



REPORT JUNCTION

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ANNUAL REPORT
1998 - 99



TOKYO PLAST INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Velji L. Shah
Chairman

Malshi L. Shah

Haresh V. Shah

AUDITORS

Swamy & Chhabra
Chartered Accountants

BANKERS

Bombay Mercantile Co-Op. Bank Ltd.

REGISTERED OFFICE

Tokyo House
9/49, Marol Co-Op. Ind. Estate,
Sakinaka, Andheri (E),
Mumbai - 400 059.

REGISTRAR AND TRANSFER AGENT

Choksh Infotech Ltd.
35, Ajanta House,
Marol Co-Op. Ind. Estate,
Sakinaka, Andheri (E),
Mumbai - 400 059.

Sixth Annual General Meeting	CONTENTS
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Venue : SHRI. SATYANARAYAN GOENKA BHAVAN 87, J. B. Nagar, Andheri (East), Mumbai - 400 059.	Auditors' Report..... 4
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NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Shareholders of **TOKYO PLAST INTERNATIONAL LIMITED** will be held at Shri Satyanarayan Goenka Bhavan, 87, J.B. Nagar, Andheri (East), Mumbai - 400 059 on Wednesday the 29th September, 1999 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31.03.1999 and Profit & Loss Account of the Company for the year ended on that date together with the Reports of the Directors and Auditor.
2. To appoint a Director in place of Shri Malshi L. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

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

"RESOLVED that subject to all applicable provisions of the Companies Act, 1956, (including any statutory modifications guidelines or re-enactment thereof for the time being in force and as may be enacted from time to time) and subject to such other approvals, permissions and sanctions, as may be necessary from Securities and Exchange Board of India (SEBI), Stock Exchange(s), Central Government or Such other authorities and subject to such conditions and modifications as may be prescribed or enforced while granting such approvals permissions and sanctions which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to delist the equity shares of the Company from the Ahmedabad, Vadodara, Calcutta, Delhi and Madras Stock Exchanges.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds things and matters that may be necessary and desirable or expedient in giving effect to the aforesaid resolution".

By Order of the Board
HARESH V SHAH
Director

Mumbai, 7th June, 1999

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 NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books will remain closed from 22.09.98 to 28.09.98 (both days inclusive).
3. Members are requested to notify the change of address, if any, to the Company's Registrar and Share Transfer Agent, Choksh Infotech Ltd., 35, Ajanta House, Marol Co-op. Industrial Estate, Andheri-Kurla Road, Mumbai - 400 059.
4. For the convenience of Members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance card, which is attached herewith.
5. Members are requested to kindly bring their copies of Annual Report to the Meeting.

ANNEXURE TO THE NOTICE

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

RESOLUTION NO. 4

The equity shares of the Company are listed at The Mumbai, Calcutta, Delhi, Ahmedabad, Vadodara and Madras Stock Exchanges. In addition the Company's shares are also listed on the National Stock Exchange (N.S.E). The trading volume of the Company's shares at the above Stock Exchanges except The Mumbai Stock Exchange and The National Stock exchange is very low since last three years. In view of this, it is proposed to delist the securities of the Company from Ahmedabad, Vadodara, Calcutta, Delhi and Madras Stock Exchanges.

The members of the Company have access to online dealings in the Company's shares across the country through the network of terminals of the Mumbai Stock Exchange and the National Stock Exchange. Thus the proposed delisting of the securities would in no way inconvenience the members and the general public desiring to do trading in the securities of the Company.

None of the Directors of the Company is, in any way, concerned or interested in the proposed resolution.



TOKYO PLAST INTERNATIONAL LIMITED

DIRECTOR'S REPORT

To
The Members,
Your Directors have pleasure in presenting their Sixth Annual Report and Audited Accounts of the Company for the year ended March 31, 1999.

FINANCIAL RESULTS

	1998-99	1997-98
Sales	2074.26	2021.14
Profit after tax	221.27	147.69

APPROPRIATION

Transfer to General Reserve	30.00	--
Proposed Dividend - Preference	33.92	33.92
Dividend Tax	3.39	3.39
Surplus Carried Over	153.96	110.38

DIVIDEND :

Keeping in view the requirement of the Company for enhanced working capital funds, your Directors are constrained not to recommend any dividend on the equity shares for the year.

Preference dividend @ 16 % will be paid to the preference shareholders. The total outflow on account of dividend including the dividend tax will be Rs. 37.31 lakhs.

PERFORMANCE :

The Plastic Industry continued to face severe competition from International Market. Your Company improve its business prospects. Markets which were identified in the earlier years were given due focus to derive the maximum mileage. The troubled industry scenario has resulted in the stagnation of the growth with turnover registering a nominal increase of 3%. However Your Directors are confident that the steps taken are in the right direction and would yield long term fruitful results.

EXPORTS :

Your company continued to improve its export performance. The export turnover during the year increased by 11% from Rs.1442 lacs to Rs.1601 lacs. The focus on American Market has paid dividends with major chunk of the exports coming from these markets. The potential for growth in these markets is immense though your company has to contend with international competition.

Y2K COMPLIANCE :

Your company has taken necessary steps on Y2K hardware/software problems. The operational areas which could be affected due to Y2K are mainly financial accounting and commercial areas. The total cost of Y2K compliance is not expected to be significant.

