

37<sup>th</sup>

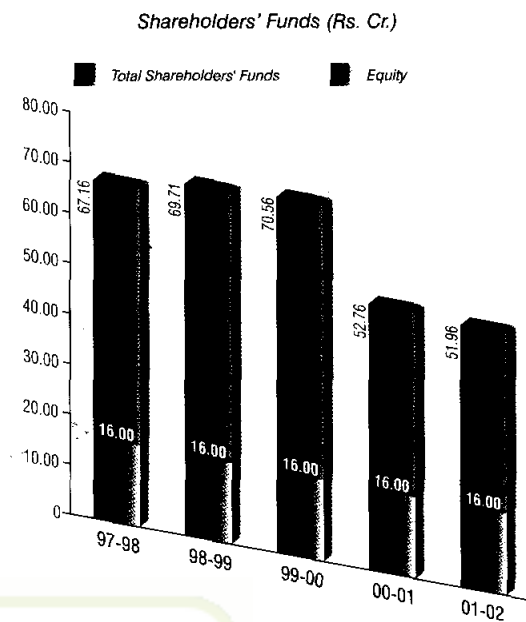
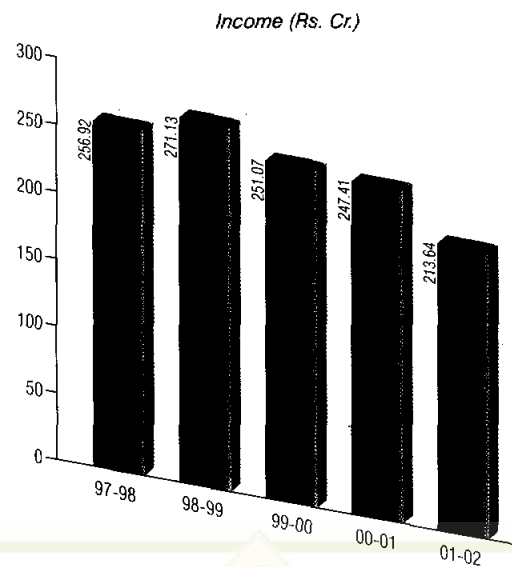
*A n n u a l R e p o r t*

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2001-2002



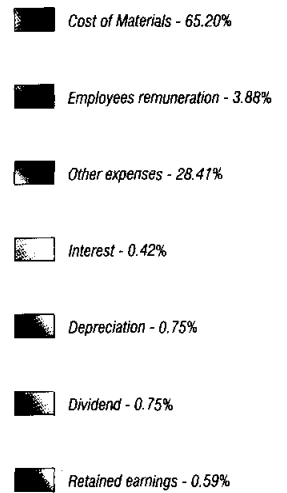
Blow Plast Ltd.



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**Distribution of Income**



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

2001-2002

**DIRECTORS**MR. DILIP G. PIRAMAL *Chairman*

MR. B. C. DALAL

Mr. G. L. MIRCHANDANI

DR. GITA D. PIRAMAL

MR. M. J. TIBREWALA

MR. A. G. WAREY *Managing Director*MR. K. C. GUPTA *Director (Finance)***COMPANY SECRETARY**

MR. MILIND D. PURANIK

**AUDITORS**

M/S. M. L. BHUWANI &amp; CO.

*Chartered Accountants*

M/S. SURESH SURANA &amp; ASSOCIATES

*Chartered Accountants***BANKERS**

Canara Bank

Syndicate Bank

State Bank of India

Bank of India

Allahabad Bank

**REGISTERED OFFICE**88-C, Old Prabhadevi Road,  
Mumbai - 400 025.**REGISTRARS & SHARE TRANSFER AGENTS**

Intime Spectrum Registry Ltd.

260 Shanti Industrial Estate,

Sarojini Naidu Road,

Mulund (West),

Mumbai - 400 080.

