



***Elpro Packaging Limited***  
***(Formerly 'Mukund Flexpack Ltd.')***

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**Annual Report**  
**2000-2001**

**BOARD OF DIRECTORS**

<b>R.K. Dabriwala</b>	<i>Director</i>
<b>R.N. Dass</b>	<i>Director</i>
<b>P.K. Rajagopal</b>	<i>Director</i>

**AUDITORS**

Joshi Apte & Co.  
Chartered Accountants  
Pune

**BANKERS**

Punjab National Bank  
Andhra Bank

**REGISTERED OFFICE & WORKS**

Mahalunge, Talegaon-chakan Road  
Taluka-khed, Dist-pune  
Maharashtra-410 501

**9TH ANNUAL GENERAL MEETING**

Date : 29th October, 2001  
Day : Monday  
Time : 12.30 p.m.  
Place : Mahalunge, Talegaon-chakan Road  
Taluka-khed, Dist-pune  
Maharashtra - 410 501

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# Annual Report 2000-01

## NOTICE

**NOTICE** is hereby given that the 9th Annual General Meeting of **ELPRO PACKAGING LIMITED (Formerly 'Mukund Flexpack Ltd.')** will be held at the Registered Office at Village Mahalunge, Talegaon-Chakan Road, Taluka-Khed, Dist-Pune 410 501 on Monday the 29th October 2001 at 12.30 p.m. to transact the following business.

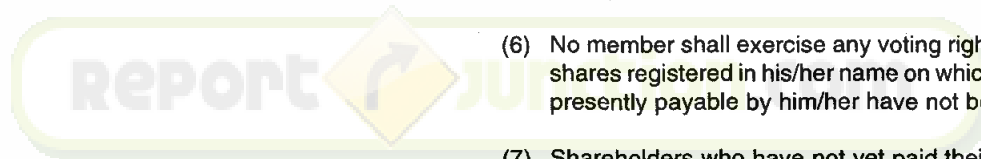
### ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited statement of Accounts of the Company for the year ended 31st March, 2001 and Report of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. P.K. Rajagopal who retires by rotation and being eligible offers himself for reappointment.
- (3) 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.

### 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 shares for transfer 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 ELPRO PACKAGING LIMITED at the earliest without any delay failing which the Company will be constrained to take steps for forfeiture.

For and on behalf of the Board  
**P.K. Rajagopal**  
*Director.*





# Elpro Packaging Limited

(Formerly 'Mukund Flexpack Ltd.')

## DIRECTORS' REPORT

To,  
The Members,  
Elpro Packaging Ltd.  
(Formerly 'Mukund Flexpack Ltd.')

Your Directors have pleasure in presenting the 9<sup>th</sup> Annual Report and audited statement of accounts of the Company for the year ended 31<sup>st</sup> March, 2001.

### FINANCIAL RESULTS :

	(Rs. In lacs.)	
	For the year ended 31.3.2001	For the year ended 31.3.2000
Sales & other income	680.64	658.16
Extra-ordinary item	103.42	(6.50)
Profit /(Loss) before depreciation	(256.24)	(307.34)
Depreciation	39.17	38.52
Profit /(Loss) before Taxes	(295.41)	(345.86)
Provision for Taxation	Nil	Nil
Profit /(Loss) after Taxes	(295.41)	(345.86)
Balance brought forward from previous year	(886.51)	(540.65)
Balance carried to Balance Sheet	(1181.92)	(886.51)

### CORPORATE OVERVIEW

The name of the company was changed from 'Mukund Flexpack Ltd.' to 'Elpro Packaging Ltd.' in terms of the special resolution passed in the Annual General Meeting held on 31<sup>st</sup> Oct, 2000. The order book for value added products have shown improvement. However, the overall performance remained practically at the same level as the previous year due to continuing cash flow problems. Your Company has improved operational performance on all functional fronts but procurement of raw materials and subsequent deliveries have been affected for lack of working capital funds. Your Directors are pleased to report that on the positive side your company has added reputed customers during the year, which include Hindustan Lever Ltd. Jet Airways Ltd, Eastern Condiments Ltd., etc. Your Company has also started supplies to South Africa, which is expected to contribute atleast 20% of the turnover of the Company in the ensuing year. The average price realisation per unit has increased by over 35% by virtue of focus on value added products.

