



WE SHARE OUR JOY

Ninth Annual Report 1998-99



JUMBO BAG LIMITED



Jumbo Bag Ltd.

BOARD OF DIRECTORS

Sri S.Nandagopal	Chairman
Sri G.Sudhakar	Vice Chairman-cum-Managing Director
Sri G.P.N. Gupta	Director - Finance
Sri G. Radhakrishna	Director
Dr. G. Govindaiah	Director
Sri B. Pratap Reddy, I.A.S. (Retd.)	Director
Sri M. Rama Rao	Director
Dr. M. Ravindranath	Director
Sri G.V. Ramesh Babu (Alternate to Dr. G. Govindaiah)	Director

COMPANY SECRETARY

Sri R. Deenadayalu

AUDITORS

M/s. M. Srinivasan & Associates
Chartered Accountants, Chennai

BANKERS

State Bank of Hyderabad

SOLICITORS

Sri R. Sundarajan, Advocate

SHARES LISTED WITH

The Madras Stock Exchange Ltd.
The Stock Exchange, Mumbai

REGISTRARS AND SHARE TRANSFER AGENT

M/s. Primsec Market Services
(India) Pvt. Ltd.,
391, 8th East Street,
Thiruvannamipur, Chennai - 600 041.
Phone : 4928700

WORKS

75 Thatchur Kootu Road,
Panjetty Village, Ponneri Taluk,
Thiruvallur District - 601 204,
Tamil Nadu

REGISTERED OFFICE

58, Halls Road,
Kilpauk,
Chennai - 600 010.
Phone : 6451722, 6461415, 6471769
Fax : 91-44-6451720
E-Mail : info@blissgroup.com

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**Jumbo Bag Ltd.****NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the NINTH ANNUAL GENERAL MEETING of the members of JUMBO BAG LTD. will be held at RANI SEETHAI HALL, 603, Anna Salai, Chennai - 600 006 on Thursday, the 23rd day of September, 1999 at 11 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Sri S. Nandagopal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri B. Pratap Reddy who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Dr. M. Ravindranath who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

Regd. Office:
58, Halls Road, Kilpauk,
Chennai - 600 010.

By order of the Board
for **JUMBO BAG LTD.**

R. DEENADAYALU
Company Secretary

25th June, 1999

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 THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FOR THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting.
3. Members are requested to intimate to the Company, queries, if any, regarding these accounts/notice, atleast seven days before the meeting to enable the management to keep the required information readily available at the meeting.
4. Dividend, if declared, will be paid to the members whose names appear on the Register of Members as on September 23, 1999.
5. The Register of Members of the Company will remain closed from 16th September, 1999 to 23rd September, 1999 (both days inclusive).
6. Members are requested to communicate their change of address, if any, quoting their respective folios.
7. The listing fees payable to the Stock Exchanges have been paid in time.

**Jumbo Bag Ltd.****DIRECTORS' REPORT**

The Directors present the 9th Annual Report of the Company together with the Audited statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

(Rs. in Lakhs)

	For the year ended 31st March, 1999	For the year ended 31st March, 1998
Operating Profit	181.53	188.13
Less: Depreciation	53.65	51.71
Profit before tax	127.88	136.42
Provision for tax	7.97	6.31
Profit after tax	119.91	130.11
Less: Loss b/f from previous year	—	37.83
Add: Profit b/f from previous year	6.73	—
Less: Prior period expenses	2.89	—
Net Profit	123.75	92.28
APPROPRIATIONS		
Proposed Dividend	71.55	68.68
Tax on proposed dividend	7.87	6.87
Transfer to general reserve	10.00	10.00
Surplus carried to Balance Sheet	34.33	6.73

OPERATIONS

The year began with very low international prices, which could not be matched by us due to our higher costs of inputs. This brought down the sales. The general recessionary trends also affected our business. Non-availability of timely credit, anti-dumping levies by many European Countries, national and international competition caused a set back to our sales. Your Company took various measures to combat these factors, improved product quality, effected a strategic shift in the market segment, resorted to cost control and achieved a general improvement of both technical and managerial skills. With these measures, your Company produced 1266.955 Tonnes during the year against 1272.620 Tonnes produced during the previous year.

FUTURE OUTLOOK

Despite the adverse global business conditions your Company expects to perform well in the coming years. The growth will be achieved through various strategic actions among other things by accessing international markets. Necessary critical additions and modifications to Plant and Equipment are being made. Efforts will continue to maintain your Company's Plant in line with the latest technology.

Your Company has also further expansion plans and intends to tap the Preference Capital route to part finance the expansion programme as approved already at the Extraordinary General Meeting held on 21.12.1998.

DIVIDEND

Your Directors have pleasure in recommending for consideration of the shareholders at the Annual General Meeting, payment of dividend of 12.5% to be paid on the paid up Equity Share Capital of the Company for the year ended 31st March, 1999.