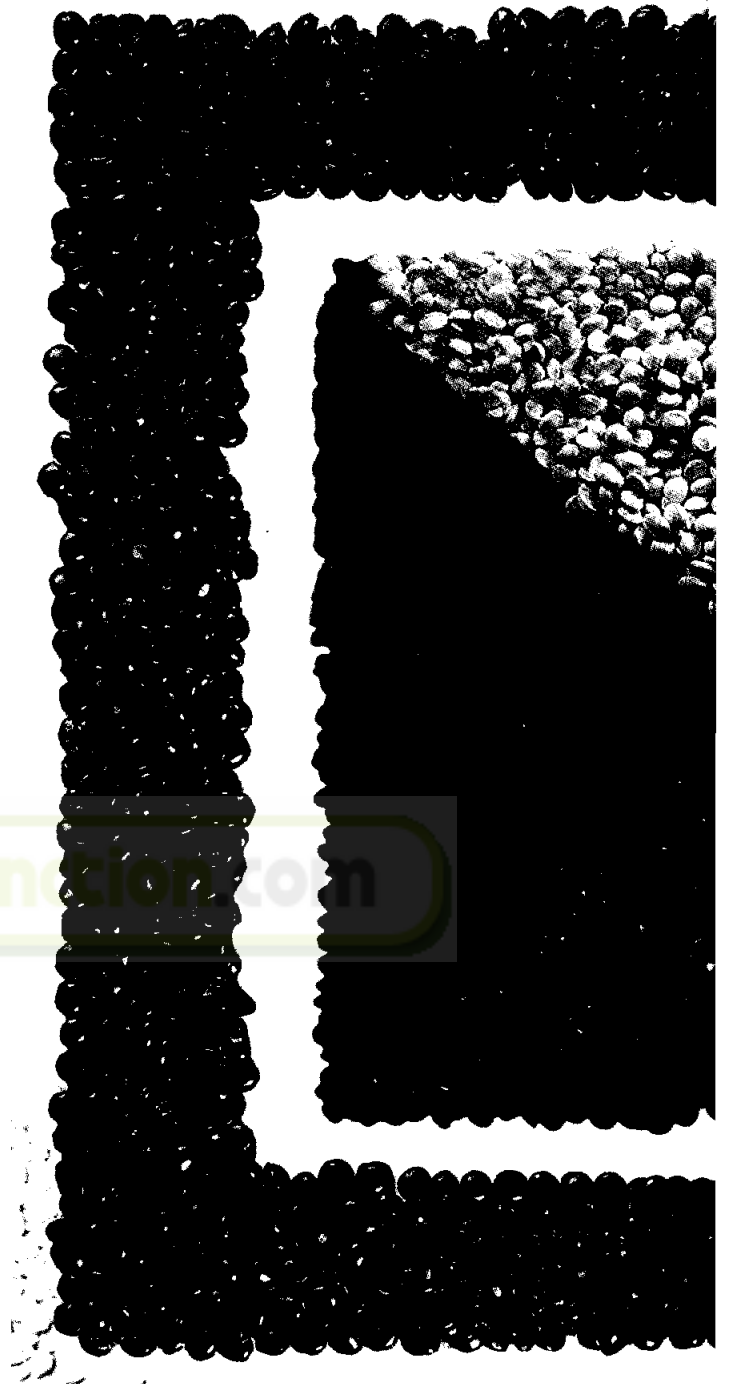




# **Plastiblends**

## **India Limited**



**India's First Masterbatch Manufacturing Company Accredited with ISO 9001**  
**11th Annual Report**  
**2001-2002**



## FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998
<b>OPERATING RESULTS</b>					
Sales and Other Income	5741.89	5635.50	4384.17	3594.60	2949.58
Profit before Depreciation, Interest & Tax	1105.71	1006.74	750.78	653.28	560.73
Less : Depreciation	107.54	98.62	83.41	68.52	66.67
Interest	119.31	140.17	137.40	177.15	203.93
Profit before tax	878.86	767.95	529.97	407.61	290.13
Less : Provision for Taxation	166.13	178.09	90.18	45.00	0.00
Net Profit after tax (PAT)	712.73	589.86	439.79	362.61	290.13
Less : Provision for Deferred Taxation	175.44	0.00	0.00	0.00	0.00
Net Profit after provision of deferred taxation	537.29	589.86	439.79	362.61	290.13
Retained earnings	342.37	427.43	303.34	245.66	199.17
Earning per share (EPS) (Rs.) (Based on PAT)	10.97	9.08	6.77	5.58	4.47
Dividend (%)	30%	25%	21%	18%	14%
<b>FINANCIAL SUMMARY</b>					
Assets Employed					
Fixed Assets (NET)	1467.74	1471.21	1414.69	1058.17	1093.63
Working Capital (NET)	274.91	543.85	607.99	310.84	623.30
Capital Employed	3265.65	2898.75	2685.16	2219.32	2105.95
<b>FINANCED BY</b>					
Share Capital	649.73	649.73	649.73	649.73	649.73
Reserves	1672.73	1355.74	944.88	656.55	423.76
Total Shareholders Funds	2322.46	2005.47	1594.61	1306.28	1073.49
Borrowings	742.37	893.28	1090.55	913.04	1032.46
Deferred Tax Adjustments	200.82	0.00	0.00	0.00	0.00
Debt : Equity	0.32 : 1	0.45 : 1	0.68 : 1	0.70 : 1	0.96 : 1
<b>OTHERS</b>					
Book Value Per Share (Rs.)	35.74	30.87	24.54	20.10	16.52
Gross Fixed Assets	2090.25	1987.98	1835.79	1397.00	1363.94
Employees Cost	152.13	138.18	114.31	93.82	87.34

