

# **15th Annual Report 1999**



**PVD Plast Mould Industries Ltd.**



**PVD PLAST MOULD INDUSTRIES LTD.**

**BOARD OF DIRECTORS**

Mr. PRAVIN V. SHETH  
Mr. ESMAIL E. DHARIWALA  
Ms. VILINA P. SHETH  
Mr. BHADRESH H. SHAH  
Mr. GOPALJI M. RANA  
Mr. J. B. PATEL  
Mr. P. S. KRISHNAN  
Mr. G. RAVINDRAN

**AUDITORS**

P. M. TURAKHIA & ASSOCIATES,  
Chartered Accountants, Mumbai

**SOLICITORS**

KANTILAL UNDERKAT & CO. MUMBAI  
DIVYAKANT MEHTA & ASSOCIATES, MUMBAI

**REGISTERED OFFICE**

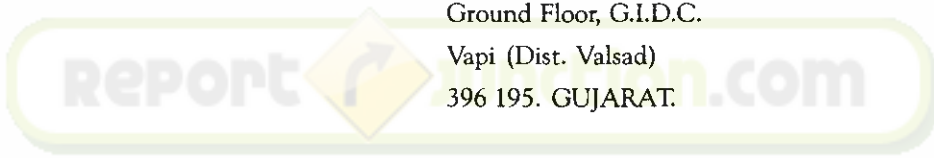
Amee Co-op. Hsg. Society Ltd.  
Ground Floor, G.I.D.C.  
Vapi (Dist. Valsad)  
396 195. GUJARAT.

**WORKS**

Airport Road,  
Kadaiya Village,  
Nani Daman,  
Daman, (U.T.)

**REGISTRAR & TRANSFER AGENTS**

SHAREX (INDIA) PVT. LTD.  
Luthra Industrial Premises,  
Unit No. 1, Andhri-Kurla Road,  
Safed Pool, Andheri (E),  
Mumbai - 400 072.



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## NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the Members of PVD Plast Mould Industries Ltd., will be held at 10-00 a.m. on Saturday, 24th June, 2000 at Hotel Pritam, National Highway No. 8, Vapi, District Valsad to transact the following business :-

**ORDINARY BUSINESS**

(1) To receive, consider and adopt the Audited Balance Sheet as at 31st December, 1999 and Profit and Loss Account for the year ended as on that date and the Report of the Auditors and the Directors thereon.

(2) To appoint a Director in place of Ms. Vilina P. Sheth who retires by rotation and being eligible offers herself for re-appointment.

(3) To appoint a Director in place of Mr. E. Dhariwala, who retires by rotation and being eligible offers himself for re-appointment.

(4) To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

(5) To consider and if thought fit to pass with or without modification the following resolution as Ordinary Resolution :

"RESOLVED that consent of the Company be and is hereby accorded for the appointment of Mr. P. S. Krishnan as an Executive Director of the Company for a period of 3 years from 1st August, 1999, and that he will work under the guidance of the Board of Directors of the Company.

**FURTHER RESOLVED** that pursuant to the provisions of the Section 310 read with Section XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the members at the General Meeting, on approval of the Company be and is hereby accorded to the appointment of Mr. P. S. Krishnan as Executive Director (whole-time) of the

Company for a period of 3 years w.e.f. 1st August 1999 on a monthly salary of Rs. 35,000/- per month in the grade of Rs. 35,000 – Rs. 3,500 and other perquisites and facilities as per the rules of the Company from time to time.

(6) To consider and if thought fit to pass with or without modification the following resolution as Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Section 310 read with Section XIII and other applicable provisions if any of the Companies Act 1956, and subject to the approval of the members at the Meeting, consent of the Company be and is hereby accorded to the appointment of Mr. G. Ravindran as an Executive Director of the Company for a period of 3 years w.e.f. 1st January, 2000 on a monthly salary of Rs. 35,000/- per month in the grade of Rs. 35,000 – Rs. 3,500 and other perquisites and facilities as per the rules of the Company from time to time.

(7) To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution :-

"RESOLVED that pursuant to Section 31 of the Companies Act 1956, the Articles of Association of the Company altered by adding a new Article 46(a) after the existing Article 46 :-

**DEMATERIALISATION OF SECURITIES**

(i) *Definitions : For the purpose of this Article :*

"Beneficial Owner" means a person or persons whose name is recorded as such with a depository.

"SEBI" means the Securities and Exchange Board of India.

"Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as depository under the Securities and Exchange Board of India Act, 1992, and shall, inter-alia, include the National Securities Depository Ltd., and / or Central Securities



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Depository Ltd., or any other such depository set up in future as the case may be;

"Security" means such security as may be specified by SEBI from time to time.

### (ii) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to and to accordance with the Depository Act, 1996 and other Rules, Regulations and Guidelines as may be applicable in this behalf.

### (iii) Option for Investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depository Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities.

Provided that if a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and, on receipt of the information, the depository shall enter in its record, the name of the allottee as the beneficial owner of the security.

### (iv) Securities in depository to be in fungible form.

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

### (v) Rights of Depositories and Beneficial Owners

(a) Notwithstanding anything contrary contained in the Act or these Articles, a

depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the Securities shall be entitled to, all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

### (vi) Service of Documents

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of securities nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owner in the records of a depository.

