

11th ANNUAL REPORT

UMA PETROPRODUCTS INDIA LIMITED

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2002-2003

Uma Petroproducts India Limited

DIRECTORS:	MAHENDRA PANDEY DEVENDRA NATH DUBEY MANESH MUKHERJEE KAMLESH TRIPATHI SURESH KUMAR PANDEY	Chairman & Managing Director Executive Director (Production)
MANAGEMENT:	MAHENDRA PANDEY SURESH KUMAR PANDEY VIRENDRA PANDEY RAVI PANDEY S. K. Singh	Chairman & Managing Director Executive Director (Production) Plant Manager Senior Executive (Marketing) Head (Printing)
AUDITORS :	DEVENDRA BHANDARI & CO. CHARTERED ACCOUNTANTS	
SOLICITORS AND ADVOCATES :	M.P.VASHI & CO.	
BANKERS:	ICICI BANK INDUSIND BANK LTD DENA BANK SOUTH INDIAN BANK	
REGISTRARS AND SHARE TRANSFER AGENTS:	PURVA SHAREGISTRY INDIA PVT. LTD. 33 PRINTING HOUSE 28-D POLICE COURT LANE FORT, MUMBAI – 400 001. TEL : 261 7957 / 263 2967 FAX : 262 6407	
REGISTERED OFFICE & FACTORY ADDRESS:	SURVEY NO. 208/P – DADRA VILLAGE VAPI- SILVAS ROAD NEAR DADRA CHECK POST DADRA & NAGAR HAVELI U. T. 396 191.	
CORPORATE OFFICE:	“MAITRI”, PLOT NO.10, ROAD NO.10, NUTAN LAXMI CHS., JVPD SCHEME, JUHU, VILE-PARLE (W), MUMBAI – 400 049.	

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ELEVENTH ANNUAL REPORT 2002-2003

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The Annual General Meeting will be held on Tuesday the 30th September, 2003 at 4.00 P.M. at Survey No. 208/P-Dadra Village, Near Dadra Check Post, Vapi- Silvassa Road, Dadra & Nagar Haveli, U.T. 396 191.

Shareholders are requested to bring their copy of Annual Report in the Annual General Meeting.

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NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Eleventh Annual General Meeting of the Members of the Company will be held at "Survey No.208/P – Dadra Village, Near Dadra Check Post, Vapi-Silvassa Road, Dadra & Nagar Haveli U.T. 396 191 on Tuesday, 30th September, 2003 at 4.00 P.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 2003 and the Directors' Report and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Devendra Nath Dubey who retires by rotation and being eligible offers himself for re-election.
3. To appoint M/s Chitlangia & Co, Chartered Accountants as Auditors of the company and to fix their remuneration in place of M/s Devendra Bhandari & Co, Chartered Accountants who retire at the ensuing General Meeting.

Special Business:

4. To appoint a Director in place of Mr. Mahendra Pandey, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
5. To appoint a Director in place of Mr. Suresh Kumar Pandey, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
6. To appoint a Director in place of Mr. Manesh Mukherjee, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
7. To appoint a Director in place of Mr. Kamlesh Tripathi, who was appointed as an Additional Director of the company by the Board and who holds office under Section 260 and other applicable provisions, if any, of the Companies Act, 1956 up to the date of this Annual General Meeting but being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a shareholder under section 257 of the Companies Act, 1956 signifying intention to propose his candidature for the office of Director.
8. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the consent of the company be and is hereby accorded to the appointment of Mr. Mahendra Pandey, as Chairman and Managing Director of the Company, for a period of 5 (Five) years with effect from 4th September 2003, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Mr. Mahendra Pandey, a draft whereof is placed before this meeting which agreement is hereby specifically

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company and Mr. Mahendra Pandey, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereinafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Mahendra Pandey.
RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the consent of the company be and is hereby accorded to the appointment of Mr. Suresh Kumar Pandey, as Executive Director (Production) of the Company, for a period of 5 (Five) years with effect from 26th July 2003, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Mr. Suresh Kumar Pandey, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereinafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Suresh Kumar Pandey.
RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and, if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

"RESOLVED THAT subject to the necessary approvals from Registrar of Companies the name of the Company be changed from "Uma Petroproducts India Limited" to "X – Press Flexipack Industries Limited" and if the said name is not available as may be decided by the Board of Directors."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company or a Committee of Directors, as constituted by the Board, be and is hereby authorised to do and perform all acts, deeds, matters and things and take all such actions as may be considered necessary and desirable to give effect of this resolution."