**PBI****Plastiblends**  
India Limited**BOARD OF DIRECTORS**

Shri. S. V. Kabra	Chairman & Managing Director
Shri. S. N. Kabra	Director
Shri. P. C. Parmar	Director
Shri. H. S. Sanwal	Director
Shri. A. E. Ladhabhoy	Director
Shri. V. Dorairaj	Director
Shri. R. K. Mundra	Director

**COMPANY SECRETARY**

Ms. Pooja K. Raichura

**BANKERS**

State Bank of India

**AUDITORS**

M/s. Kishor B. Phadke &amp; Co.

Chartered Accountants,  
Pune**REGISTERED OFFICE**

B-45, Mahashree Compound,  
New Link Road,  
Andheri (West),  
Mumbai - 400 053  
Tel. No. : 636 7617/631 5007/9642,695 2694/95/96/97/98  
Fax : 091-22-636 7441  
E-Mail : pbi@kolsitegroup.com Web :www.plastiblendsindia.com

**WORKS**

74/1, 74/2 and 75/3,  
Daman Industrial Estate,  
Kadaiya Village,  
Daman - 396 210  
Tel. No. : 0260-263704/262426/427  
Fax : 0260-262306

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**11th ANNUAL  
GENERAL MEETING****Date** : 7th August, 2002**Day** : Wednesday**Time** : 5.00 p.m.

**Venue** : Hotel Park View, 38, Lallubhai Park Road,  
Next to Lallubhai Park, Andheri (West),  
Mumbai-400 058.



### NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the Members of **M/s. PLASTIBLENDS INDIA LIMITED** will be held on Wednesday, the **7<sup>th</sup> day of August, 2002** at **5:00 p. m.** at Hotel Park View, 38, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058 to transact the following business:

#### ORDINARY BUSINESS :

1. To receive and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2002 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Reports thereon.
2. To declare a dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2002.
3. To appoint a Director in place of Shri. H. S. Sanwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. A. E. Ladhabhoy, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Kishor B. Phadke & Co., Chartered Accountants, as Auditors of the Company to hold such office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting and on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

Mumbai, June 06, 2002

By Order of the Board  
**Plastiblends India Limited**

#### Registered Office :

B-45 Mahashree Compound,  
 New Link Road,  
 Andheri (West),  
 Mumbai – 400 053

Sd/-  
**Pooja Raichura**  
 Company Secretary

#### 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
 The instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 30<sup>th</sup> July, 2002 to Wednesday, the 7<sup>th</sup> August, 2002 (both days inclusive).
3. Dividend on equity shares as recommended by the Board of Directors for the year ended March 31, 2002, if approved and declared at the meeting will be payable to those eligible members whose names appear :
  - (i) As Beneficial Owners, as on 29<sup>th</sup> July, 2002 as per list to be furnished by National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL) in respect of shares held in electronic form; and
  - (ii) As Members in the Register of Members of the Company after giving effect to all valid share transfers in Physical form lodged with the Company before 30<sup>th</sup> July, 2002.

4. Shareholders holding shares in demat mode may please note that their bank details as furnished by the respective Depositories to the Company will be mandatorily printed on their dividend warrants as advised by the Securities and Exchange Board of India (SEBI). Further, instructions, if any, given by them in respect of shares held in Physical mode will not be automatically applicable to the dividend paid on shares held in demat mode. Members holding shares in demat must, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participant (DP). The Company will not act on any direct request from these shareholders for change/deletion in such bank details.
5. Members are hereby informed that Dividends which remain unclaimed / unencashed over a period of 7 years from the date of transfer to Unpaid Dividend Accounts as per Section 205 A (1) of the Companies Act, 1956 have to be transferred by the Company to the Investor Education & Protection Fund constituted by the Central Government under Section 205 C of the Companies Act, 1956.