### (viii) Allotment of Securities dealt with by a Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

### (ix) Distinctive number and securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive number for securities issued by the Company shall apply to securities held in a depository.

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## (x) Register and Index of Beneficial Owners

The Register and Index of Beneficial Owners, maintained by depository under the Depository Act, 1996 shall be deemed to be Register and Index of Members and Security holders for the purposes of these Articles."

## (xi) Powers of the Board

The Board shall have full powers to take all such steps as may be required for the purpose of dematerialisation of the existing securities, as maybe deemed expendent and /or may be directed by the Competent Authority in this regard and to decide in respect of all matters incidental to this Article as may be required from time to time including inter-alia, the joining of one or more depositories as may be deemed expendent by the Board.

(8) To consider and if thought fit to pass with or without modification the following resolution as Special Resolution.

"RESOLVED" that pursuant to the provisions of Section 16, Section 17, Section 18 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or enactment thereof the time being in force), the following clause be added as Clause 1A, in the Memorandum of Association of the Company, in the main objects after Clause 1 subject to modifications, alterations as advised by the concerned authorities and agreed by the Board.

To carry on business of Information Technology and Information Technology related, Entrepreneurial Resources Planning, Medical Transcription, E-Security, E-Business Placements of IT Professionals, RemoteData, Data Processing, IT Enabled Services, Internet Intranet Facility Management, Management Systems, Software Developer, Software Training and Management Training, set up of Information Technology Institutes, to manufacture, import, export, buy, sell, develop or otherwise deal in all branches of

Electronics, Computer Software and Hardware, to run Data Processing / Computer Centres, to offer consultancy in Data Processing Systems, Telecommunication, Telecommunication related, Communication Systems, Satellite and Satellite related, Software and Software related, Network and Networking related E – Commerce and E – Commerce related, develop new techniques for computer software and hardware technology and generally all business related to Electronics, Computers, Computings, Information Technology and High Technology Products of all kinds and provide information on dematerialisation Services and dematerialisation of Shares and Stock both in India and Overseas".

(9) To consider and if thought fit to pass with or without modification the following resolution as Special Resolution :

"RESOLVED that a subject to the approval of the central government, by delegation, Registrar of Companies and applicable provisions of the Companies Act, the name of the Company be and is hereby changed from PVD Plast Mould Industries Ltd., to PVD INFOTECH AND INDUSTRIES LTD.

FURTHER RESOLVED that in the event of the name of PVD INFOTECH AND INDUSTRIES LTD., is not available for registration for any reason, the Company's name may be changed to any one of the following 3 names appearing in order of preference.

1. PVD Dot Com. Ltd.
2. PVD Information & Technology Ltd.
3. PVD Infosys & Industries Ltd.

or any other name that may be approved by the Registrar of Companies.

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

"RESOLVED that pursuant to sub-section (1) of Section 163 of the Companies Act, 1956 the



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Company hereby approves that the Registers and Indices of Members, the Registeres and Indices of Debenture holders, if any, and copies of all Annual Returns prepared under Section 159 of the Act, together with the copies of Certificates and Documents required to be annexed thereto under Section 161 of the Act be kept at the Office of Sharex (India) Pvt. Ltd., Registrars and Transfer Agents of the Company, situated at Unit No. 1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.

By Order of the Board  
**P. S. KRISHNAN**  
 (EXECUTIVE DIRECTOR)

### Registered Office :

Amee Co-op. Hsg. Society Ltd.,  
 Ground Floor, G.I.D.C.,  
 Vapi 396 195.  
 Dist Valsad, Gujarat.  
 Date : 28th April, 2000.

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Members are requested to intimate immediately any change in their addresses to the Registrar and transfer Agents of the company.
3. As a measure of economy, copies of the Annual Report shall not be distributed at the Meeting and therefore. Members are requested to bring their copies of the Annual Report to the Meeting.
4. The Register of Members and the Share Transfer Books of the company will remain closed from Monday, 19th June, 2000 to Saturday, 24th June, 2000 (both days inclusive).

### ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act 1956.

(5) The Board of Directors of the Company unanimously appointed Mr. P. S. Krishnan as an Executive Director of the Company for a period of 3 years from 1st August 1999 for smooth and efficient conduct of the Companies affairs subject to the approval of the members in the General Meeting and the terms and conditions mentioned in the resolution. The Board recommends passing of this resolution by the members.

Except Mr. P. S. Krishnan none of the Directors of the Company are interested or concerned with the resolution.

(6) The Board unanimously appointed Mr. G. Ravindran as an Executive Director of the Company for the period of 3 years with effect from 1st January 2000 for smooth and efficient conduct of the Company on subject to the approval of the members in the General Meeting on the terms and conditions mentioned in the resolution.

The Board recommends passing of this resolution by members.

Except Mr. G. Ravindran none of the Directors of the Company are concerned or interested in the resolution.

