

# ***FLEXO FILM WRAPS (INDIA) LIMITED***



**Annual Report And Accounts**

**2000**

## **FLEXO FILM WRAPS (INDIA) LIMITED**

### **DIRECTORS**

Mr. Kunal Thirani - Managing Director  
 Mr. K. K. Sadani - Executive Director  
 Mr. M. D. Sohani - Nominee of SICOM  
 Mr. Mohammad Asif - Nominee of UTI  
 Mr. Pramod Khaitan  
 Mr. Alok Bhartia  
 Mrs. V. D. Thirani  
 Mrs. Madhavi Thirani

### **AUDITORS**

Bhatter & Company  
 Chartered Accountants, Mumbai

### **BANKERS**

The Saraswat Co. Operative Bank Limited

### **REGISTERED OFFICE**

B-22, M.I.D.C. Industrial Area,  
 Waluj, Aurangabad - 431 136.  
 Phone : + 91-240-554915 / 554209  
 Fax : +91-240-554119

### **WORKS**

#### **Unit - I**

B-22, M. I. D. C. Industrial Area,  
 Waluj, Aurangabad - 431 136.  
 Phone : + 91-240-554915 / 554209  
 Fax : +91-240-554119

#### **Unit - II**

Village Farola, Taluka Paithan,  
 Dist. Aurangabad  
 Maharashtra.  
 Phone : (02431) 51663 / 51664  
 Fax : +91-2431-51661

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**FLEXO FILM WRAPS (INDIA) LIMITED****NOTICE**

Notice is hereby given that the FIFTEENTH ANNUAL GENERAL MEETING of the members of **FLEXO FILM WRAPS (INDIA) LIMITED**, will be held at B-22 MIDC, Waluj Aurangabad on 15th May, 2001 at 9.30 a.m. to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st December, 2000 and the Balance Sheet, as on that date and the Report of Directors and Auditors thereon.
2. To appoint Director in place of Mrs. V. D. Thirani, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mrs. Madhavi Thirani, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend instead of himself. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. The Register of Member and Share Transfer books will remain closed from 10th May, 2001 to 15th May, 2001 (Both days inclusive).
3. Shareholders intending to require information in respect of accounts are requested to send their queries to the company at its registered office at least 7 days in advance of the Annual General Meeting.
4. Members are requested to notify the change in address, if any, promptly to the company quoting their folio numbers.

**BY ORDER OF THE BOARD**

Place : Aurangabad. **KUNAL THIRANI**  
Date : 29.03.2001 **Managing Director**

**Regd. Office :**

B-22, M.I.D.C. Area, Waluj,  
Aurangabad - 431 136.

**FLEXO FILM WRAPS (INDIA) LIMITED****Registered Office : B-22, M.I.D.C. Waluj, Aurangabad - 431 136.**

Dear Shareholder,

As you may be aware, the present scrip based transactions in shares involve enormous paper work compounded by operational inefficiencies resulting in a host of problems for bonafide investors. In recent years, investors have been put to considerable inconvenience due to bad deliveries / objections arising out of difference in signatures of transferors, duplicate / fake / forged share certificates, disputes and litigations besides sizeable transaction cost.

With a view to eliminating this cumbersome paper work and associated problems, the National Securities Depository Limited (NSDL), promoted by UTI, IDBI and NSE and Central Depository Service (India) Ltd. (CDSL), promoted by BSE, HDFC Bank, SBI, BOI and BOB have introduced depository system in India.

The system facilitates conversion of securities from physical to electronic form, settlement of trades in electronic segment, transfer of ownership of shares and electronic custody of shares. The depository system is time tested, reliable and widely accepted. The system has been playing a significant role in stock markets around the world. In India, within a short span of introduction of the system, NSDL and CDSL have achieved great success with substantial dematerialisation of shares of a large number of leading companies.

Through a recent Notification of SEBI, effective 25th September 2000, shares of your company will be required to be compulsorily traded in dematerialised form. You will be happy to note that your company has already joined both, NSDL & CDSL, offering the option to you to join either of the depositories.

The main benefits of trading in dematerialised form are listed below :

- .. no bad deliveries
- .. immediate transfer of shares and registration of securities, increasing liquidity of stocks with investors
- .. no stamp duty on transfer of shares
- .. considerable reduction in the handling of large volume of paper
- .. elimination of risk associated with physical certificates such as loss, theft, mutilation and forgery
- .. reduction in transaction costs
- .. faster settlement cycle
- .. faster disbursement of corporate benefits like rights and bonus
- .. reduction in rate of interest on loans granted against pledge of dematerialised securities by bank
- .. lower margin on securities pledged with banks and
- .. periodic status reports to investors in their holdings and transactions, leading to better controls

We strongly recommend you to avail of the facility through NSDL / CDSL.

Yours sincerely  
**FLEXO FILM WRAPS (I) LTD.**

Place : Aurangabad.  
Date : 29.03.2001

**KUNAL THIRANI**  
**Managing Director**

**FLEXO FILM WRAPS (INDIA) LIMITED****DIRECTOR'S REPORT**

Your Directors are pleased to present the 15th Annual Report together with the audited Balance Sheet and Profit & Loss Account for the year ended 31st December 2000.