We give below the details of dividends paid by the Company and their respective due month/year of transfer to such Fund of the Central Government, if they remain unencashed :

Date of Declaration of Dividend (at AGM)	Dividend for the Year	Rate of Dividend	Month & Year of transfer to the Fund
18 <sup>th</sup> September, 1997	1996-1997	10 %	October, 2004
16 <sup>th</sup> September, 1998	1997-1998	14 %	October, 2005
17 <sup>th</sup> September, 1999	1998-1999	18 %	October, 2006
15 <sup>th</sup> May, 2000	1999-2000 (Interim) #	21 %	June, 2007
2 <sup>nd</sup> August, 2001	2000-2001	25 %	September, 2008

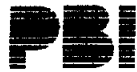
# Interim dividend was paid as declared by the Board of Directors at its meeting held on 15th May, 2000 and the same was approved as Final Dividend at Annual General Meeting held on 15<sup>th</sup> September, 2000

It may also be noted that no claim can be made by the shareholders for the Unclaimed Dividends which have been transferred to the credit of the Investors Education & Protection Fund of the Central Government under the amended provision of Section 205C of the Companies Act, 1956 and rules framed thereunder.

In view of the above regulation, the shareholders are advised to send requests with matured Dividend Warrants to enable the Company to obtain Demand Draft / Bankers Cheque in lieu thereof to make payment of unencashed warrants.

6. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready at the Meeting.
7. Members holding shares in Physical Form are requested to intimate to the Company changes, if any, in their registered addresses, bank account and mandate details, residential status etc. at the Registered Office quoting their folio number/(s).
8. In terms of notification issued by Securities & Exchange Board of India (SEBI), equity shares of the Company are under compulsory trading in demat form by all investors w.e.f. 7<sup>th</sup> May, 2001.

The equity shares of the Company have been already made available for dematerialisation. National Securities Depository Limited (NSDL) has activated the scrip w.e.f. 08-11-2000. Central Depository Services (India) Limited (CDSL) has also activated the scrip w.e.f. 06-10-2000. **ISIN allotted to our equity shares is INE083C01014.** Number of shares already dematerialised till date is about 67% of the total equity.



9. Members who holds shares in dematerialised form are requested to bring/intimate their Client ID and DP ID numbers for easy identification at the time of attendance to the General Meeting.
10. The equity shares of the Company are listed on Stock Exchange at Mumbai and Ahmedabad. The Company has already made payment of annual Listing Fees due to all the above Stock Exchanges for the year 2002-2003. Listing fees payable to Pune Stock Exchange is kept pending in view of delisting proposal.
11. Individual shareholders can now avail facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as Societies, Trusts, Bodies Corporate, Partnership Firms, Kartas of Hindu Undivided Families and holders of Power of Attorney.
12. In accordance with the Finance Bill presented to the Parliament, dividends will be taxable in the hands of recipient, accordingly tax will be deducted at source. No tax will be deducted on the dividends for Members who have filed the prescribed Form 15G in duplicate with the Registered Office of the Company before 25<sup>th</sup> July, 2002.  
  
Members/Beneficial Owners are requested to intimate to the Company/Depository Participant, their Permanent Account Number (PAN)/G.I.R. No., so that the same can be mentioned in the TDS Certificate to be issued by the Company for tax deducted at source, if any, from the dividend payable for the year 2001-02 onwards. This request is made pursuant to insertion of New sub-section 5A to 5D in Section 139-A of the Income Tax Act/Rule.
13. Electronic Clearing Service (ECS) provides instant credit of Dividend amount to your Bank Account electronically at no extra cost. It will also eliminate postal delay and fraudulent encashment. As mandated by SEBI, the Company propose to extend ECS for payment of future dividend, for which the Members are requested to furnish the details of their Bank Account in the form provided alongwith this annual report and send it to the Company at its Registered Office Address.

Mumbai, June 06, 2002

By Order of the Board  
**Plastiblends India Limited**

**Registered Office :**

B-45 Mahashree Compound,  
 New Link Road,  
 Andheri (West),  
 Mumbai - 400 053

Sd/-  
**Pooja Raichura**  
 Company Secretary



## DIRECTORS' REPORT

To,  
The Members,  
**Plastiblends India Limited,**  
Mumbai.

Your Directors are pleased to present the **ELEVENTH ANNUAL REPORT**, together with the **AUDITED STATEMENT OF ACCOUNTS** of the Company for the year ended 31st March, 2002.

