

MD	✓		PKC	NA
CS	✓		INT	NA
RO	✓		INT	NA
TRA	✓			✓
AGM	✓		SH	✓
YE	✓			✓



Sixth Annual Report and Accounts 1997-98



MUKUND FLEXPACK LIMITED

BOARD OF DIRECTORS

<i>R.M. Mittal</i>	<i>Director</i>
<i>B. Garhwal</i>	<i>Director</i>
<i>R.K. Dabriwala</i>	<i>Director</i>
<i>R.N. Dass</i>	<i>Director</i>
<i>S.S. Chaudhari</i>	<i>Director</i>
<i>P.K. Rajgopal</i>	<i>Director</i>
<i>G.S. Srinivasan</i>	<i>IDBI Nominee</i>

AUDITORS

B.N. Kedia & Co.
Chartered Accountants
Mumbai

COMPANY SECRETARY

J.M. Joshi

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BANKERS

Punjab National Bank
Andhra Bank
Union Bank of India

REGISTERED OFFICE & WORKS

Mahalunge, Talegaon - Chakan Road,
Taluka - Khed, Dist. - Pune
Maharashtra - 410 501

6th ANNUAL GENERAL MEETING

Date : 30th September, 1998
Day : Wednesday
Time : 12.30 p.m.
Place : Mahalunge, Talegaon - Chakan Road,
Taluka - Khed, Dist. - Pune
Maharashtra - 410 501

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NOTICE

NOTICE is hereby given that the 6th Annual General Meeting of **MUKUND FLEXPACK LIMITED** will be held at Regd. Office at Village Mahalunge, Talegaon-Chakan Road, Taluka-Khed, Dist.-Pune 410 501 on Wednesday, 30th September, 1998 at 12.30 p.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Accounts of the Company for the year ended 31st March, 1998 and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Baldev Garhwal who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. R. M. Mittal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution

"RESOLVED THAT Mr. R. K. Dabriwala be and is hereby appointed as a Director of the Company retiring by rotation."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. R. N. Dass be and is hereby appointed as a Director of the Company retiring by rotation."

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. S. S. Chaudhari be and is hereby appointed as a Director of the Company retiring by rotation."

8. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. P. K. Rajgopal be and is hereby appointed as a Director of the Company retiring by rotation."

9. To pass with or without modification the following Resolution as an ordinary resolution :

"RESOLVED THAT the authorised capital of the Company be and is hereby increased by Rs.5,00,00,000 (Rupees Five

Crores only) by the creation 5,00,000 15% Cumulative Convertible Redeemable Preference Shares of Rs.100 (Rupees One Hundred only) each."

"RESOLVED FURTHER that the said shares shall confer on their holders the following rights and restrictions :-

- (a) The shares shall carry a right to a cumulative preferential dividend of 15% per annum in relation to the capital paid-up on them.
- (b) The holders of the said shares shall have a right to attend General Meetings of the Company and vote on resolutions directly affecting their interest or where the dividends in respect thereof are in arrears for not less than two years on the date of the meeting, on all resolutions at every meeting of the Company.
- (c) In a winding up, the holders of the said shares shall be entitled to a preferential right of return of the amount paid-up on the shares together with arrears of cumulative preferential dividend due on the date of winding up, but shall not have any further right or claim over the surplus assets of the Company."
10. To pass with or without modification the following resolution as a Special Resolution :-

RESOLVED THAT in accordance with the provisions of Section 81(1) & 81 (1A) and other applicable provisions of the Companies Act, 1956, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to necessary approvals, the Board of Directors be and is hereby authorised on behalf of the Company to create, issue; offer and allot Cumulative Convertible Redeemable Preference Shares for an aggregate amount not exceeding Rs.5,00,00,000/- (Rupees Five Crores) to Indian public, promoters and/or others at such prices in such manner and in such ratio and on such other terms and conditions as the Board may, in its absolute discretion, think fit.

RESOLVED further that for the purpose of giving effect to any offer, issue or allotment of Cumulative Convertible Redeemable Preference Shares, the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as in its absolute discretion deemed necessary or desirable for such purpose."

By order of the Board,

Sd/-

J. M. Joshi

Company Secretary

Place : Mumbai

Date : 17th June, 1998



MUKUND FLEXPACK LIMITED

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 a proxy need not be a member of the Company.
2. Proxies if any in order to be effective must be received at the Registered office of the Company not less than forty eight hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
3. Members and proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members are requested to bring their copies of Annual Report to the meeting.
5. Members are requested to send their share transfers to the share transfer agent of the Company viz. System Support Services. 209 Shiva Industrial Estate, 89 Andheri-Kurla Road, next to Parke Davis, Sakinaka, Mumbai - 400 072.
6. No member shall exercise any voting right in respect of any shares registered in his/her name on which allotment money presently payable by him/her have not been paid.
7. Shareholders who have not yet paid their allotment money are reminded and requested to remit their dues along with interest @ 18% p.a. by crossed Demand Draft payable at Pune favouring Mukund Flexpack Limited at the earliest without any delay failing which the Company will be constrained to take steps for forfeiture.
8. Explanatory Statement pursuant to section 173 (2) of the companies Act, 1956 in respect of special business is annexed hereto.