(7) With the introduction of the Depository Act, 1996 and the Depository System, some of the provisions of the Act relating to the issue, holding, transfer, transmission of shares and other securities have been amended to facilitate the implementation of the new system. The Depository System of holding securities in an electronic form is a far safer and more convenient method for holding and trading in the securities of a company.

It is therefore, proposed that the Company's Articles of Association be suitably amended, as



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set out in the resolution at item No. 5 to reflect the provisions introduced by the Depository Act, 1996 forenabling the Company to join the Depository System at a future date and to spell out the rights of the beneficial owners of the securities in such system.

Your Directors recommend that the proposed resolution be passed as Special Resolution.

None of the Directors of the Company is, in any way, concerned or interested in the above Resolution.

A copy of Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office during normal business hours on any working day.

(8) In view of the fast changing international business scenario and to diversify into a more profitable technology superior field, your Directors recommend to start information technology activities. In order to enable the Company to undertake such activities, it is necessary to amend the Objects Clause of the Memorandum of Association accordingly.

Your Directors recommend that the proposed resolution be passed as a Special Resolution.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office during normal business hours on any working day.

(9) In view of the fast changing international business scenario, it has become necessary for the Indian Companies to keep abreast of the emerging information technology field. The Board was informed that the Company should undertake the business of information technology and E-Commerce business in addition to the existing area of its operation. It was also suggested that

in order to commence the business of information, it is necessary to change the name of the Company to a name reflecting the information technology business. The Company is also in advance stage of negotiation with a U.S. Company for strategic collaboration.

The Board was informed that the name of the Company be changed subject to the approval of the authorities concerned, to 'PVD Infotech and Industries Ltd.' In the event the said name is not available for registration, the following names were suggested in the order of preference :

1. PVD Dot Com. Ltd.
2. PVD Information & Technology Ltd.
3. PVD Infosys & Industries Ltd.

Your Directors recommend that the proposed resolution be passed as a Special Resolution.

(10) In view of the introduction of the Depository Act 1996 and the Depository System, the shares of the Company will have to be held in dematerialised form with the implementation of the new system in the near future. Therefore it has become necessary to appoint a Registrar who has got Depository connectivity with depository organisations to hold the securities in Electronic form. It has therefore been decided by the Board of Directors to introduce the work of Registrars and Transfer Agents of the Company to M/s. Sharex (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 w.e.f. 1/5/2000, and maintain the records of the Company in their Andheri Office.

Your Directors recommend that the above resolution be passed as a Special Resolution. None of the Directors of the Company are in any way concerned or interested in the above resolution.

By Order of the Board

**P. S. KRISHNAN**  
(EXECUTIVE DIRECTOR)



## PVD PLAST MOULD INDUSTRIES LTD.

### DIRECTORS' REPORT

To

#### THE MEMBERS,

Your Directors have pleasure in submitting their report together with the Audited Accounts of the Company for the year ended 31st December 1999 :

#### FINANCIAL RESULTS

	(Rs. in lakhs)	
	1999	1998
Sales & other receipts	2467.42	1195.12
Gross Profit/(Loss) before depreciation	480.49	(360.22)
Less : Depreciation	318.82	213.67
Profit before and after taxation	161.67	(573.39)
Add : Balance carried from earlier year	(538.73)	—
Profit/(Loss) available for approp.	—	—
Balance carried forward to next year	(377.06)	(538.73)

#### OPERATIONS

Your Directors are pleased to inform you that in spite of various adverse factors, your company has been able to achieve good results and the operations during the year have been profitable. The capacity utilisation in Spun Bond Nonwoven Unit has been encouraging. Your company could also operate other units partially with good management of working capital. Your Directors hope to achieve better capacity utilisation during current year. The sales of the Company has increased by 106% from Rs. 11.95 crores to Rs. 24.67 crores, and earned a net profit of Rs. 1.62 crores against a loss of Rs. 5.74 crores.

Your Directors are hopeful about the current year working by better utilisation of the capacity of all the units.

To diversify in a more profitable and technologically superior field, your Directors have

recommended to start Information Technology activities. Your company has started the process of obtaining necessary approvals and hope to start the same at the earliest possible time.

#### DIVIDEND

In view of carried forward loss, and the need to conserve the resources, your Directors are unable to recommend payment of any dividend for the year under review.

#### DIRECTORS

During the year Mr. H. K. Vithalani, Mr. B. P. Sheth and Mr. B. Gopalkrishnan (UTI Nominee) have resigned from the Board in view of their preoccupations.

Mr. P. S. Krishnan was appointed as an Executive Director of the Company w.e.f. 01-08-1999 on the agreed terms and conditions, you are requested to give approval for the same.

Mr. G. Ravindran, Executive Director was reappointed by the Board w.e.f. 1-1-2000 which also require your approval.

Your Directors recommend that whole-hearted approval be given to these Directors, who have steered your company to present position.

Ms. Vilina P. Sheth and Mr. E. Dhariwala retire by rotation and being eligible offer themselves for reappointment. Your Directors recommend that re-election of these Directors will be interest of the company.

#### ADDITIONAL INFORMATION

The additional requirement proposed by the Companies (Amendment) Act, 1988 in respect of conservation of energy and absorption of technology, do not apply to the products of your Company. However, your company is constantly