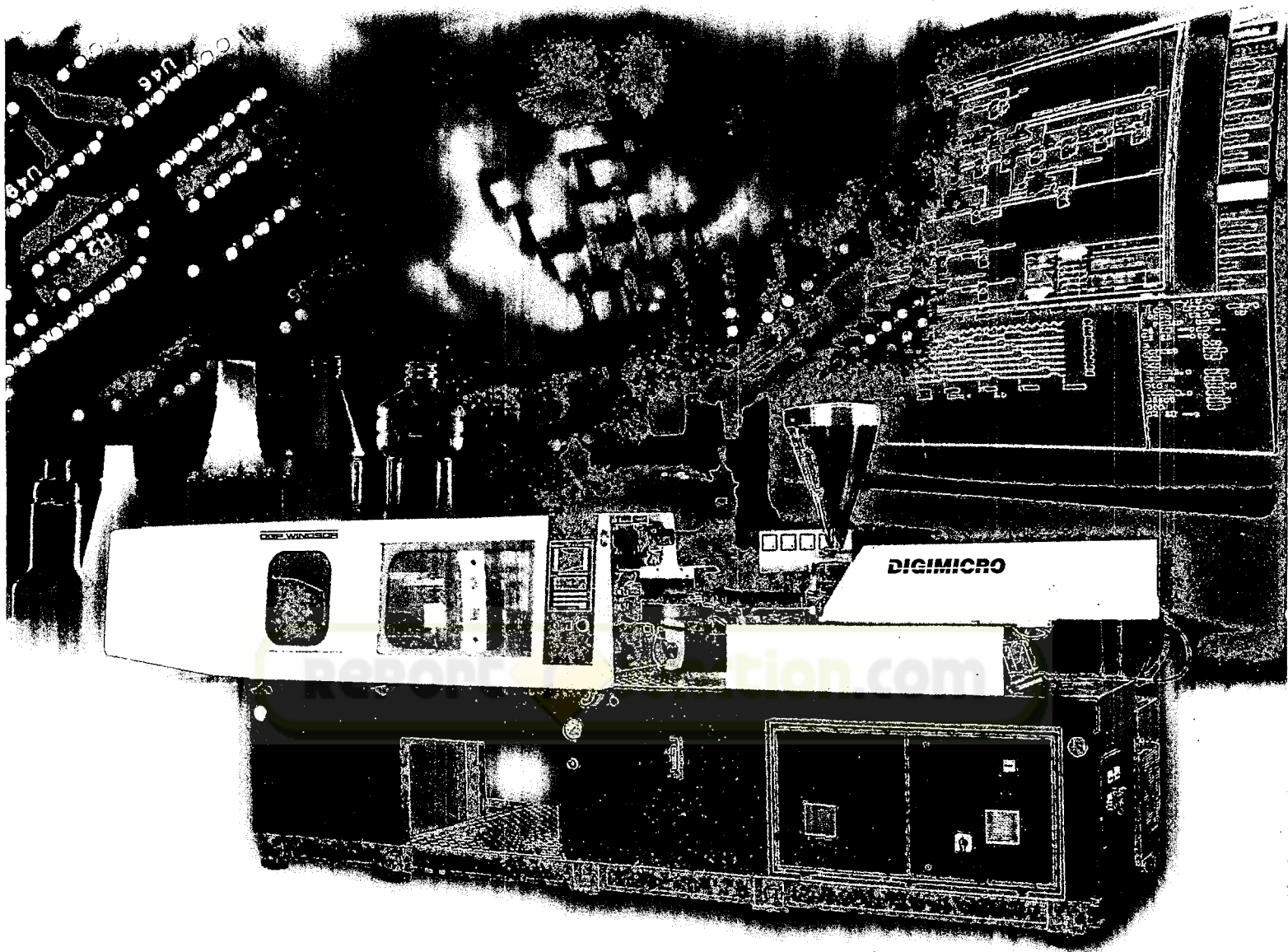
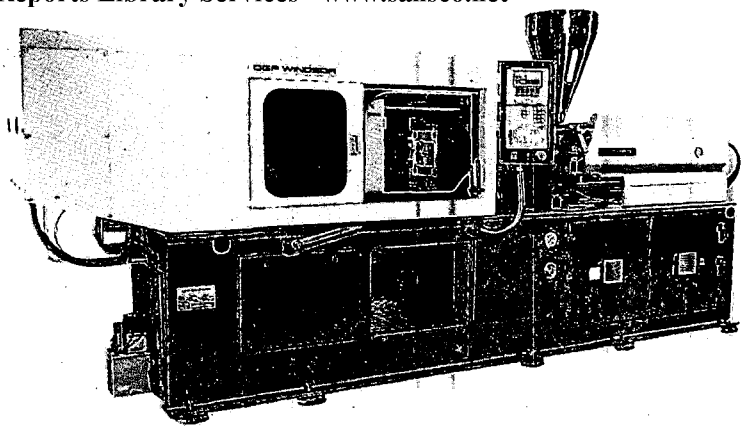