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Cashflow Statement .....	28-29
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Auditors' Certificate on Corporate Governance .....	36

**37th Annual General Meeting**Date - 26<sup>th</sup> September, 2002

Day - Thursday

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.**

# F I N A N C I A L   H I G H L I G H T S

YEARS ENDED	31st March 1993	31st March 1994	31st March 1995	31st March 1996
<b>A. SUMMARISED BALANCE SHEET</b>				
Assets Employed :				
Fixed Assets (Net)	30,335	31,487	131,317	264,079
Investments	47,259	134,380	129,429	297,873
Net Current Assets	222,511	245,760	452,208	352,297
	<u>300,105</u>	<u>411,627</u>	<u>712,954</u>	<u>914,249</u>
Financed By :				
Shareholders' Funds	152,527	332,823	404,611	661,041
Loan Funds	147,578	78,804	308,343	253,208
Deferred Tax Liability	—	—	—	—
	<u>300,105</u>	<u>411,627</u>	<u>712,954</u>	<u>914,249</u>
<b>B. SUMMARISED OPERATIONS</b>				
Sales	1,617,398	1,825,949	2,188,759	2,539,505
Gross Profit after interest	48,460	83,363	114,944	146,275
Depreciation	4,528	4,512	10,619	24,806
Profit before Taxation & Extraordinary Item	43,932	78,851	104,325	121,469
Extraordinary Item	—	—	—	—
Taxation (including deferred tax)	21,400	36,700	12,000	1,000
Profit after Tax	22,532	42,151	92,325	120,469
Dividends (including dividend tax)	10,000	16,965	21,000	24,500
Retained Earnings	12,532	24,380	71,325	95,969
<b>C. KEY RATIOS/PERCENTAGES</b>				
Profit before Tax/Sales %	2.72	4.31	4.76	4.78
Profit after Tax/Shareholders' Funds %	14.77	12.66	22.81	18.22
Earnings per Equity Share (Rs.)	5.60	**7.45	15.38	**17.21
Net Worth per Equity Share %	381.3	554.7	674.3	826.3
Sales : Fixed Assets (Net)	53:1	58:1	16:1	10:1
Current Ratio	3.2:1	2.8:1	4.1:1	2:1
Dividend %	25	30	35	35
<b>D. BONUS/RIGHTS ISSUES</b>				
		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

2001 - 2002

31st March 1997	31st March 1998	31st March 1999	31st March 2000	31st March 2001	Rupees '000 31st March 2002
255,004	190,907	189,600	163,258	147,217	126,796
434,810	631,507	733,069	719,258	463,333	463,333
392,148	340,662	344,561	318,378	347,947	221,323
<u>1,081,962</u>	<u>1,163,076</u>	<u>1,267,230</u>	<u>1,200,894</u>	<u>958,497</u>	<u>811,452</u>
673,770	671,556	697,102	705,553	527,525	519,595
408,192	491,520	570,128	495,341	430,972	270,305
—	—	—	—	—	21,552
<u>1,081,962</u>	<u>1,163,076</u>	<u>1,267,230</u>	<u>1,200,894</u>	<u>958,497</u>	<u>811,452</u>
2,582,991	2,509,546	2,657,030	2,432,642	2,372,884	2,096,438
135,149	124,938	135,550	120,591	67,079	48,388
31,882	22,468	22,875	23,257	18,032	16,104
103,267	102,470	112,675	97,334	49,047	32,284
—	—	3,083	6,834	207,228	4,144
47,000	34,600	34,000	30,000	17,700	3,839
56,267	67,870	75,592	60,500	(175,881)	24,301
44,000	44,000	44,400	44,400	—	16,000
12,267	23,870	31,192	16,100	—	12,518
4.00	4.08	4.12	3.72	—	1.34
8.35	10.11	10.84	8.57	—	4.68
*3.52	4.24	4.72	3.78	—	1.52
421.1	419.7	435.6	440.9	329.7	324.7
10:1	13:1	14:1	15:1	16:1	17:1
2:1	1.7:1	1.8:1	1.9:1	2.2:1	1.7:1
25	25	25	25	—	10
	1:1 (Bonus)				



Blow Plast Ltd. 3



## D I R E C T O R S ' R E P O R T

Your Directors present their 37<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2002.

