

VALLABH POLY PLAST INTERNATIONAL LIMITED

: Regd. Office :

94, Jawahar Nagar, Road No.3, Goregaon (W), Mumbai - 400 062.

: Factory :

720/7B, Somnath Road, Dabhel, Daman - 396210 (U.T.)

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**NINTH ANNUAL REPORT
2002 - 2003**

VALLABH POLY PLAST INTERNATIONAL LTD.

NINTH ANNUAL REPORT – 2002 – 2003

BOARD OF DIRECTORS

Chairman & Managing Director	Shri Satish D. Jain
Jt. Managing Director	Shri Kiran U. Rathod
Directors	Shri Vinod U. Rathod
Auditors	M/s. DAMANI & SHAH Chartered Accountant, Mumbai.
Registered Office	194, Jawahar Nagar, Road No. 3, Goregaon (W), Mumbai – 400 062.
Factory	720/7B, Somnath Road, Dabhel, Daman – 396 210 (U.T.)

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NOTICE

Notice is hereby given that the 9th Annual general Meeting of the Members of VALLABH POLY PLAST INTERNATIONAL LIMITED will be held at its Registered Office at 194, Jawahar Nagar, Road No. 3, Goregaon (W), Mumbai: 400 062 on Thursday, August 14, 2003 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

- 1.To receive, consider and adopt the Balance Sheet as at March 31, 2003 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
- 2.To appoint a Director in place of Shri Vinod U. Rathod, who retires by rotation, and being eligible, offers himself for reappointment.
- 3.To appoint the Auditors' and fix their remuneration.

For and on behalf of the
Board of Directors

Place: Mumbai
Date : June 28, 2003

SATISH D. JAIN
CHAIRMAN.

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REGISTERED OFFICE:

194, Jawahar Nagar, Road No. 3,
Goregaon (W),
Mumbai: 400 062.

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 OF THE COMPANY.

The proxy form should be lodged with the Company at its Registered Office at least 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, August 12, 2003 to Thursday, August 14, 2003** (both days inclusive.)

3. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.

4. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.

5. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.

6. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTORS' REPORT & AUDITOR'S REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.

7. Members are requested to bring their copies of the reports to Annual General Meeting.

8. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios alongwith share certificates to the Company.

9. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to the Registered Office of the Company.

DIRECTORS' REPORT

Your Directors hereby present the Ninth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2003.

FINANCIAL HIGHLIGHTS:

	(Rs. In lacs)	
	31/03/2003	31/03/2002
Profit/Loss before interest & depreciation	(18.26)	(39.91)
Less: Interest	36.54	55.40
Less: Depreciation	13.29	13.37
Net Profit before Tax	(68.09)	(108.68)
Less: Provision for Tax	NIL	NIL
Profit/Loss Available for Appropriation	(68.09)	(108.68)
Appropriations:		
Balance carried to Balance Sheet	(68.09)	(108.68)

DIVIDEND:

Your Directors regret that they are unable to recommend any dividend in view of the loss incurred by your Company for the year ended March 31, 2003.

OPERATIONS:

Despite difficult business conditions, your Company was able to increase sales revenue from Rs.341 Lacs in the previous year to Rs.376 Lacs in the current year. Due to financial constraint, liquidity crunch and irregular price movement of rawmaterilas, the production and margin was adversely affected. The unending competation with unorganised sector also worsened the situation. Net Loss reduce to Rs.68.09 Lacs against Net Loss of Rs.108.68 Lacs for the corresponding previous year was mainly due to cost cutting & higher sales turnover.

PROVISIONS OF SICA, 1985:

Based on the Audited Annual accounts for the year ended 31st March 2002, your Company had applied to BIFR to register the Company as Sick Industrial undertaking pursuant to SICA 1985. Based on the application your Company has been registered with BIFR and case is pending with the board.

Your Company continues to be a Sick Company. Therefore, as per professional advice sought by the Company, a fresh reference will be made to BIFR based on the Audited Annual Accounts as on 31/3/2003.

DIRECTORS:

Shri Narendra J. Shah Director of your Company has tendered his resignation with effect from 14th January, 2003 due to his pre occupation.

The Board of Directors of your Company put on record its sincere appreciation for the services rendered by Shri Narendra J. Shah during the tenure of his Directorship.

Shri Vinod U. Rathod retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

FIXED DEPOSITS:

The Company has not accepted deposits from public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Rule 2 of the Companies (Disclosure of Particulars In the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo forms part of this report and is given by way of Annexure.

AUDITORS:

M/s. Damani & Shah, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE:

Due to grim financial position of the Company, it was difficult for your Company to attract independent eminent persons having considerable experience and expertise on the Board of your Company. Hence, it was not possible for your Board to comply with the provisions of Clause 49 of the Corporate Governance. However, your Board of Directors is still hopeful to persuade such eminent persons to join the Company at the earliest, which will help to comply with the provisions of Clause 49 of the Corporate Governance.

PARTICULARS OF EMPLOYEES:

The Company has no employees of the specified categories under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended up to date.

DEMATERIALISATION OF SHARES OF THE COMPANY:

As the members are aware, your Company has already made an application to National Securities Depository Limited & Central Depository Services (India) Limited (hereinafter referred to as the said Depositories) for admission of Company's shares in demat mode. However, till date the said Depositories have deferred their decision to admit the securities of the Company on the reason for erosion of its net worth.

DIRECTORS' RESPONSIBILITY STATEMENT, pursuant to Sec. 217(2AA) of the Companies Act, 1956:

- (i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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.

APPRECIATION:

Your Directors express their warm appreciation to the Company's Bankers and all the employees of the Company for their continued support and co-operation.

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

**Place: Mumbai
Date : June 28, 2003**

**SATISH D. JAIN
CHAIRMAN.**