts for the financial year ended 31st March, 2001, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors have selected such accounting policies and applied them consistently and made judgements 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 the end of the financial year and of the profit of the Company for that year under review.
- that the Directors have taken proper and sufficient care for the 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.
- that the Directors have prepared the accounts for the financial year ending 31st March, 2001 on a 'going concern' basis.

A n n u a l R e p o r t

n t d .)

CORPORATE GOVERNANCE

Securities and Exchange Board of India (SEBI) has recently introduced a Code of Corporate Governance and made certain provisions mandatory for the listed companies through the route of the Listing Agreement. Your Company is required to comply with the mandatory provisions within the financial year 2001-2002, but not later than March 31, 2002. We have initiated measures to ensure that we are fully compliant by the end of the current financial year. Your company is committed to observe the best practices in the area of Corporate Governance and is conscious of its role towards various constituents of growth.

INSURANCE

All the assets of your Company, including Buildings and Equipments etc. have been adequately insured.

LISTING OF EQUITY SHARES

The Company's equity shares are listed on the Stock Exchange, Mumbai situated at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The company has paid the listing fees for the period 1st April, 2001 to 31st March, 2002.

DEMATERIALISATION

Effective 20th June, 2000 the equity shares of your Company have been compulsorily traded in dematerialised form. As on 15th June, 2001, a total of 93,57,278 equity shares representing 58.48% of the Equity Share Capital have been dematerialised and about 5700 shareholders are holding shares in the dematerialised form.

PUBLIC DEPOSITS

The company has not received instructions from 167 depositors for repayment of deposits amounting to Rs. 16.15 lacs as at 31st March, 2001. Since then 80 deposits totalling Rs. 8.08 lacs have been either repaid or renewed.

DIRECTORS

Mr. E. B Desai resigned as Director w.e.f. 1st February, 2001. The Directors place on record their appreciation of the valuable services rendered by Mr. E. B. Desai during his tenure as Director.

Mr. N. R. Davar retires by rotation at the ensuing Annual General Meeting and has not expressed his desire to seek re-appointment. The Directors place on records their appreciation of the valuable services rendered by Mr. Davar during his tenure as Director. The vacancy caused by the retirement of Mr. N. R. Davar is at present not proposed to be filled up.

Mr. B. C. Dalal, Director retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

M/s. M. L. Bhuwania & Co. and M/s. Suresh Surana & Associates, Auditors of the company retire at the ensuing Annual General Meeting and express their willingness to continue if so appointed.

CONSERVATION OF ENERGY, ETC.

Additional information as required in terms of the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith and forms part of this report (Annexure A).

PARTICULARS OF EMPLOYEES

Particulars required under Section 217(2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are annexed to and form part of this report. (Annexure B).

ACKNOWLEDGEMENT

Your Directors record their gratitude to the Financial Institutions, Banks and other Government departments for their assistance and co-operation during the year. Your Directors also wish to place on record their appreciation of the dedicated services of the employees of the company.

On behalf of the Board of Directors

DILIP G. PIRAMAL
Chairman

Mumbai
29th June, 2001



Blow Plast Ltd. 5

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A) CONSERVATION OF ENERGY

a) Energy conservation measures taken :

The company is predominantly a marketing and investment company and hence its energy consumption is relatively low.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Please refer to the explanation provided in (a) above.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : Not applicable

d) Total energy consumption and energy consumption per unit of production : Form 'A' of the annexure to the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988, is not applicable.

B) TECHNOLOGY ABSORPTION

Not applicable

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned during the year :

| | Amount (Rupees in lacs) |
|--------|-------------------------|
| Used | 169.14 |
| Earned | 6.60 |

On behalf of the Board of Directors

DILIP G. PIRAMAL
Chairman

Mumbai
29th June, 2001

A n n u a l R e p o r t

B)

STATEMENT REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 REFERRED TO IN THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2001 & FORMING PART THEREOF.

| Sr No. | Name of the Employee | Designation | Date of Joining | Age | Qualification | Experience In Years | Remuneration Rs. | Last Employment held & Designation |
|--------|----------------------|--------------------|-----------------|-----|-----------------------|---------------------|------------------|---|
| 1 | Mr.Gupte K.C. | Director (Finance) | 01.09.1996 | 49 | B.Com., AICWA, DMA | 29 | 1,274,124 | DGP Windsor India Ltd., - Vice President (Finance) |
| 2 | Mr. Warey A.G. | Managing Director | 01.08.1999 | 52 | B.Tech (Hons). | 31 | 1,737,271 | V.I.P. Industries Ltd. - Managing Director |

Notes:

1. Remuneration includes Salary, Bonus, Company's Contribution to Provident Fund, Superannuation fund, Leave Travel Assistance, Reimbursement of Medical expenses, House rent & other allowances, monetary value of rent free accommodation and other perquisites as per Income Tax Rules. It excludes provision for Company's contribution to Gratuity fund and Gratuity claims settled by Blow Plast Limited Employees Gratuity Fund.
2. Appointments of Mr. Warey A.G., Managing Director and Mr. Gupte K.C., Director (Finance) are contractual.
3. None of the above employees are related to any of the Directors of the Company.

On behalf of the Board of Directors

Mumbai
Dated: 29th June, 2001

Dilip G. Piramal
Chairman

Report  junction.com

Blow Plast Ltd. 7