	Year Ended <u>31.03.2002</u>	(Rs. in Crores) Year Ended <u>31.03.2001</u>
Sales, Income from Operations & Other Income	213.64	247.42
Gross Profit	4.84	6.70
Depreciation	1.61	1.80
Profit before tax & extraordinary items	3.23	4.90
Extraordinary items	0.41	20.72
Tax Provision	0.74	1.77
Add : Deferred Tax	0.35	—
Profit / (Loss) after tax	2.43	(17.59)
Prior year adjustment	0.42	(0.83)
Profit brought forward from previous year	—	2.89
Transferred from General Reserve	—	15.53
Profit available for appropriation	<u>2.85</u>	<u>NIL</u>

### OVERALL PERFORMANCE AND OUTLOOK

The turnover for the year under review at Rs. 213.64 crores was lower as compared to previous year (Rs. 247.42 crores). This was mainly due to depressed market conditions and discontinuation of Office Furniture business as part of strategic business realignment. For the year under review despite depressed market conditions your company achieved Net profit of Rs. 2.43 crores (previous year loss of Rs. 17.59 crores). This was possible mainly due to a major cost cutting exercise undertaken by the company during the year.

The company has maintained its leadership position in the luggage business inspite of increased competition. The introduction of new products, innovative marketing programmes and brand building initiatives taken during the year will further strengthen company's position in the luggage market.

Detailed analysis of the operations of the company are included in the Management Discussion and Analysis forming part of the Annual Report.

The company looks to the year ahead with confidence.

Reserves of the Company now stand at Rs. 36.47 crores.

### DIVIDEND

Your Directors are pleased to recommend for your consideration a dividend of 10 % (previous year Nil).

### 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 :

- i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2002, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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.
- iii) 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.
- iv) that the Directors have prepared the accounts for the financial year ending 31<sup>st</sup> March, 2002 on a 'going concern' basis.

### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis, Corporate

**DIRECTORS' REPORT (Contd.)**

Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance, are made a part of the Annual Report.

**INSURANCE**

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

**DEPOSITORY**

As the members are aware, your company's shares are tradable compulsorily in electronic form and your company has established connectivity with both the depositories, i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the company's shares on either of the Depositories as aforesaid.

**PUBLIC DEPOSITS**

The company has not received instructions from 173 depositors for repayment of deposits amounting to Rs. 19.55 lacs as at 31<sup>st</sup> March, 2002. Since then 105 deposits totalling to Rs. 12.89 lacs have been either repaid or renewed.

**DIRECTORS**

Mr. Dilip G. Piramal and Mr. G. L. Mirchandani. Directors retired by rotation and being eligible offer themselves for re-appointment.

**AUDITORS**

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

M/s. Suresh Surana & Associates, Chartered Accountants (Proprietorship) the Joint Auditors of the company retire at the ensuing Annual General Meeting and have expressed their unwillingness to continue as Auditors. The Board of Directors recommend M/s. Suresh Surana & Associates, Chartered Accountants (Partnership Firm) who have offered themselves and are eligible under section 224 (1)(b) of the Companies Act, 1956 for appointment.

**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**

The Company has no employee drawing Rs. 24,00,000/- p.a. or more during the year and hence the particulars as required under section 217 (2-A) of the Companies Act, 1956 have not been furnished.

**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  
28<sup>th</sup> June, 2002



**Blow Plast Ltd.** 5

**ANNEXURE ( A )****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	57.32
Earned	Nil

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On behalf of the Board of Directors

**DILIP G. PIRAMAL**  
Chairman

Mumbai  
28<sup>th</sup> June, 2002



**DIRECTORS' REPORT (Contd.)**

Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance, are made a part of the Annual Report.

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M/s. Suresh Surana & Associates, Chartered Accountants (Proprietorship) the Joint Auditors of the company retire at the ensuing Annual General Meeting and have expressed their unwillingness to continue as Auditors. The Board of Directors recommend M/s. Suresh Surana & Associates, Chartered Accountants (Partnership Firm) who have offered themselves and are eligible under section 224 (1)(b) of the Companies Act, 1956 for appointment.

**CONSERVATION OF ENERGY, ETC.**

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On behalf of the Board of Directors

**DILIP G. PIRAMAL**

*Chairman*

Mumbai  
28<sup>th</sup> June, 2002



**Blow Plast Ltd.** 5

# A N N E X U R E ( A )

## 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.

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- 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	57.32
Earned	Nil

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On behalf of the Board of Directors

**DILIP G. PIRAMAL**

*Chairman*

Mumbai  
28<sup>th</sup> June, 2002