Explanatory statement as required by section 173 of the companies Act, 1956

Item No.3:

M/s. Devendra Bhandari & Co., Chartered Accountants, the retiring auditors have advised that they do not seek reappointment as the Company's Auditors at the forthcoming Annual General Meeting. The Board of Directors recommend that M/s Chitlangia & Co., Chartered Accountants, be appointed as Company's Auditors to hold office till the conclusion of the next Annual General Meeting. The said auditors have given their consent to their appointment as Auditors of the Company. Certificate has been obtained from the said Auditors that appointment, if made, will be in accordance with the limits specified in sub – section (1B) of the Companies Act, 1956.

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The Directors place on record their appreciation of the valuable services rendered by M/s. Devendra Bhandari & Co., Chartered Accountants, as Auditors.

Accordingly, it is proposed to appoint M/s Chitlangia & Co., Chartered Accountants, as the Statutory Auditors of the Company.

Item No. 4:

At the meeting of the Board of Directors held on 26th July 2003, Mr. Mahendra Pandey was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 134 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Mahendra Pandey holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Mahendra Pandey as a candidate for appointment as a Director.

Mr. Mahendra Pandey aged 45, is M. Com and has wide and varied experience in the field of financial management, administration and formulation of business plans. The Directors consider that the services of Mr. Mahendra Pandey will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Mahendra Pandey is interested in the resolution at item no.4 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

Item No. 5:

At the meeting of the Board of Directors held on 26th July 2003, Mr. Suresh Kumar Pandey was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 134 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Suresh Kumar Pandey holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Suresh Kumar Pandey as a candidate for appointment as a Director.

Mr. Suresh Kumar Pandey aged 42, has wide and varied experience in the field of Flexible Packaging Industry. He is the overall incharge of the production department of the company. The Directors consider that the services of Mr. Suresh Kumar Pandey will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Suresh Kumar Pandey is interested in the resolution at item no.5 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

Item No. 6:

At the meeting of the Board of Directors held on 26th July 2003, Mr. Manesh Mukherjee was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 134 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Manesh Mukherjee holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Manesh Mukherjee as a candidate for appointment as a Director.

Mr. Manesh Mukherjee aged 29, is B. Com and has wide and varied experience in the field of accountancy and computer software. The Directors consider that the services of Mr. Manesh Mukherjee will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Manesh Mukherjee is interested in the resolution at item no.5 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

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Item No. 7:

At the meeting of the Board of Directors held on 26th July 2003, Mr. Kamlesh Tripathi was appointed as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act") read with Article 134 of the Articles of Association of the Company (hereinafter referred to as "the Articles") Mr. Kamlesh Tripathi holds office up to the date of the forthcoming Annual General Meeting of the Company.

A notice has been received from a shareholder under section 257 of the Act alongwith a deposit of Rs.500/- signifying intention to propose Mr. Kamlesh Tripathi as a candidate for appointment as a Director.

Mr. Kamlesh Tripathi aged 48, is B. A., LLB. He is an Advocate by profession. The Directors consider that the services of Mr. Kamlesh Tripathi will be useful to the company having regard to his knowledge and experience and recommend he be appointed as Director of the Company.

Mr. Kamlesh Tripathi is interested in the resolution at item no.5 of the Notice since it relates to his appointment. None of the other Directors are interested in the said resolution.

Item No.8:

Subject to the Shareholder's approval, the Board of Directors, at their meeting held on 4th September 2003, have appointed Mr. Mahendra Pandey as the Chairman and Managing Director of the Company for a period of 5 years from the date of appointment on the remuneration determined by the Remuneration Committee of the Board of Directors.

The remuneration payable to Mr. Mahendra Pandey will be Rs.25,000/- per month.

The terms and conditions set out for appointment and payment of remuneration herein and or in the agreement may be altered and varied from time to time by the Board of Directors of the company as it may, at its discretion deem fit. The Board is also entitled to revise the salary at any time, such that the overall yearly remuneration payable to the said Managing Director shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereto.

The respective agreements may be terminated by either party (the Company or the concerned Managing Director) by giving three months' prior notice in writing.

The draft Agreement to be entered into between the Company and Mr. Mahendra Pandey incorporating the above particulars of remuneration are available for inspection at the Registered office of the company on all working days excluding Saturdays, upto the date of the ensuing Annual General Meeting between 11.00 A.M. and 1.00 P.M.

The above may also be treated as an abstract of the terms of the contract/agreement between the Company and Mr. Mahendra Pandey pursuant to Section 302 of the Companies Act, 1956.

Mr. Mahendra Pandey is interested in the said resolution as it relates to his appointment as Chairman and Managing Director of the company. None of the other Directors are interested in this resolution.

Item No.9:

Subject to the Shareholder's approval, the Board of Directors, at their meeting held on 26th July 2003, have appointed Mr. Suresh Kumar Pandey as the Executive Director (Production) of the Company for a period of 5 years from the date of appointment on the remuneration, which he used to get before the said appointment in capacity of Production in charge and determined by the Remuneration Committee of the Board of Directors.

