

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



BLUE BLENDS PETROCHEMICALS LIMITED

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9TH ANNUAL REPORT 1997-98

ANNUAL REPORT 1997-98

BLUE BLENDS PETROCHEMICALS LIMITED

BOARD OF DIRECTORS

Anand Arya — *Chairman*
 Anil Arya — *Managing Director*
 Ravi Dalmia

AUDITORS

P. C. Surana & Co.
Chartered Accountants

SOLICITORS

Malvi Ranchhoddas & Co.

BANKERS

CANARA BANK

REGISTERED OFFICE

3, Balaji Textile Market
 Ring Road, Surat 395 002

SECRETARIAL DIVISION

Pushpawati Bldg., No.2, 1st Floor
 Chandanwadi, Girgaum Road
 Mumbai 400 002.

PLANT

1. Plot No. 806-807, GIDC, Vapi, Gujarat.

ANNUAL GENERAL MEETING

DATE : TUESDAY, 29TH SEPTEMBER 1998
 TIME : 10.30 A.M.
 VENUE : 3, BALAJI TEXTILE MARKET
 1ST FLOOR, RING ROAD, SURAT 395 002.

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Blue Blends Petrochemicals Ltd.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Ninth Annual General Meeting of the Members of **BLUE BLENDS PETROCHEMICALS LIMITED** will be held on Tuesday the 29th September, 1998 at 10.30 a.m. at 3, Balaji Textile Market, 1st Floor, Ring Road, Surat 395 002 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 31st March, 1998 and the Profit and Loss Account of the Company for the year ended on that date together with reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Anand Arya, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass the following resolution with or without modification(s), as a Special Resolution:

"RESOLVED THAT the consent of the shareholders of the Company pursuant to the provisions of section 61 of the Companies Act, 1956 be and is hereby accorded to delisting of securities of the company from non-regional Stock Exchanges, namely Ahmedabad, Calcutta, Madras and Mumbai Stock Exchanges".

"FURTHER RESOLVED THAT the Board of Directors of the company be and is hereby authorised and empowered to do such acts, deeds and things as may be necessary to give effect to this resolution".

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/HERSELF AND A PROXY NEED NOT BE A MEMBER.
2. Tuesday, the 29th September, 1998 has been fixed as record date of Members Register for the purpose of 9th Annual General Meeting.
3. Members are requested to notify the change of address, if any, to the company.
4. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

In view of infrequent trading of securities and to control expenses on listing fees, your consent is sought for delisting of securities on all the stock exchanges other than the Regional Stock Exchange.

None of the Directors is, in any way, whether directly or indirectly concerned or interested in the resolution.

By order of the Board of Directors

Place : Mumbai
Dated : 29th August, 1998

ANAND ARYA
Chairman

Registered Office :

3, Balaji Textile Market
1st Floor, Ring Road
Surat 395 002.



Blue Blends Petrochemicals Ltd.

DIRECTORS' REPORT

To the Members,

Your Directors present herewith the Ninth Annual Report together with the Audited Statement of Accounts of the company for the year ended 31st March, 1998.

FINANCIAL RESULTS:

	1997-98 Rs.	1996-97 Rs.
Sales & Service charges	20,97,386	13,51,857
Gross Profit/(Loss)	(1,34,97,357)	(91,67,733)
Less: Depreciation	98,76,805	—
Profit/(Loss) before tax	(2,33,74,162)	(91,67,733)
Less: Provision for Taxation	—	—
Net Profit/(Loss) after tax	(2,33,74,162)	(91,67,733)
Profit brought forward from Previous year	20,51,341	1,12,19,074
Balance carried forward	(2,13,22,821)	20,51,341

DIVIDEND

In view of the loss, the Board of Directors do not recommend any dividend for the year.

OPERATIONS

As you are aware, the production at Vapi Unit has remained suspended since September 1995 as per notice issued by Forest & Environment Department, Government of Gujarat under instructions of Gujarat High Court. Subsequently, the Gujarat Pollution Control Board had granted provisional consent to the company for the use of existing/new outlet for affluent discharge, subject to the company obtaining permission from High Court of Gujarat and compliance of certain other terms.

The High Court of Gujarat has by an order dated 20th March 1998, permitted the company to go on with usual commercial production without any hindrance at the Vapi Unit.

During the year under review the company has however not carried out commercial production of its own at the Vapi unit. The Company has carried out trial production which has been 14.21 M.T. as against 32.96 M.T. in the previous year. However the company has given its Vapi unit on operating basis to the outside party.

CURRENT YEAR

The turnover for the first three months (April 98 to June 98) has been Rs. 2.40 lacs as against Rs. 2.09 lacs in the previous year.

FIXED DEPOSITS

Your company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

PERSONNEL

There was no employee drawing Rs. 25,000/- or more per month as salary during the year. The relation with the employees remained cordial throughout the year. The Directors wish to place on record their thanks for the support and co-operation received from the employees at all levels.

DIRECTORS

Mr. Anand Arya retires by rotation and being eligible, offers himself for re-appointment. Mr. Anil Arya has stopped drawing his remuneration from the Company as a Managing Director, after being appointed as whole time director of other Company.

AUDITORS

The Auditors M/s. P.C. Surana & Co. retire and are eligible for re-appointment.

SECTION 217(1)(e) OF THE COMPANIES ACT 1956.

As required under 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, the relevant information is given below:

A. CONSERVATION OF ENERGY

- energy conservation measures taken: - Since the Vapi unit is given on operating basis and the Company has carried out only trial production on its own, no substantial measures were required to conserve the energy.
- additional investments and proposals, if any, being implemented for reduction of consumption of energy: - None
- 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
- Total energy consumption and energy consumption per unit of production as per prescribed Form A:

	1997-98	1996-97
(A) Power & Fuel Consumption		
1. Electricity		
a) Purchased		
Units (in thousands)	110.36	89.77
Total amount (Rs. in lacs)	7.08	6.74
Rate/ Unit (Rs.)	6.42	7.51
2. Oil		
a) Consumed		
Units (in thousand ltrs.)	74.60	43.74
Total amount (Rs. in lacs)	5.18	2.30
Rate/ Unit (Rs.)	6.94	5.25
(B) Consumption per unit of production		
1. Electricity	Nil	Nil
2. Oil	Nil	Nil

B. RESEARCH & DEVELOPMENT

- Specific areas in which R & D carried out by the company: The company has no specific Research and Development Department. However, the company has well equipped quality control department to check the quality of different products.
- Benefits derived as a result of above R & D: - None
- Future Plan of action: - None
- R & D Expenditure: - None

2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

- Efforts, in brief, made towards technology absorption, adaptation & innovation
- Benefits derived as a result of the above efforts and
- Information regarding technology imported during last five years: - None

C. FOREIGN EXCHANGE EARNINGS/OUTGOINGS

- Activities relating to exports, initiatives taken to increase exports; development of new export markets for products & services and export plans: - None
- Total foreign exchange used & earned: Foreign Exchange Earnings were Rs. NIL (Previous Year Rs. NIL) as against outgo of Rs. NIL (Previous Year Rs. NIL)

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the co-operation and assistance given by the bankers of the company during the year under review.

For and on Behalf of the Board of Directors

Place : Mumbai
Dated : 29th August, 1998

ANAND ARYA
Chairman