PARTICULARS OF EMPLOYEES:

There are no employees falling within the purview of Section 217(2A) of the Company Act, 1956

DIRECTOR :

Shri Malshi L. Shah retires by rotation at the ensuring Annual General Meeting and being eligible offers himself for reappointment. Your director recommend his reappointment.

AUDITORS :

M/S Swamy & Chhabra, Chartered Accountants, Auditor of the Company, hold office until the conclusion of the ensuring Annual General Meeting and the Board recommends their reappointment.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO IN TERMS OF SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956.

A. CONSERVATION OF ENERGY :

Your company is continuing its efforts to conserve energy. A very high priority is accorded to the measures of energy conservation. Routine measures of energy conservation include careful monitoring and optimisation of fuel and electrical energy consumption.

B. RESEARCH & DEVELOPMENT :

Continuous efforts in cost reduction, standards compliance and reliability improvements in the full range of products.

1. Specific area where R&D is being carried out by the Company:
Development of new moulds and product designs.

2. Benefits derived as a results of the above R&D:

Substantial increase in orders, in International Market by creation of new and innovative products.

3. Future Plan of Action :

Continuous efforts in improving product quality, reliability and cost reduction.

Focus in improving design efficiency and productivity. Strengthening the design and development processes to address the global market and new opportunities.

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4. Expenditure on R & D :

Not applicable since the company does not have a separate R & D Department.

C. TECHNOLOGY ABSORPTION , ADAPTATION AND INNOVATION :

1. **Efforts** : The Company is constantly taking steps which will result in reduction in the idle time of production process.

2. **Benefits** : Significant improvement in product quality and reliability has been achieved .

3. **Imported Technology** : Nil

D. FOREIGN EXCHANGE EARNINGS / OUTGO :

During the year under review , the company's foreign exchange earnings were Rs.1484.56 (Previous Year Rs.1335.42 Lakhs). The expenditure in foreign currency including imports during the year amounted to Rs. 344.81 lakhs (Previous Year Rs. 592 Lakhs).

ACKNOWLEDGMENT

Your Directors wish to place on record their appreciation of the continued co-operation the Company received from various departments of the Central and State Government , Company's Bankers and Suppliers of the company .

The Board also wishes to place on record its gratitude to our valued Customers , Members and employees for their continued support.

On Behalf of Directors

Haresh V. Shah
Director

Mumbai, Dated : 7th June, 1999

DISCLOSURE REQUIRED UNDER CLAUSE 31 OF THE LISTING AGREEMENT

The shares of the company are listed at the following Stock Exchanges:

1. The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.
2. National Stock Exchange of India Ltd
Trade World, 2nd floor,
Senapati Bapat Marg,
Lower Parel,
Mumbai 400013.
3. The Stock Exchange , Ahmedabad
Kamdhenu Complex,
Opp.Sahajand College,
Panjarapole,
Ahmedabad-380015.
4. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range
Calcutta-700001.
5. Madras Stock Exchange Ltd.
Exchange Building
11, Second Line Beach
Madras - 600001.
6. Vadodara Stock Exchange Ltd.
Fortune Towers,
Dalal street , Sayajiguni,
Baroda - 390005.
7. The Delhi Stock Exchange Association Ltd.
Wot Plaza, Indira Gandhi Stadium,
Indraprastha Estate,
New Delhi - 110002.

There are no arrears of listing fees payable to any of the above Stock Exchanges.



TOKYO PLAST INTERNATIONAL LIMITED

AUDITORS REPORT

To
The Shareholders of
Tokyo Plast International Limited,

We have audited the attached Balance Sheet of Tokyo Plast International Limited, as at 31st March 1999 and the Profit and Loss Account for the year ended on that date annexed thereto and report that:

1. As required by the Manufacturing And Other Companies (Auditors Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph (1) above, we report that:-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account, as required by law, have been kept by the company so far as appears from our examination of such books.
 - (c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of accounts.
 - (d) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - (i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1999 and
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended 31st March, 1999.

For Swamy & Chhabra
Chartered Accountants

C. Ayyaswamy
Partner

Mumbai, Dated : 7th June, 1999

ANNEXURE TO AUDITOR'S REPORT

Referred to in Paragraph 1 of our Report of even date.

1. The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets. As explained to us these Fixed Assets have been physically verified by the Management during the year and no serious discrepancies have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the stock of finished goods, semi finished goods and raw materials have been physically verified by the management at reasonable intervals during the year.
4. As per the information given to us, the procedure of physical verification of the stocks followed by the management is generally reasonable and adequate in relation to the size of the company and the nature of its business.
5. The Company maintains the purchase register giving quantity wise details of receipts. However, no issue records are maintained. The consumption of materials is derived by adjusting the opening and closing stock to the receipts figure. The stock of materials, consumables and stores and spares were physically taken at the year end. However, the discrepancies between physical stock and book records could not be ascertained as the stock records were not maintained in details.
6. On the basis of our examination, we are of the opinion that the valuation of stocks are fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in the previous year.
7. The Company has taken unsecured loans from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, or from Companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956. However the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
8. The Company has granted unsecured loans to parties listed in the register maintained under section 301 of the company act, 1956. However the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the company.