



# Plastiblends

## India Limited



Report  Junction.com

**India's First Masterbatch Manufacturing Company Accredited with ISO 9001**  
**12th Annual Report**  
**2002-2003**



## FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	2002-03	2001-02	2000-01	1999-00	1998-99
<b>OPERATING RESULTS</b>					
Sales and Other Income	<b>6385.38</b>	5741.89	5635.50	4384.17	3594.60
Profit before Depreciation, Interest & Tax	<b>1235.41</b>	1105.70	1006.74	750.78	653.28
Less : Depreciation	<b>107.54</b>	107.54	98.62	83.41	177.15
Interest	<b>87.44</b>	119.31	140.17	137.40	68.52
Profit Before Tax (PBT)	<b>1040.43</b>	878.85	767.95	529.97	407.61
Less : Provision for Taxation	<b>200.00</b>	166.13	178.09	90.18	45.00
Net Profit After Tax (PAT)	<b>840.43</b>	712.72	589.86	439.79	362.61
Less : Provision for Deferred Taxation	<b>21.46</b>	175.44	0.00	0.00	0.00
Net Profit after provision of Deferred Taxation	<b>818.97</b>	537.29	589.86	439.79	362.61
Retained Earnings	<b>585.07</b>	342.37	427.43	303.34	245.66
Earning Per Share (EPS) (Rs.) (Based on PAT)	<b>12.94</b>	10.97	9.08	6.77	5.58
Dividend (%)	<b>36 %</b>	30%	25%	21%	18%
<b>FINANCIAL SUMMARY</b>					
Assets Employed					
Fixed Assets (NET)	<b>1400.98</b>	1467.74	1471.21	1414.69	1058.17
Working Capital (NET)	<b>120.10</b>	274.92	543.85	607.99	310.84
Capital Employed	<b>3890.29</b>	3265.65	2898.75	2685.16	2219.32
<b>FINANCED BY</b>					
Share Capital	<b>649.73</b>	649.73	649.73	649.73	649.73
Reserves	<b>2227.83</b>	1672.73	1355.74	944.88	656.55
Total Shareholders Funds	<b>2877.56</b>	2322.46	2005.47	1594.61	1306.28
Borrowings	<b>790.45</b>	742.37	893.28	1090.55	913.04
Deferred Tax Adjustments	<b>222.28</b>	200.82	0.00	0.00	0.00
Debt : Equity	<b>0.27 : 1</b>	0.32 : 1	0.45 : 1	0.68 : 1	0.70 : 1
<b>OTHERS</b>					
Book Value Per Share (Rs.)	<b>44.29</b>	35.74	30.87	24.54	20.10
Gross Fixed Assets	<b>2124.76</b>	2090.25	1987.98	1835.79	1397.00
Employees Cost	<b>173.41</b>	152.13	138.18	114.31	93.82


**TWELFTH ANNUAL REPORT 2002-2003**
**BOARD OF DIRECTORS**

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

**COMPANY SECRETARY**

Ms. Pooja K. Raichura

**AUDITORS**

M/s. Kishor B. Phadke & Co.  
 (Chartered Accountants, Pune)

**BANKERS**

State Bank of India

**REGISTERED OFFICE**

B-45, Mahashree Compound, New Link Road,  
 Andheri (West), Mumbai - 400 053  
 Tel. No. : 2673 6468 / 5695 2694-98 Fax : +91-22-2673 6808  
 E-mail : pbi@kolsitegroup.com Website : www.plastiblendsindia.com

**WORKS**

74/1, 74/2 and 75/3, Daman Industrial Estate,  
 Kadaiya Village, Daman - 396 210

&

110/1, 3, 4, 5 & 6, Daman Industrial Estate,  
 Kadaiya Village, Daman - 396 210  
 Tel. No.: 0260-2262426/427 Fax : 0260-2262306

**SHARE TRANSFER AGENT**

Sharex (India) Pvt. Ltd.  
 17/B, Dena Bank Bldg., 2nd Floor, Horniman Circle,  
 Fort, Mumbai - 400 001  
 Tel. No. : 2270 2485, 2264 1376  
 Fax : +91-22-22641349 E-mail : sharexindia@vsnl.com