34th Annual Report 1996-97

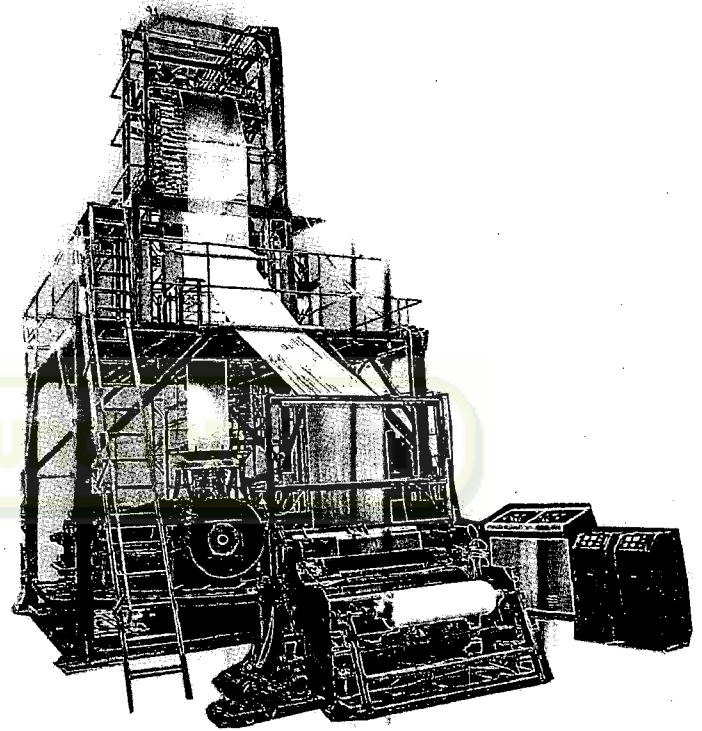


MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

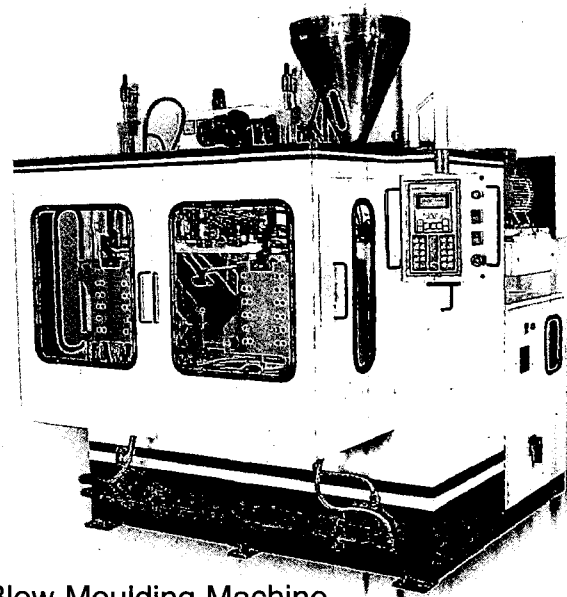
DGP WINDSOR
DGP WINDSOR INDIA LIMITED



Injection Moulding Machine



Extrusion Lines



Blow Moulding Machine

Annual Report 1996-97

34th Annual General Meeting

Date: 25th November, 1997.

Day: Tuesday

Time: 12 Noon

Place: Thane Manufacturers' Association Hall,

Plot No. 6, Main Road,

Wagle Industrial Estate, Thane - 400 604.

