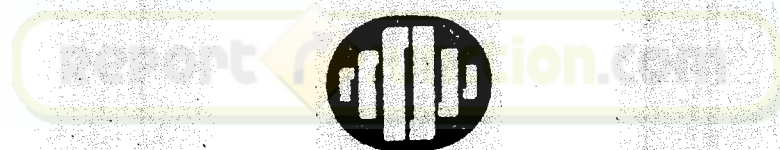


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AGM	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

# 12<sup>TH</sup> ANNUAL REPORT 1997-98



**JALPAC INDIA LTD**

Report  Junction.com

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**BOARD OF DIRECTORS**

B. P. Pandey - Chairman  
 Madhukar Jalan - Managing Director  
 Anil Malik  
 K.R. Ananthanarayanan  
 Mahadeo Jalan  
 Mumtaz Ahmed  
 Shyam Narayan (Nominee of ICICI)  
 S.S. Jain

**MANAGEMENT TEAM**

R.R. Malhotra - Vice President (Operations)  
 T.P. Jain - Vice President (Finance) & Secretary

**REGISTERED OFFICE  
& WORKS**

Village Tularampur  
 P.O. Mota Haldu  
 Tehsil Haldwani  
 Dist. Nainital (U.P)

**CORPORATE OFFICE**

903/911, Tolstoy House  
 15, Tolstoy Marg  
 New Delhi-110001

**BRANCHES**

Malhotra House (1st Floor)  
 Opposite G.P.O.  
 Bombay - 400 001

25, Ballygunge Circular Road  
 Calcutta - 700 019

17, Smith Road  
 Anna Salai  
 Madras - 600 002

307, River Palace, Wing B  
 Opp. Bahumali (Old Court) Nanpura Building,  
 Surat - 395001

Gala No. 238/1 (4) & 238 / 1 (9)  
 Plot No. 449/3  
 Industrial Estate Masat  
 Silvassa  
 (U.T. of Dadra & Nagar Haveli)

**BANKERS**

State Bank of India  
 State Bank of Bikaner & Jaipur

**AUDITORS**

Lodha & Co.  
 Chartered Accountants

**SHARE TRANSFER AGENTS**

ABC Computers Pvt. Ltd.  
 116, Sant Nagar, East of Kailash  
 New Delhi - 110065.

9/10/96



## NOTICE FOR THE TWELFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twelfth Annual General Meeting of the Company will be held at the Registered Office of the Company on Monday, the 14th December, 1998 at 11.00 A.M. to transact the following business :

### Ordinary Business

1. To Receive and adopt the Audited Accounts for the year ended 30th June, 1998, Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Mahadeo Jalan who retires by rotation and being eligible offers himself for re-election.
3. To appoint a Director in place of Shri Anil Malik who retires by rotation and being eligible offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.

### Special Business

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :  
"RESOLVED that Shri B.P. Pandey be and is hereby appointed as a Director of the company."
6. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution :  
"RESOLVED THAT the company hereby approves the Re-appointment of Shri Madhukar Jalan as Managing Director of the company for a further period of five years from 18.06.98 on the terms and conditions set out in an agreement to be entered into between the company and Shri Madhukar Jalan, a draft of which was laid on the table and initialled by the Chairman for the purpose of identification and that the Board of Directors of the Company be and is hereby authorised to execute such agreement on behalf of the company subject to such modifications thereof (not being more advantageous to Shri Madhukar Jalan) as may be agreed to by the Board and Shri Madhukar Jalan.

By Order of the Board  
For JALPAC INDIA LTD.

Place : Lucknow  
Date : 17 Oct., 1998

T.P. Jain  
Vice President (Finance) &  
Secretary

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY NEED NOT BE A MEMBER-PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 7.12.98 to 14.12.98 both days inclusive.

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

### ITEM NO. 5.

Shri B.P. Pandey was appointed as an Additional Director of the company pursuant to Article 80 of the Articles of Association of the company. Under the said Article read with Section 260 of the Companies Act, 1956, he will hold office till the date of forthcoming Annual General Meeting.

The company has received Notice in writing under Section 257 of the Companies Act, 1956 from some members notifying their intention of proposing Shri B.P. Pandey's Candidature for appointment as Director liable to retire by rotation.

The Board considers it desirable that the company should continue to avail itself of his services and hence recommend the resolution for approval of the Shareholders.

Except the above named Director, no other of the company is concerned or interested in the proposed resolution.

### ITEM NO. 6

The term of appointment of Shri Madhukar Jalan as Managing Director of the company had expired on 17th June 1998. The Board of Directors feel that for the sake of continuity of the present management and for efficient running the company the services of Mr. Madhukar Jalan should be available to the company for a further period of five years with effect from 18.06.98. In terms of the provision of the Articles of Association of the company, the Board of Directors at a meeting held on 29th May, 1998 re-appointed him as Managing Director for a further period five years with effect from 18th June, 1998 without any change in the terms and conditions under the previous agreement.

After obtaining approval of the members, the company will enter into an agreement with Shri Madhukar Jalan on the lines of previous agreement with such modifications (not being more advantageous to Shri Madhukar Jalan) as may be accepted by the Board and Shri Madhukar Jalan.

The Directors recommend that the resolution for re-appointment be adopted.

This statement should be treated as an abstract of the terms of the contract with Shri Madhukar Jalan for the purpose of section 302 of the Companies Act, 1956.