### FINANCIAL RESULTS :

	Year ended 31-03-2002 (Rs. in lakhs)	Year ended 31-03-2001 (Rs. in lakhs)
Sales and other income	<u>5741.89</u>	<u>5635.50</u>
Profit before interest and depreciation	<u>1105.71</u>	<u>1006.74</u>
Less : Interest	<u>119.31</u>	<u>140.17</u>
Depreciation	<u>107.54</u>	<u>98.62</u>
Profit before Tax	<u>878.86</u>	<u>767.95</u>
Less : Provision for Taxation	<u>166.13</u>	<u>178.09</u>
Net Profit after tax	<u>712.73</u>	<u>589.86</u>
Less : Provision for deferred taxation	<u>175.44</u>	<u>—</u>
Net Profit after provision of deferred taxation	<u>537.29</u>	<u>589.86</u>
Add : Balance b/f from previous year	<u>1199.51</u>	<u>848.65</u>
Profit available for appropriation	<u>1736.80</u>	<u>1438.51</u>

### APPROPRIATIONS :

Transferred to General Reserves	75.00	60.00
Provision for Proposed Dividend	194.92	162.43
Provision for Tax on Proposed Dividend	—	16.57
Surplus balance carried to Balance Sheet	<u>1466.88</u>	<u>1199.51</u>
	<u>1736.80</u>	<u>1438.51</u>

### DIVIDEND :

Your Directors are pleased to recommend a dividend of Rs. 3.00 per share of Rs. 10/- each for the year ended 31st March, 2002 (Rs. 2.50 per share for the previous year) subject to the Members' approval.

### OPERATIONS :

During the year under review, your company has achieved operational and other income of Rs. 5741.89 lakhs as against operational and other income of Rs. 5635.50 lakhs, an increase of 2% over last year. The Profit after current year taxes is Rs. 712.73 lakhs as against Rs. 589.86 lakhs during the last year, an increase of 21% over last year. The Company has achieved production of 10552 Tonnes for the year as compared to 9478 Tonnes during previous year which is an increase of 11 % over last year.

Constant Developments are being made by the Company's R & D Team to widen the range of Masterbatches, to meet the growing requirements of Plastic Industry, as well as pioneering introduction of new grades for newer applications.

### EXPORTS :

Exports during the year has increased to Rs. 310.30 lakhs as against Rs. 162.36 lakhs of exports in the previous financial year, an increase of 91% over previous year's exports.

### DIRECTORS :

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Shri. H. S. Sanwal and Shri. A. E. Ladhabhoy, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**PBI****Plastiblends**  
India Limited**CORPORATE GOVERNANCE :**

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, applicability and implementation of Corporate Governance by your Company should be within the Financial Year 2002-2003, but not later than 31<sup>st</sup> March, 2003.

In view of above, your Company has reconstituted the Audit Committee, formed earlier under Section 292 A of the Companies Act, 1956. Further the existing Share Transfer Committee of the Company has been reconstituted as Share Transfer and Shareholders / Investors Grievance Committee w.e.f. 6<sup>th</sup> June, 2002 to carry out the additional responsibilities of handling / redressing Shareholder's / Investor's grievances / complaints.

**DIRECTORS RESPONSIBILITY STATEMENT :**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement :

Pursuant to Section 217 (2AA) of the Companies Act, 1956 :

- (i) That in the preparation of Annual Accounts for the year ended 31<sup>st</sup> March, 2002 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2002 and of the profits of the Company for the said year;
- (iii) That they had 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 they had prepared the accounts on a "going concern basis".

**AUDITORS :**

M/s. Kishor B. Phadke & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. They have furnished a certificate of re-appointment u/s. 224 (1-B) of the Companies Act, 1956 and they are not disqualified under amended section 226(3)(e) of the said Act.

**LISTING FEES :**

The Company declares that its Securities are listed on the Stock Exchanges at Mumbai and Ahmedabad. The Company confirms that it has paid Annual Listing Fees due to all the above Stock Exchanges for the year 2002-03.

**DEMATERIALISATION OF SHARES :**

In terms of notification issued by Securities & Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory trading in demat form by all the investors w.e.f. 7<sup>th</sup> May, 2001 and are available for dematerialisation with National Securities Depository Limited and Central Depository Services (India) Limited.

**EMPLOYEES RELATIONS :**

Employees Relations continued to be cordial throughout the year. The Directors appreciate the efforts put in by the employees at all levels.

There are no employees covered under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended and hence no particulars are required to be furnished.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :**

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 forms part of this report as ANNEXURE.

**ACKNOWLEDGEMENT :**

The Board of Directors of your Company place on record their gratitude and would like to thank Shareholders, Bankers, Financial Institutions, Customers, Dealers and Suppliers for their support and co-operation.

**For and on behalf of the Board**

Mumbai, June 06, 2002

Sd/-  
**S. V. Kabra**  
Chairman