Board of Directors

Mr. Dilip G. Piramal	Chairman
Mr. S. Aditya	Executive Director
Mr. A. K. Patel	
Mr. V. A. Gore	
(Nominee of ICICI)	
Mr. B. K. Khare	
Mr. G. L. Mirchandani	
Dr. (Mrs.) Gita D. Piramal	
Mr. C. U. Shah	
Mr. D. L. Shah	
Mr. Sanjeev Aga	
(Alternate to Dr. (Mrs.) Gita D. Piramal)	

Company Secretary

Dhanraj Kothari

Auditors

M/s Suresh Surana & Associates
M/s Haribhakti & Co.
Chartered Accountants

Bankers

Canara Bank
Corporation Bank
ANZ Grindlays Bank plc
State Bank of India

Registered Office &

Thane Factory

Plot E-6, U2 Road, Wagle Industrial Estate,
Thane - 400 604.

Vatva Factory

Plot 5403, Phase IV, GIDC, Vatva,
Ahmedabad - 382 445.

Chhatral Factory

Plot No. 6 & 7, GIDC Indl. Estate,
Chhatral, Tal. Kalol, Dist. Mehsana,
Gujarat - 382 729.

Registrars & Transfer Agents

Spectrum Corporate Services Limited
Shree Ganesh Industrial House, 1st Floor,
'B' Wing, Near Amar Cinema, W. T. P. Marg,
Chembur, Mumbai - 400 071.

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

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of DGP WINDSOR INDIA LIMITED will be held at Thane Manufacturers' Association Hall, Plot No. 6, Main Road, Wagle Industrial Estate, Thane - 400 604 on Tuesday, the 25th day of November, 1997 at 12 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 30th June, 1997 and the Profit and Loss Account for the year ended on that date, the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Dilip G. Piramal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. (Mrs.) Gita Piramal, who retires by rotation and being eligible, offers herself for reappointment.
5. To appoint auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as applicable, the Articles of Association of the Company be and are hereby altered in the manner following:

- a) At the end of Article 2, the following be inserted:

"Beneficial Owner" shall have the meaning assigned thereto by the Depositories Act, 1996.

"Depository" shall have the meaning assigned thereto by the Depositories Act, 1996

- b) At the end of Article 13, the following be inserted:

"Provided that such numbering shall not apply to the shares of the Company which have been dematerialised."

- c) At the end of Article 21, following be inserted:

"Provided further that the provisions set forth in Articles 20 and 21 shall not apply to shares which have been dematerialised."

- d) At the end of Article 23, of the following be inserted:

"Provided that in respect of the shares and securities held by the Depository on behalf of the beneficial owners as defined in the Depositories Act, 1996, the provisions of Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall not apply."

- e) After the existing Article 23, the following new Article, to be numbered as 23A be inserted:

"Notwithstanding anything contained in these Articles, the Company shall be entitled to maintain a Register of Members with the details of Members holding shares both in material and dematerialised form in any media as permitted by law, including any form of electronic media either in respect of the existing shares and securities or under any future issue."

- f) After the existing Article 73 the following new Article, to be numbered as Article 73A be inserted:

"Nothing contained in Articles 58 to 61 and 63 to 73 shall apply to the transfer of shares, debentures or other marketable securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the Depository. In the case of transfer of shares, debentures or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply."

By Order of the Board of Directors

Registered Office:
E-6, U2 Road,
Wagle Industrial Estate,
Thane - 400 604.
Dated: 19th September, 1997.

Dilip G. Piramal
Chairman

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6:

Consequent to the passing of the Depositories Act, 1996 and introduction of the Depository System, some of the provisions of the existing Articles of Association of the Company, pertaining to issue, holding, transfer and dealing in shares and other securities as also issue of relevant certificates require amendment so as to give effect to the requirement of the Depository System under the new legislation. Accordingly, the resolution to carry out the required amendments in the Articles is being proposed as in this item of the notice and the same is self-explanatory.

The Board of Directors recommend the resolution in this item of the Notice for your approval.

A copy of the existing Articles of Association of the Company incorporating the amendments is available for inspection of the Members at the Registered Office of the Company during the hours of 11.00 a.m. to 2.00 p.m. on all working days upto the date of the Annual General Meeting of the Company.