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

ITEM NO. 5, 6, 7 & 8

The appointments of four new directors appointed by the Board representing the new promoter group, needs to be confirmed by the shareholders in a general meeting.

The respective directors may be deemed to be concerned or interested in the resolution to extent of their appointment.

ITEM NO. 9

The Company proposes to raise funds from Indian public/promoters by way of 15% Cumulative Convertible Redeemable Preference Shares to part finance the cost of balancing equipments & increase in working capital. In order to be able to do so the Company proposes to increase the Authorised share capital by Rs.5,00,00,000 by creation of 5,00,000 Cumulative Convertible Redeemable Preference Shares of Rs.100 each.

None of the directors are concerned or interested in the resolution.

ITEM NO. 10

The Company desires to raise funds upto Rs.5 Crores from Indian public/promoters by way of Cumulative Convertible Redeemable Preference Share (CCRPS) towards part financing normal capital expenditure and augmenting the resources of the Company for working capital. Consent of the members is sought under section 81 (1-A) of the Companies Act 1956, to authorise the Board of Directors to issue CCRPS in the manner set out in the proposed resolution.

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

By order of the Board,

Sd/-

J. M. Joshi

Company Secretary

Place : Mumbai

Date : 17th June, 1998

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DIRECTORS' REPORT

To,
The Members,
MUKUND FLEXPACK LIMITED

Your directors have pleasure in presenting the 6th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March 1998.

FINANCIAL RESULTS

	(Rs. In Lacs)	
	Year ended 31.03.98	Year ended 31.03.97
Sales & Other Income	609.60	1301.14
Profit/(Loss) before Depreciation	(418.83)	39.63
Depreciation	34.44	32.46
Profit/(Loss) before Taxes	(453.27)	7.17
Provision for Taxation	NIL	1.24
Profit/(Loss) after Taxes	(453.27)	5.93
Balance b/f from previous year	75.98	70.05
Available for appropriation.	NIL	75.98
Balance c/f to Balance Sheet	(377.30)	75.98

Your Directors are pleased to inform you that the Term Loan from IDBI has been fully repaid during the year 1997-98.

TAKE - OVER

During the year under report, your company faced serious financial crisis mainly due to reduced off - take, delay in collection of dues, higher wastages and lower efficiencies. However, your old directors have been successful in handing over the control the Company to the new promoters who are associated with a well known industrial concern in Pune viz. - Elpro International Ltd.

In the circumstances, there was disruption in the business flow and all the related business activities. This has further resulted in loss of production and sales during the year under report. As a result, the Company has made loss during the year under report.

DIVIDEND

In view of the losses your directors do not recommend any dividend for the year 1997-98.

DIRECTORS

During the year under report the Board has appointed four new directors in place of the directors from old promoters' group. The newly appointed directors belong to Elpro and associated companies and they are Mr.R.K.Dabriwala, Mr.R.N.Dass, Mr.P.K.Rajgopal and Mr.S.S.Chaudhari. Since these directors are appointed by the Board, we recommend a resolution to be

passed at the forthcoming Annual General Meeting confirming their appointment as directors.

Similarly the Board wishes to record appreciation of the services rendered by the resigned directors, viz. Mr.H.K.Mittal, Mr.K.K.Agarwal and Mr.Jaswant Singh.

DEPOSITS

The Company has not accepted Fixed Deposits from the public during the year under report.

DISCLOSURE OF PARTICULARS

The particulars under section 217 (2A) of the Companies Act, 1956 are given in the Annexure hereto.

FUTURE PROSPECTS

Similar to those explained in last year's Directors' Report, the Company faced serious difficulties in business operations even during the year under this report.

However, after change of management control and induction of experienced directors coupled with newly inducted professionals at operating level, your Company has started showing signs of improvement in all aspects of business operations. We sincerely hope that the current trend will continue and strengthen the Company's performance in the current financial year. We do hope that the fruits of the groundwork done in the year under report will be available to all of us during the current financial year.

AUDITORS

The Auditors M/s. B.N.Kedia & Co. Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

APPRECIATION

Your directors sincerely wish to put on record appreciation of the support, co-operation and forbearance exhibited by the Banks, financial institutions, Government agencies, shareholders, customers and also suppliers. Similarly, your directors express great appreciation of the sincere hard work and devotion in services rendered by all the employees of the Company at all levels.

For and on behalf of the Board

Sd/-
R.M. MITTAL
Director

Sd/-
R.N. DASS
Director

Place : Mumbai
Date : 17th June, 1998