**1. FINANCIAL RESULTS :****Rupees in Lacs**

**Current Year ended 31st December, 2000      Previous Year ended 31st December, 1999**

<b>Sales</b>	<b>1511.38</b>	<b>1341.40</b>
<b>PBIDT</b>	<b>- 14.43</b>	<b>8.73</b>
Less Interest	<b>427.38</b>	<b>359.11</b>
<b>PBDT</b>	<b>-441.81</b>	<b>-350.38</b>
Less Depreciation & Amortisation	<b>148.68</b>	<b>150.90</b>
<b>PBT</b>	<b>-590.49</b>	<b>-501.28</b>
Less Provision for Tax	---	---
<b>PAT</b>	<b>-590.49</b>	<b>-501.28</b>
Balance available for appropriation	<b>-590.49</b>	<b>-501.28</b>
<b>APPROPRIATION</b>		
Proposed Dividend	---	---
Transferred to General Reserve	---	---
Balance Carried forward to Balance Sheet	<b>-590.49</b>	<b>-501.28</b>

**2. DIVIDEND :**

In view of the losses incurred by the Company, the Board has not recommended any dividend for the year ended 31st December 2000.

The Hon'ble BIFR Bench has appointed ICICI as the operating agency to examine the viability of the company and formulate a rehabilitation scheme.

**3. PERFORMANCE :**

Though there is an increase in sales volumes, the profitability could not improve due to heavy interest burden. However, all efforts are being made to increase the sales and profitability.

**5. FIXED DEPOSIT :**

Your company has not accepted any deposits under Section 58 A of the Companies Act, 1956 from the public.

**4. DEVELOPMENT IN BIFR :**

With reference to the application made by the company to the BIFR, the company has been declared sick vide the Hon'ble BIFR's Benches order dated 26.12.2000

**6. INSURANCE**

All the properties of the company including Plant & Machinery, Stores and Stocks, wherever necessary and to the extent required have been adequately insured.

**7. PERSONNEL :**

The company continues to maintain

## FLEXO FILM WRAPS (INDIA) LIMITED

cordial relations with the workmen and staff. Your Directors wish to express their appreciation to all the employees of the company for their continued support and contribution.

### 8. AUDITORS :

Bhatter & Company, Chartered Accounts, Auditors of the company retire at the conclusion of the ensuing Annual General Meeting and being eligible under Section 224 (1B) of the Companies Act, 1956 offer themselves for reappointment.

### 9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

- A) *Conservation of Energy* : The company is continuing its efforts to conserve energy.
- B) *Technology Absorption* : The company is trying its best to achieve cost reduction and productivity by its in-house R & D.
- C) *Foreign Exchange* : Foreign Exchange earning of the company is Nil for the year under review, whereas the outgo is Rs. 48.03 lacs on account of raw material import and foreign visits for exports, etc.

### 10. PARTICULARS OF EMPLOYEES :

The statement under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forming part of the Director's Report is given in annexure A.

### 11. APPRECIATION :

Your company and its Directors wish to extend their sincere thanks to Central and State Governments, the Financial Institutions, Banks and Shareholders for their continuing co-operation and assistance.

### 12. DIRECTOR'S RESPONSIBILITY STATEMENT :

In order to make the directors of the company accountable towards safeguarding the interest of the company, the directors responsibility statement is given :

- A) *Adherence to the accounting standards* : While preparing the annual accounts of the company the applicable accounting standards has been followed along with proper explanation relating to material departures.
- B) *Accounting Policies* : The directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 and loss for that period.
- C) *Director's Responsibility* : 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 for preventing and detecting fraud and other irregularities.
- D) *Preparation of accounts on a going concern basis* : The directors had prepared the annual accounts on a going concern basis.

On behalf of the Board of Directors

Place : Aurangabad.

Date : 29.03.2001

**KUNAL THIRANI**  
Managing Director

**ANNEXURE TO THE DIRECTOR'S REPORT**

**Statement pursuant to Section 217 (2A) of the Companies Act, 1956 and the Companies  
(Particulars of Employees Rules, 1975)**

Name	Age Years	Designation / Nature of Duties	Remuner- ation Rupees	Qualifi- cation	Experience	Date of Commen- cement of employment	Last employment held and designation
KUNAL THIRANI	30	Managing Director	5,07,200	B.Com.	10 Years	27/09/90	Nil

- Notes :
- Remuneration includes Salaries, Allowances, Bonus, Medical, Leave Travel Assistance and Company's contribution to Provident Fund.
  - Appointment of Mr. Kunal Thirani is on contractual basis.


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**FLEXO FILM WRAPS (INDIA) LIMITED****AUDITOR'S REPORT TO THE MEMBERS**

We have audited the attached Balance Sheet of **M/S. FLEXO FILM WRAPS (INDIA) LIMITED** as at 31st December, 2000 and the Profit and Loss Account of the Company for the period ended on that date.

We report as follows :

- 1) As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order, to the extent applicable to the company.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above.
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
  - (c) The Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section 3(c) of section 211 of the companies Act, 1956 and are in agreement with the books of accounts of the Company
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
    - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2000
    - and
    - ii) In the case of the Profit & Loss Account of the Loss of the Company for the period ended on that date.

**For Bhatler & Company  
Chartered Accountants**

**Daulal H. Bhatler  
Proprietor**

Place : Aurangabad.  
Date : 29/03/2001