None of the Directors is in any way concerned or interested in the above resolution.

By Order of the Board of Directors

Dilip G. Piramal
Chairman

Registered Office:

E-6, U2 Road,
Wagle Industrial Estate,
Thane - 400 604.

Dated: 19th September, 1997

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. A PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. Intimation of change of address, dividend mandate and the particulars of the bank, branch and bank account number, which the shareholder desires to incorporate on his dividend warrant should reach Company's transfer agents, M/s. Spectrum Corporate Services Limited, Shree Ganesh Industrial House, 1st Floor, 'B' Wing, Near Amar Cinema, W. T. Patil Marg, Chembur, Mumbai - 400 071, Tel. No. (022) 5581215, before 18th November, 1997 to enable the Company to give effect to such intimation.
3. The Dividend, if approved, will be paid to those shareholders whose names will appear as members in the books of the Company as on 25th November, 1997.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 18th November, 1997 to Tuesday, the 25th November, 1997 (both days inclusive).
5. Members having any questions on the statement of accounts and other details included in this annual report are advised to submit such queries in writing at the Registered Office of the Company so as to reach not later than 18th November, 1997.
6. Pursuant to Section 205A of the Companies Act, 1956 unclaimed dividend for the financial years upto 31st March, 1993 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period/s are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai by submitting an application in prescribed form.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 34th Annual Report of your company and the audited accounts for the year ended 30th June, 1997.

COMPANY PERFORMANCE:

(Rs. in Lacs)

FINANCIAL HIGHLIGHTS	Year ended 30.6.1997	Period ended 30.6.1996 (15 months)
Sales, Income from operations and other income	12225.54	19533.45
Gross Profit before Depreciation	103.40	1787.20
Less : Depreciation	394.24	450.96
Profit / (Loss) before tax	(290.84)	1336.24
Less : Provision for Taxation	0.75	160.00
Profit / (Loss) after tax	(291.59)	1176.24
Add / (Less) : Prior year's adjustments net	8.62	(16.27)
	(282.97)	1159.97
Add : i. Transfer from Property Revaluation Reserve	1.48	1.85
ii. Transfer from Investment Allowance Reserve	38.75	26.00
iii. Transfer from General Reserve	145.00	-
iv. Balance from previous year	265.55	0.06
Amount available for appropriations	167.81	1187.88
Appropriations:		
a. Transfer to Debenture Redemption Reserve	18.75	31.25
b. Transfer to General Reserve	-	500.00
c. Interim Dividend	-	195.54
d. Proposed Dividend	130.36	195.54
e. Additional tax on Proposed Dividend	13.04	-
f. Balance carried to Balance Sheet	5.66	265.55
	167.81	1187.88



DIVIDEND

Despite adverse financial performance during the year, your Company is confident of a better performance in the coming years. Accordingly, your Directors are pleased to recommend a dividend of Re. 1.00 per share.

OPERATIONS

Your Company faced adverse market conditions during the entire year. The poor money supply position coupled with the general recessionary trend in almost all sectors affected the growth of the capital goods industry, in general. This has severely affected the sales turnover of your Company and consequently the profitability. Poor market demand resulted in higher discounts being offered to customers. Tight money market position affected our interest burden severely. The above factors resulted in an unfavourable performance during the year. The income from operations fell to Rs. 120 crores as compared to Rs. 168 crores (for the corresponding 12 months period, last year).

DOMESTIC SALES

The domestic sales of the Company fell to Rs. 93 crores as compared to Rs. 154 crores (for the corresponding 12 months for the previous year). While the Company had considerable orders on hand, owing to recessionary conditions, many of the orders could not be executed owing to delay in customers' projects.

EXPORT SALES

Owing to a major thrust on exports, your Company performed exceedingly well on the

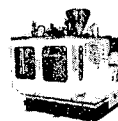
export front and the export turnover jumped to Rs. 27 crores as compared to Rs. 14 crores (for the corresponding period last year). Your Company entered developed markets like South Africa, Germany and Malaysia during the year. Exports to Africa, Saudi Arabia, Iran and the Gulf countries continue to grow.

OUTLOOK

The market conditions for indigenously produced capital goods continue to be unfavourable owing to lowering of customs duty by the Government. The economy seems to be still reeling under the problems of over supply and poor demand. The liquidity position has improved slightly. Combined with the fluid political situation, capital investment decisions are being postponed or cancelled.