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## NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of **M/s. PLASTIBLENDS INDIA LIMITED** will be held on Friday, the 1<sup>st</sup> day of August, 2003 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, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2003 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Report thereon;
2. To declare a dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2003;
3. To appoint a Director in place of Shri. S. N. Kabra, a Director, who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri. R. K. Mundra, a Director, who retires by rotation and being eligible offers himself for re-appointment;
5. To appoint Messrs. Kishor B. Phadke & Co., Chartered Accountants, Pune 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.

### SPECIAL BUSINESS :

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

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 316, 349, 350 (as amended), Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Shri. S. N. Kabra, Director as a Vice-Chairman & Managing Director of the Company for a period of 5 years w.e.f. July 1, 2003 upon the terms and conditions and payment of remuneration as set out herein below :

- Salary: Rs. 50,000/- per month.
- Perquisites: In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary. Unless the context otherwise requires, perquisites are classified into three categories - 'A', 'B' and 'C' as follows :

#### CATEGORY A :

##### i. Housing :

Housing I: The expenditure by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% of salary payable by him.

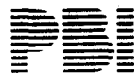
Housing II: In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the Company.

Housing III: In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance (HRA) subject to the ceiling laid down in Housing I.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishing, if any, shall be valued as per the Income-tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of the Managing Director.

- ii. **Medical Reimbursement:** For self and his family subject to a ceiling of one month's salary in a year or three months' salary in a block of three years.
- iii. **Leave Travel Concession:** For self and his family once in a year, in accordance with the rules of the Company.
- iv. **Club Fees:** Club fees, subject to a maximum of two clubs. This will not include admission and life membership fees.
- v. **Personal Accident Insurance:** Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 4,000/-.

**Explanation:** For the purpose of CATEGORY-A, 'Family' means the spouse, the dependent children and dependent parents of the appointee.


**CATEGORY B:**

- i. Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961.
- ii. Gratuity not exceeding half a month's salary for each completed year of service with a maximum limit of Rs. 3,50,000/-.
- iii. Encashment of leave at the end of the tenure as per the rules of the Company.

However, these will not be included in the computation of ceiling on remuneration.

**CATEGORY C:**

Provision of car and telephone at residence for use on Company's business will not be considered as perquisites. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director.

**"AND THAT** during the tenure of Shri. S. N. Kabra, Vice-Chairman & Managing Director, if in any Financial Year the Company has no profits or its profits are inadequate, the remuneration by way of salary and perquisites payable to him shall not exceed the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956 as minimum remuneration."

**"AND THAT** Shri. S. N. Kabra, Director, if appointed as Vice-Chairman & Managing Director by the Members will be a non-rotational Director and shall not be liable to retire by rotation during his tenure as a Vice-Chairman & Managing Director."

**"AND THAT** the Company do enter into an agreement with Shri. S. N. Kabra for his appointment as a Vice-Chairman & Managing Director of the Company and that this agreement be signed by any one of the following Directors for and on behalf of the Company -

- (1) Shri. P. C. Parmar
- (2) Shri. H. S. Sanwal"

**"AND THAT** the Common Seal of the Company be affixed thereto in terms of Articles of Association of the Company."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as **an Ordinary Resolution** :

**"RESOLVED THAT** Shri. Anand S. Kabra, who was appointed as an Additional Director at the Meeting of the Board of Directors of the Company held on 19<sup>th</sup> June, 2003 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

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

**"RESOLVED THAT** pursuant to the provisions of Section 163 of the Companies Act, 1956, consent of the Members be and is hereby accorded to keep the Register of Members, Index of Members and other related documents with M/s. Sharex (India) Pvt. Ltd., the Company's Share Transfer Agent at 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai - 400 001 instead of being kept at the Registered Office of the Company and in the event of change in the appointment of the Share Transfer Agent of the Company or of their office, at such place within the limits of Greater Mumbai."