Save and except Shri Madhukar Jalan and Shri Mahadeo Jalan who are relatives, no other Director is concerned or interested in the resolution.

**JALPAC INDIA LIMITED****DIRECTORS' REPORT**

To  
THE MEMBERS,

The Directors have pleasure in presenting the Twelfth Annual Report with the audited accounts of the company for the year ended 30th June 1998.

**Financial Results**

	(Rupees in lacs)	
	Year Ended 30th June, 1998	15 Months Period Ended 30th June, 1997
Sales & Other Income	3434.55	5281.11
Profit before		
Interest & Depreciation	257.17	386.51
Profit before depreciation	(76.61)	11.93
Profit before tax	(189.20)	(87.77)
Provision for tax	--	--
Profit after tax	(189.20)	(87.77)
Profit brought forward	235.99	323.76
Proposed Dividend	--	--
Balance carried forward	46.79	235.99

**Operations**

Sales and Net loss for the year under review amounted to Rs. 3,222 lakhs and Rs. 189 lakhs as compared to Rs. 4,922 lakhs and Rs.88 lakhs respectively for the 15 months period ended 30.06.97. The market scenario continued to remain depressed in tune with the industry trends. The Company achieved better capacity utilization resulting into higher productions (on annualized basis) and also higher volume of sales but the gains on this account were neutralized by reductions in prices and margins.

**Exports**

The company has maintained its pre-eminent position in the industry for export of metallized film from India. The export turnover and volume amounted to Rs. 823 lakhs and 782 MT for the year under review against Rs. 875 lakhs and 624 MT respectively for 15 months period ended 30.06.1997 reflecting a growth of 17% in value terms and 56% in volume terms on annualized basis.

**Dividend**

In view of net loss for the period under review, your Directors regret their inability to declare any dividend.

**Expansion**

The company has made substantial progress in implementations of its project to set up a 3000 TPA capacity metallizer and a Metallic Yarn Unit with financial assistance from ICICI and IDBI respectively. Keeping in view the advantages of single location particularly the optimum utilization of infrastructure already in place at the company's existing plant at Haldwani, the location of new Metallizer Project was shifted from Silvassa to Haldwani. The Metallic Yarn Project is being located at Noida. Both these projects are expected to be completed during the current financial year.

**Future Outlook**

The expansion project shall result into higher volumes and value addition without corresponding increase in the costs with the resultant effect of a better profitability for the company as a whole.

**Directors**

Shri Bhupindra Singh nominee of PICUP appointed Director/Chairman of the company on 7.10.97 and resigned from the Board effective from 29th June, 1998. The Board places on records its deep appreciation of the valuable guidance provided by Shri Bhupindra Singh during his tenure as Director/Chairman of the Company.

Shri B.P. Pandey nominee of PICUP has been appointed as additional Director and Chairman of the Company effective from 14.9.98.

Shri Mahadeo Jalan and Shri Anil Malik retire by rotation and being eligible, offer themselves for re-appointment.

**Auditors' Report**

The comments of the Auditors in their Report have suitably been explained in the relevant notes on accounts.

**Information pursuant to Section 217 of the Companies Act, 1956**

Information in accordance with clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 30th June, 1998 is given in Annexure A to this Report.



## Personnel

A statement giving particulars as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975, as amended, is set out in the annexure B to the Director's Report.

## Acknowledgements

The Directors wish to place on record their appreciation of the dedication and commitment of the employees and team work displayed by them. The Directors also wish to record their appreciation of the financial support provided by the Financial Institutions and Company's Bankers.

On Behalf of the Board of Directors

Lucknow  
17th October, 1998

(B. P. Pandey)  
Chairman

## ANNEXURE A

### REPORT ON CONSERVATION OF ENERGY ETC. (Forming part of the Directors' Report)

#### A. Conversation of Energy :

1. Optimization of air conditioning load was undertaken to reduce power consumption in the Metallizing section.
2. Improvement of insulation both for low temperature and high temperature fuel oil.
3. Independent feeder for main incoming line started.
4. All D. G. sets synchronised to optimise their use.
5. Process cooling through chilled water switched over to natural evaporation cooling.

#### B. Technology Absorption :

1. Coating technology further improved by adopting shorter cycle time for feed back on defects.
2. Much stronger lab testing methodology was put in to predict failure during usage of key products.
3. Encouraging results were obtained in developing processes for Metallized paper.

Direct Metallized paper for label application was found to be acceptable by the breweries.

4. A whole new range of product was developed for the confectionery industry. The final product using this material found very positive response from the market all over India.

#### C. Foreign Exchange Earning & Outgo

1. Activities Relating to Exports etc.:

The company sustained its efforts for exports and obtained desired results in terms of growth both in volumes and value of exports. The company has successfully penetrated some new markets while consolidating its presence in the existing markets. The company continued its efforts to develop and establish in the overseas markets some value added products of Metallized & Lacquered Polyester for export markets.

2. Total Foreign Exchange used & earned:

	(Rs. in lacs)
(a) Foreign Exchange Earned (FOB Value of Exports)	823
(b) Foreign Exchange Used (CIF Value of Imports)	
(i) Capital Goods	NIL
(ii) Raw Materials	96
(iii) Stores & Spares	9
(iv) Foreign Travels & Other	3
	<u>108</u>

For and On Behalf of the  
Board of Directors

Lucknow  
17th October, 1998

B. P. Pandey  
Chairman