To reduce the overall interest burden on the unsecured loans/ ICDs from various companies, your company is in the process of issuing 10 year 9% Redeemable Cumulative Preference shares of Rs. 100/- each at par and simultaneously increasing the Authorised Share Capital from Rs. 10 crores to Rs. 20 Crores.

### EXTRA-ORDINARY ITEM

Extra-ordinary item represents write back of part of the unsecured loans taken from the companies where Mr. R.M. Mittal is interested. In terms of the agreement dated 10<sup>th</sup> Aug, 2001 entered into with Mr. Mittal on behalf of the companies, they have accepted to receive payment of Rs. 60,00,000/- out of the total outstanding amount of RS. 1,65,87,893/- payable but not due thereby agreeing to forgo an amount of Rs. 1,05,87,393/-. This being 'an event occurring after the Balance Sheet date' but having effect on liabilities those existed on the date of the Balance Sheet is written back in the books.

### DIVIDEND

In view of the continuous losses, your Directors are not recommending any dividend for the year ending 31<sup>st</sup> March, 2001.

### DEPOSITS

Your Company has not accepted any deposit from the public during the year under report.

### DIRECTORS

During the year Mr. PNN. Iyer, Mr. RM. Mittal, Mr. Baldev Garhwal, Directors resigned from the Board.

Your Directors wish to place on records the assistance and guidance received from them from time to time in the management of the affairs of the Company.

Your Company will broad base the Board during the ensuing year.

Mr. P.K.Rajagopal, Director of the Company retire by rotation and being eligible offer himself for re-appointment.

### AUDITORS

M/s. Joshi Apte & Co, Chartered Accountants, Pune, auditors of the Company retire at the conclusion of the 9<sup>th</sup> Annual General Meeting being eligible offer themselves for re-appointment.

# Annual Report 2000-01

## EXPLANATION TO THE AUDITORS' REMARKS

- i. Net Worth: The Company's net worth becomes positive on conversion of unsecured loans to Preference Share Capital.
- ii. Non provision of interest: Issue relating to waiver of interest is under active consideration of the parties.
- iii. Provision for Doubtful debts: Recovery proceedings are under way in some of the accounts. Additional provision will be made in the subsequent years as situation may demand.
- iv. Appointment of whole time company secretary: The Company does not have sufficient secretarial job and in view of the financial condition suitable person could not be recruited. However, services of a practising company secretary is being availed of to meet the statutory requirements and compliance of law. Suitable person for the job will be appointed in due course of time.
- v. Internal controls: The internal controls shall be strengthened during the year by taking appropriate action.

## FUTURE OUTLOOK

Your Directors are pleased to report that the current year has begun on a positive note with substantial repeat orders from all major customers which itself is a proof of the market having accepted the quality products your Company is delivering. Your Company's approach to provide value added products with right quality at affordable price would further help it to consolidate the order position. Your Company has already strengthened the functional areas by appointing qualified and experienced personnel. To overcome the working capital problems, your Company has already approached Punjab National Bank with a proposal to convert the short -term working capital loans partly with term loan. The same is receiving their active consideration. The sanction, when received will enable your Company to manage the working capital needs at ease.

Further, with cost cutting measures and stringent financial discipline already initiated and the interest burden on the unsecured loans from companies having been reduced by conversion / mutual agreement, your Directors are hopeful of better performance in the coming years.

## PARTICULARS OF EMPLOYEES

The particulars under section 217 (2A) of the Companies Act, 1956 is not applicable in the case of the Company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO.

Information under section 217(1)(e) of the Companies Act 1956, read with Companies (Disclosure of particulars in the Report of the Directors) Rules, 1988 is given in Annexure A forming part of this report.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the sincere and dedicated services of the employees at all levels, irrespective of the difficult times the Company is passing through. Your Directors convey their grateful thanks to the Banks, customers, suppliers and business associates for their understanding of the problems being faced by the Company but nevertheless continuing to provide their co-operation and patronage.

For & on behalf of the Board.

Sd/- <b>R.K. Dabriwala</b> Director	Sd/- <b>P.K. Rajagopal</b> Director
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Place : Pune  
Date : 7<sup>th</sup> September, 2001