Mumbai, June 19, 2003

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

**Registered Office :**

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

Sd/-  
**Pooja K. Raichura**  
 Company Secretary


**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies, to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business under Item No. 6 to 8 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 26th day of July, 2003 to Friday, the 1st day of August, 2003 (both days inclusive).
4. Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2003, if approved and declared at the meeting, will be payable to those eligible Members whose names appear :
  - (i) as Beneficial Owners, as at the end of the business on 25th July, 2003 as per list to be furnished by the Depositories for the said purpose; 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 or with the Company's Share Transfer Agent on or before 25th July, 2003.
5. Shareholders holding shares in electronic mode may please note that the Company will accept and print on the dividend warrants, the bank details as furnished by the respective Depositories only, as advised by the Securities and Exchange Board of India (SEBI).
6. Members may note that, those who have not received / encashed dividend warrants for the Financial Years 1996-97 to 2001-02 may return the time barred dividend warrants or write to the Company to enable us to issue duplicate dividend warrants and once the unpaid / unclaimed dividend is transferred to the Investor Education & Protection Fund of the Central Government, no claim shall lie in respect thereof.

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 are given herein below :

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
7 <sup>th</sup> August, 2002	2001-2002	30 %	September, 2009

# Dividend was paid as Interim and was approved as Final at Annual General Meeting held on 15<sup>th</sup> September, 2000

7. 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.
8. Members holding shares in Physical Form are requested to intimate Changes, if any, in their registered addresses, bank account and mandate details, residential status etc. quoting their folio number/(s) to Company's Share Transfer Agent.
9. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders and those who are desirous of availing this facility may write to Company's Share Transfer Agent.
10. Shareholders may avail the facility of Electronic Clearing Services (ECS) for receiving direct credit of dividend to their accounts with Banks for expeditious credit and to protect from loss, theft and postal delay of dividend warrants. Bank details for the said purpose may be given in the Proforma annexed herewith.





### ANNEXURE TO THE NOTICE

(Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956)

#### ITEM NO. 6 :

At the meeting of the Board of Directors held on 19<sup>th</sup> June, 2003, the Board of Directors has appointed Shri. S. N. Kabra as a Vice-Chairman & Managing Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> day of July, 2003 subject to approval by the Members at this Annual General Meeting.

In the era of cut-throat competition, the world class quality and the best of services is the key to achieve & maintain the Number One position in the industry. In the best interest of the Company, it is proposed to appoint Shri. S. N. Kabra, 59, B.E. (Mechanical), a Director as a Vice-Chairman & Managing Director w.e.f. 1<sup>st</sup> day of July, 2003, who is involved since inception and with his strong technical base, blend with proficiency in different areas of business can contribute utmost to the Company.

The draft agreement to be entered into by the Company with Shri. S. N. Kabra upon receipt of requisite approval is available for inspection by the Members.

Shri. S. N. Kabra personally and Shri. S. V. Kabra being related to him are interested in this resolution. No other Director/(s) of the Company is/are deemed to be interested or concerned in the said resolution.

This explanatory statement together with the resolution at Item No. 6 in the accompanying Notice is to be regarded as an abstract of the terms of the draft Agreement to be entered into by & between the Company with Shri. S. N. Kabra and Memorandum of Interest pursuant to Section 302 of the Companies Act, 1956.

#### ITEM NO. 7 :

In its efforts to broad-base the Board of Directors of the Company, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange and to reap the benefit of young and professional Members on the Board, Shri. Anand S. Kabra, son of Shri. S. V. Kabra, Chairman & Managing Director has been appointed as an Additional Director of the Company by the Board in its meeting held on 19<sup>th</sup> June, 2003 pursuant to the provision of Section 260 of the Companies Act, 1956 to hold the office of Directorship until the date of this Annual General Meeting.

Shri. Anand S. Kabra, 29, is a professionally qualified B.E. (Mechanical) and MBA in Family Business and has sufficient post qualification experience & expertise. His appointment will be advantageous & in the interest of the Company.