The remuneration payable to Mr. Suresh Kumar Pandey will be Rs.17,500/- per month.

The terms and conditions set out for appointment and payment of remuneration herein and or in the agreement may be altered and varied from time to time by the Board of Directors of the company as it may, at its discretion deem fit. The Board is also entitled to revise the salary at any time, such that the overall yearly remuneration payable to the said Managing Director shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereto.

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The respective agreements may be terminated by either party (the Company or the concerned Executive Director) by giving three months' prior notice in writing.

The draft Agreement to be entered into between the Company and Mr. Suresh Kumar Pandey incorporating the above particulars of remuneration are available for inspection at the Registered office of the company on all working days excluding Saturdays, upto the date of the ensuing Annual General Meeting between 11.00 A.M. and 1.00 P.M.

The above may also be treated as an abstract of the terms of the contract/agreement between the Company and Mr. Mahendra Pandey pursuant to Section 302 of the Companies Act, 1956.

Mr. Suresh Kumar Pandey is interested in the said resolution as it relates to his appointment as Executive Director of the company. None of the other Directors are interested in this resolution.

Item No.10:

In continuance to the ongoing restructuring of the business strategy and financial management it was desired by the Board to change the name of the Company which in turn would more effectively reflect the activities carried by the Company. Accordingly the Directors have in their meeting held on 26th July 2003 have, subject to the shareholders' approval and other concerned authorities, decided to change the name of the Company.

None of the Directors are interested in this resolution.

Your Directors commend the resolutions set out at Item Nos. 3 to 10 of the Notice for your approval.

For and on Behalf of the Board of Directors

Place: Mumbai
Dated: 4th September 2003

Mahendra Pandey
Chairman

Registered Office:
Survey No.208/P, Dadra Village,
Opp. Fusion Polymers,
Vapi-Silvas Road,
Dadra & Nagar Haveli (U.T.) 396 191

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NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY -EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING IN DEFAULT, THE INSTRUMENT OF PROXY SHALL NOT BE TREATED AS VAILD.
2. The relative explanatory statements, pursuant to Section 173 of the Company Act 1956 in respect of the business at item no. 3 to 10 are annexed hereto.
3. The Company had already notified closure of Register of Members and Share Transfer Books of the Company from Friday, September 26, 2003 to Monday, September 29, 2003 (both days inclusive).
4. M/s. Purva Sharegistry India Pvt. Ltd., 33 Printing House, 28-D Police Court Lane, Fort, Mumbai 400 001 has been appointed as Registrar and Share Transfer Agents (STA) of the company. All communications in respect of share transfer and change in the address of the members may be communicated to them.
5. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificate to the STA/Company.
6. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which shall be made available on request) to the STA, M/s. Purva Sharegistry India Pvt. Ltd.

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DIRECTORS' REPORT

To
THE SHAREHOLDERS

Your Directors submit their Report and the Audited Accounts of the Company for the year ended 31st March 2003

1. FINANCIAL RESULTS

The result for the current year and those for the previous year are set out in this paragraph

	2002-2003 (Amt. in Rs.)	2001- 2002 (Amt. in Rs)
Profit before Depreciation and Interest	(18521412)	(37890015)
Less:- Provision for Depreciation	4749879	4638563
Interest	13143030	8736570
Prior Period Adjustment	NIL	14782381
Profit / (Loss) before Tax	(36414321)	(66047529)
Less: Deferred Tax	NIL	2031668
Profit / (Loss) after Tax	(36414321)	(68079197)
Balance brought forward from previous year	(75345585)	(7266388)
Profit / (Loss) carried to Balance Sheet	(111759906)	(75345585)

DIVIDEND

The Board of Directors does not recommend any dividend on Equity shares for the year under consideration on account of adverse business conditions and losses suffered.

OPERATIONS

The above results for the year ended on the 31st March 2003 are not comparable with that of previous year as the Company could continue its operations till 10th January 2003 on account of illegal and arbitrary locking of factory premises of your Company by Gujarat State Financial Corporation (GSFC) in November 2001. On 10th January 2003 possession was obtained from GSFC pursuant to the order of the Honourable DRT - I Mumbai. The operations of the Company have remained badly affected due to the prolonged closure of the unit.

BUSINESS

During the year under consideration your company was not operational for a major period of time. The condition of the plant has deteriorated and was badly affected due to prolonged closure of the unit. It would require a major maintenance and overhauling for normal working of the plant. Every step is being taken to recondition the plant but it would require some time. As a result during the year few small orders were executed.

FINANCIAL

a) After reopening of the plant finance will be major hurdle for your company. Due to prolonged closure getting finance for working capital will not be easy. Your Directors are taking all necessary steps to generate the required capital from internal sources. Which includes among others reducing