



**Blow Plast Ltd.**

41st Annual Report 2005-06

# Contents

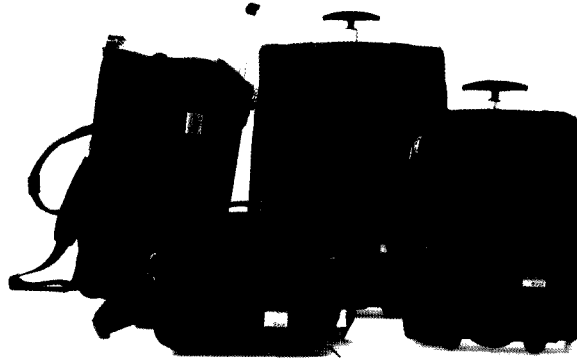
• A New Spin On Success	01
• Highlights	03
• Retail Experience	05
• Distribution Network	07
• Products at a Glance	08
<hr/>	
• Company Information	09
• Directors' Report	11
• Corporate Governance Report	15
• Management Discussion & Analysis	24
• Auditors' Report	26
• Balance Sheet	30
• Profit & Loss Account	31
• Cash Flow Statement	32
• Schedules & Notes to Accounts	34
• Financial Highlights	50

## 41st Annual General Meeting

Date	22nd September, 2006
Day	Friday
Time	11.00 a.m.
Place	Auditorium of the Synthetic and Art Silk Mills' Research Association (SASMIRA), Dr. Annie Besant Road, Worli, Mumbai- 400025
Note	Members are requested to bring their copies of Annual Report to the Annual General Meeting.



## A New Spin On Success



The Indian economy is growing and as a result of increased commerce and spending power, more Indians are travelling than ever before. The Travel and Tourism sector and its offshoots have been expanding to meet the related demand. In order to reach out and cater to the evolving needs of the new-age traveller, the Company has chalked out a two-fold strategy. It has increased the number of retail outlets on the one hand and on the other, expanded its product range through VIP Industries Ltd.

In order to further our endeavour to provide end-to-end solutions in the luggage industry, with a presence in every facet of the value chain, the two companies will soon be merging their strengths. The merged entity will be able to offer end-to-end solutions from manufacturing to marketing and finally providing an extensive retail network to customers. We are looking forward to the projected transformation and being part of this larger entity.



## H I G H L I G H T S

**9 new high-end** ranges of luggage launched during the year



Opened **34 VIP Lounges** during the year. Currently, we have **84 retail outlets** across the country



Our network includes more than **2,200 direct dealers** as well as **150 distributors** who service more than **5,000 small retailers**



The **Carlton Brand** was launched in high quality showrooms



Started **4 exclusive outlets** for Carlton products in India

# **VLEP** LOUNGE





## R E T A I L   E X P E R I E N C E

Having realised the significance of retail as a growth driver for its premium product segment, Blow Plast has increased its focus on the retail channel. At present the Blow Plast network consists of 84 retail stores. We're planning to expand it by crossing the 110 mark at the end of the current financial year. We're also aiming to increase our retail space from the current level of 72,000 sq. ft. to 1,00,000 sq. ft. by March 2007.

To this end, 34 new exclusive showrooms called VIP lounge have been opened across the country during the past year.

### VIP Lounges

VIP Lounges are concept stores that deliver a unique consumer experience. They are an integral part of Blow Plast's new retail initiative. At any of our retail outlets consumers will:

- Experience a premium and comfortable ambience where they can touch and feel the products before making a purchase decision

- Get a wide choice of premium products which offer innovative and thoughtful features

- Be able to pick from a large selection of other travel related products



These stores highlight the essence of VIP's brand identity - making the brand experience enjoyable and premium.





## D I S T R I B U T I O N   N E T W O R K

Blow Plast's distribution network consists of 84 brand stores, approximately 2,200 direct retailers and 150 distributors who service more than 5,000 small retailers across the length and breadth of the country. The past year has been an important one for Blow Plast as it involved significant restructuring of our distribution network.

- Our branch and distribution network spans the length and breadth of the country



At present, we are in the process of revamping our distribution network to bring it in line with the brand direction. Delsey and Carlton are operating at the super premium end of the market.

Our new distribution strategy emphasises on niche distribution to provide a premium buying experience to the consumers of these brands. VIP, which is a mass premium brand, will be available in a restricted manner to ensure a proper ambience and space that befits its position as a market leader. On the other hand, Alfa, which is the mass market offering, is at the forefront of our drive in distribution expansion.

# P R O D U C T S   A T   A   G L A N C E

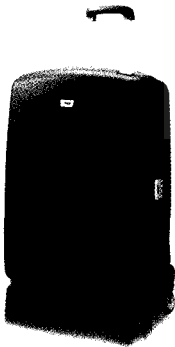
## VIP

### SOFTS



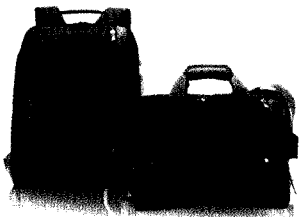
- Aura
- Passion
- Lustre
- Spirit
- Vibe
- Oxford
- Armour Plus

### HARDS



- Glider
- Revolve
- Radiant
- Zero-G
- Elanza
- Emperor DLX
- Apollo CLS
- Odyssey

### BUSINESS CASES



- Navigator
- Viper
- Poison
- Carbon

## DELSEY

### SOFTS



- Ambre
- Cocon
- Brilliance
- Carisma
- Expandream
- Absolute Classic

### HARDS

- P'Leisure
- Passenger

### BUSINESS CASES

- Ambition