Notice in writing has been received from a Shareholder of the Company, signifying his intention proposing Shri. Anand S. Kabra's candidature for the office of Director. The Board recommends that he be appointed as a Director of the Company.

Except Shri. Anand S. Kabra and Shri. S. V. Kabra, no other Director/(s) is/are interested in the said Resolution.

#### ITEM NO. 8 :

Pursuant to the provisions of Section 163 of the Companies Act, 1956, the Members are required to approve the proposal by passing a Special Resolution to keep Register of Members, Index of Members and other related documents of the Company at a place other than the Registered Office of the Company.

Members are requested to note that to comply with the requirement of SEBI Circular dated December 31, 2002 regarding appointment of common agency for handling the entire work related to physical transfers and dematerialisation of shares, your Company has appointed M/s. Sharex (India) Pvt. Ltd., as Share Transfer Agent of the Company w.e.f. 1<sup>st</sup> day of April, 2003 and hence all the aforesaid Registers & Documents are required to be kept with them.

None of the Directors are concerned or interested in passing of this resolution.

Mumbai, June 19, 2003

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

#### Registered Office :

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

Sd/-  
**Pooja K. Raichura**  
 Company Secretary



## DIRECTORS' REPORT

Dear Members,

We have pleasure in presenting the **TWELFTH ANNUAL REPORT**, together with the **AUDITED STATEMENT OF ACCOUNTS** of the Company for the year ended 31<sup>st</sup> March, 2003.

### FINANCIAL RESULTS :

	Year Ended 31 <sup>st</sup> March,03 (Rs. In Lakhs)	Year Ended 31 <sup>st</sup> March,02 (Rs. In Lakhs)
Sales and Other Income	<u>6385.38</u>	<u>5741.89</u>
Profit before Interest & Depreciation	<u>1235.41</u>	1105.71
Less : Interest	<u>87.44</u>	119.31
Depreciation	<u>107.54</u>	107.54
Profit Before Tax (PBT)	<u>1040.43</u>	878.86
Less : Provision for Taxation	<u>200.00</u>	166.13
Net Profit After Tax (PAT)	<u>840.43</u>	712.73
Less : Provision for Deferred Taxation	<u>21.46</u>	175.44
Net Profit After provision of Deferred Taxation	<u>818.97</u>	537.29
Add : Balance b/f from previous year	<u>1466.88</u>	1199.51
Profit available for appropriation	<u><u>2285.85</u></u>	<u><u>1736.80</u></u>

### APPROPRIATIONS :

Transferred to General Reserves	<u>85.00</u>	75.00
Provision for Proposed Dividend	<u>233.90</u>	194.92
Provision for Tax on Proposed Dividend	<u>29.96</u>	—
Surplus balance carried to Balance Sheet	<u><u>1936.99</u></u>	<u>1466.88</u>
	<u><u>2285.85</u></u>	<u><u>1736.80</u></u>

### DIVIDEND :

Your Directors are pleased to recommend a dividend of Rs. 3.60 per share of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2003 (Rs. 3.00 per share for the previous year) subject to the members' approval.

### OPERATIONS AND OUTLOOK :

During the year under review, your Company has achieved Operational and Other Income of Rs. 6385.38 Lakhs as against Operational and Other Income of Rs. 5741.89 Lakhs, an increase of 11% over the previous year. The Profit after current year taxes is Rs. 840.43 Lakhs as against Rs. 712.72 Lakhs, an increase of 18% over the previous year. The Company has achieved production of 11295 Tonnes for the year as compared to 10552 Tonnes during previous year which is an increase of 7% over the last year.

The Corporate Governance Report and the Management Discussion & Analysis Report forming a part of this Report, is a reflection of the current state of business as well as opportunities & threats faced by your Company and its outlook in future.





Your Company is making constant Research & Developments efforts to widen the range of new generation masterbatches like biodegradable masterbatches, conductive plastics for polyethylene & polypropylene processed goods, polymer processing aids, optical brightener, antistatic agents, UV stabilizers, etc. and during the Plastindia Exhibition 2003, biodegradable and conductive masterbatches drew excellent response through several queries from both domestic processors and people abroad.