Your Company has therefore decided to focus on exports in a major way and has planned to double the export turnover again during 97-98. To be effective in exports, your Company is working on many areas of manufacturing and quality to meet international standards in all its product lines. The major thrust areas would continue to be technology upgradation, quality, productivity improvements, lower input costs, and better customer focus. Your Company's technical collaboration with Sumitomo Heavy Industries is already helping us to learn and establish International standards in many areas of our operations. Your Company also plans to set up offices abroad, in order to service export markets better.

In the domestic market, the entry of new multi-nationals will boost the requirements of machinery in areas of plastic household





products, packing, furniture and consumer durables. The total order book at the end of period was Rs. 75 crores.

RESEARCH & DEVELOPMENT, TECHNICAL ABSORPTION, CONSERVATION OF ENERGY

Your Company's Research & Development units at Thane, Chhatral and Vatva, which are recognised by the Government of India, Department of Scientific & Industrial Research, continued its thrust on addition of new products and new range of machines. Computerisation in all the three factories is being given a thrust and system integration is planned to be carried out during the year. A major focus has also been given on reduction of lead time of introduction of new products.

ENVIRONMENT PROTECTION

The Company has been complying with the requirements of Pollution Control authorities in the States of Maharashtra and Gujarat.

PERSONNEL

Industrial relations at all levels during the period were satisfactory.

DIRECTORS

Mr. Dilip G. Piramal and Dr. (Mrs.) Gita D. Piramal retire from the Board of Directors by rotation and are eligible for re-appointment.

AUDITORS

The auditors M/s Suresh Surana & Associates and M/s Haribhakti & Co. retire at the ensuing Annual General Meeting and express their willingness to continue if so appointed.

STATUTORY DISCLOSURES

- a. Particulars to be disclosed as per the provisions of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are given in the Annexure 'A' which forms part of this report.
- b. Information required under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are given in Annexure 'B' which forms part of this report.
- c. The unsecured deposits from the public at the end of the period amounted to Rs. 59 lacs and 95 such deposits amounting to Rs. 6.23 lacs remain unclaimed on the due dates at the end of the period under review.

ACKNOWLEDGEMENT

Your Directors record their gratitude to the Financial Institutions, Banks, Government departments, vendors and customers for their assistance and co-operation during the period.

Your Directors also wish to place on record their appreciation of the services of the employees of the Company.

For and on behalf of the Board of Directors

Mumbai

Dated: 19th September, 1997.

Dilip G. Piramal

Chairman



Annexure 'A'

PARTICULARS REQUIRED TO BE DISCLOSED AS PER THE PROVISIONS OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. Conservation of energy

Measures taken:

- i) New Diesel generating set purchased at Vatva factory. Diesel generating sets are loaded to maximum capacity.
- ii) New and efficient nitriding furnace was installed at Vatva factory. Power factor is maintained at around 0.97 by installation of power capacitor banks. Machine tools and furnaces are loaded to their maximum capacity.
- iii) Energy audit conducted at Vatva through GEDA-approved agency and suggestions incorporated. At present, energy audit of Chhatral is in progress.
- iv) New machine configurations to lower energy consumption introduced. Continuous efforts are in progress.

B. Technology absorption

1. The company's R & D units located at Thane, Vatva and Chhatral are approved by the Department of Scientific and Industrial Research. The activities carried out are mainly in the following areas:
 - (a) New microprocessor based Speedy machines introduced. The objective is technology at low cost. The controller in the machine has been developed indigenously.
 - (b) The new improved Digimicro machines with better hydraulic, mechanical and electronic controls were also introduced during the year.
 - (c) A new model KTS-250 for RPVC pipes was introduced during the year.
 - (d) A Multilayer blown film plant incorporating Kuhne's technology and internal bubble cooling arrangement was manufactured for the first time in India.
 - (e) Manufacture of prototype of circular loom for Woven sacks under Japanese design and drawing agreement.
 - (f) All the above machines were displayed at the Plastindia '97 at New Delhi during March 1997.
2. As a result of the above and other on-going activities, the company's product range has widened and this will result in increased profitability in the coming years.