Your Company has setup a New Unit (Factory No. 2) on Plot No. 110/1, 3, 4, 5 & 6, Daman Industrial Estate, Kadaiya Village, Daman, to enhance its production capacity by 4000 Tonnes per annum, for which necessary permission has been already obtained from SIA.

Members will also be delighted to know that during the year, your Company has enhanced its present installed capacity by 1000 tonnes per annum i.e. from 14000 tonnes per annum to 15000 tonnes per annum with advanced technology, continuous R&D and equipped laboratory.

#### **EXPORTS :**

Exports during the year under review are Rs. 387.53 Lakhs as against Rs. 310.30 Lakhs of exports in the previous Financial Year, an increase of 25% over previous year's exports.

#### **DIRECTORS :**

In accordance with the Articles of Association of the Company and in view of provisions of the Companies Act, 1956, Shri. S. N. Kabra and Shri. R. K. Mundra, Directors of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The Board in its meeting held on 19<sup>th</sup> June, 2003 has appointed Shri. S. N. Kabra, a Director as Vice-Chairman & Managing Director of the Company and Shri. Anand S. Kabra as an Additional Director of the Company. Both appointments are subject to the approval of members in the ensuing Annual General Meeting.

#### **CORPORATE GOVERNANCE :**

The Code on Corporate Governance for implementation by all the Listed Companies has been introduced by the Securities and Exchange Board of India and accordingly it needs to be implemented by your Company on or before 31<sup>st</sup> March, 2003.

The Report on Corporate Governance, Management Discussion & Analysis Report along with the certificate of the Statutory Auditors dated 19<sup>th</sup> June, 2003 forms part of this Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, subject to the disclosures in the Annual Accounts, observations of the Audit Committee and on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under :

- (i) That in the preparation of Annual Accounts for the year ended 31<sup>st</sup> March, 2003 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the directors had selected such accounting policies and applied them consistently, and made judgments 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, 2003 and of the profits of the Company for the said year;
- (iii) That the directors 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 the directors had prepared the annual accounts on a "going concern basis".

#### **AUDITORS :**

Messrs. Kishor B. Phadke & Co., Chartered Accountants, Auditors of the Company will retire from the office of the Auditors at the conclusion of the ensuing Annual General Meeting and being eligible offer 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 & Ahmedabad and it has paid Annual Listing Fees due to both Stock Exchanges for the year 2003-2004.

**PARTICULARS OF EMPLOYEES AND EMPLOYEES RELATIONS :**

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.

The relation between the Employees and the Management remained cordial during the year under review. Your Directors wish to place on record their appreciation of the contribution made by the Employees at all levels.

**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 of Directors**

Sd/-

Mumbai, 19<sup>th</sup> June, 2003

Chairman

### ANNEXURE TO THE DIRECTORS' REPORT

**Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and pursuant to Section 217 (1) (e) of the Companies Act, 1956 :**

**A. CONSERVATION OF ENERGY :**

- (a) **Energy Conservation Measures taken :** The Company has installed the state-of-the-art technology machines which are energy conservative.
- (b) **Additional Investments and proposals, if any, for reduction of consumption of energy :** None
- (c) **Impact of measures at (a) & (b) above :** With the sophisticated Plant and Machinery, the Company expects energy consumption to be lower but the total impact of this cannot be measured.

**B. TECHNOLOGY ABSORPTION :**

The Company has in-house full-fledged Research & Development Department with sophisticated and latest technologies which is independently developing wide range of new generation masterbatches.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

	<b>2002-2003</b>	<b>2001-2002</b>
	<b><u>Rs. in Lakhs</u></b>	<b><u>Rs. in Lakhs</u></b>
Foreign Exchange Earned	<b>387.53</b>	310.30
Foreign Exchange Used	<b>1296.58</b>	882.30

**For and on behalf of the Board of Directors**

Sd/-

Mumbai, 19<sup>th</sup> June, 2003

Chairman