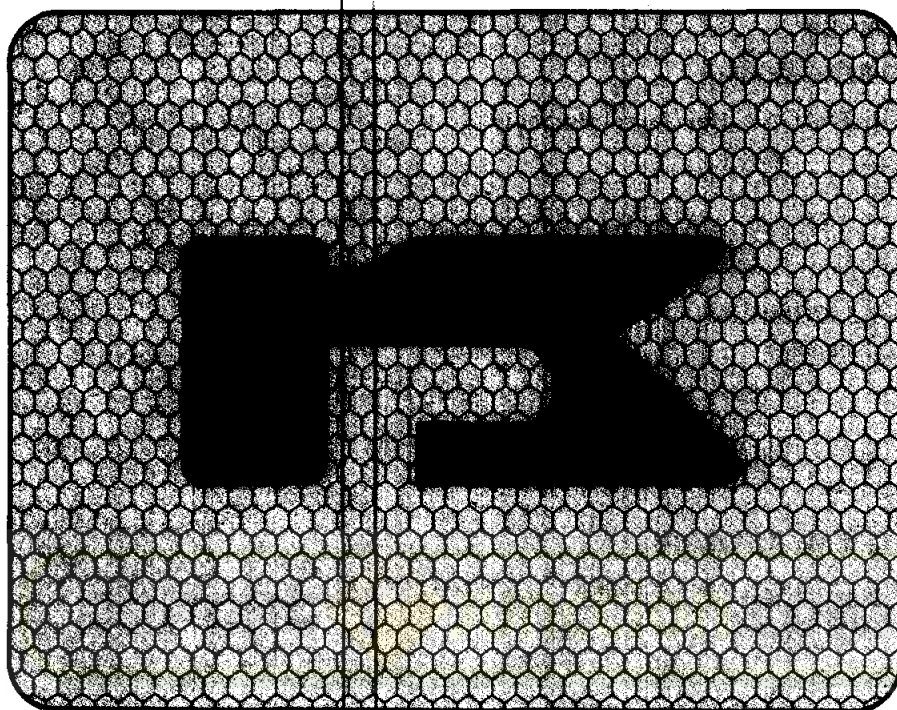


**30th Annual Report  
2000-2001**



**KANPUR  
PLASTIPACK LTD.**

## **== KANPUR PLASTIPACK LIMITED ==**

### **BOARD OF DIRECTORS**

Shri M. S. AGARWAL, *Chairman & Managing Director*

Shri MANOJ AGARWAL, *Executive Director*

Shri B. L. MANCHANDA

Shri S. M. JAIN

Shri P. K. GOENKA

Smt. SANTOSH AGARWAL

Shri A. K. BHATNAGAR, *Director (Operations)*

### **AUDITORS**

M/s. PANDEY & COMPANY

*Chartered Accountants*

KANPUR

### **CORPORATE LAW ADVISORS**

M/s. ADESH TANDON & ASSOCIATES

*Company Secretaries,*

KANPUR.

### **BANKERS**

STATE BANK OF INDIA

### **REGISTERED OFFICE & WORKS**

D-19-20, PANKI INDUSTRIAL AREA,

KANPUR-208 022.

**KANPUR PLASTIPACK LIMITED****NOTICE**

NOTICE is hereby given that the THIRTIETH ANNUAL GENERAL MEETING OF KANPUR PLASTIPACK LIMITED, will be held at the Registered Office of the Company at D-19-20, Panki Industrial Area, Kanpur-208 022 on Saturday, the 29th September, 2001 at 2.30 p. m. to transact the following business :-

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2001 and Balance Sheet as at that date together with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Shri A. K. Bhatnagar, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Santosh Agarwal, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

**Registered Office :**

D-19-20, Panki Indl. Area,  
Kanpur-208 022

20th August, 2001

*By order of the Board of Directors*  
For KANPUR PLASTIPACK LIMITED

**M. S. AGARWAL**  
*Chairman & Managing Director*

**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 OF THE COMPANY.
2. The instrument appointing proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 27.09.2001 to 29.09.2001 (both days inclusive).
4. Members who have multiple folios with identical order of names are requested to intimate to the Company those folios to enable the Company to consolidate all shareholdings into one folio.
5. Members having any queries relating to this Annual Report are requested to send their questions to Registered Office of the Company atleast 7 days before the date of Annual General Meeting.
6. Members are requested to notify promptly changes in their address to the Company quoting their registered folio numbers.

## THIRTIETH ANNUAL REPORT

### DIRECTORS' REPORT

#### TO THE MEMBERS,

Your Directors have pleasure in presenting the 30th Annual Report together with Audited Accounts for the year ended 31st March 2001.

#### FINANCIAL RESULTS

	(Rs. in Lacs)	
	2000-2001	1999-2000
Income	4,177.77	3,945.03
Operating Profit	244.96	239.77
Less : Interest	54.40	51.79
Less : Depreciation	56.63	50.54
Profit before tax	133.93	137.44
Provision for taxation	7.00	7.50
Nett Profit for the year	126.93	129.94

#### REVIEW OF OPERATIONS

Members will be happy to note that the Company has been able to wipe out the entire brought forward losses and the net surplus of Rs 160.09 lacs is being transferred to Balance Sheet to strengthen the Company's financial position. As such, no dividend is recommended.

The Company has been de-registered from BIFR as per order dated 28.07.2000. During the year, SBI's Term Loan of Rs. 64 lacs has been paid in full. The payment of 1st instalment of deferred Sales Tax dues to Govt. of U.P. has also been completed. Now as on 31.03.2001, there are no term loan dues of any financial institution. About Rs. 200 lacs due to Govt. of U.P. against their interest free deferred Sales Tax dues are payable during the next two years. Thus, the financial strength of the Company has considerably improved, which is a healthy sign.

In spite of highly competitive market conditions, your Company has been able to marginally improve its operations.

#### EXPORTS

During the year, Exports of Company's products mainly to West European Countries has shown a growth and the Company has contributed valuable foreign exchange to country's kitty.

Recently, the European Commission has started investigation for revision of Anti Dumping Duties against the industry which, at present, are 4.3% for us. The final out-come will be known by about October. Meanwhile, the Company maintains steady exports.

#### PROSPECTS

Your Company has been able to maintain good relations with its customers. Though, production is being maintained, but profitability may be affected due to severe competition. There has been some relaxation in Government restrictions for uses of our products for Sugar and Food-grains packaging. We expect this to continue

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**KANPUR PLASTIPACK LIMITED**

resulting growth in demand. Further, to add production range in our products, we have recently started production of 1 ton/1.5 ton bulk container bags (FIBCs), which has potential for future growth.

**FIXED DEPOSITS**

The Company has not accepted any public deposits during the year under review. However, the unsecured deposits / loans were arranged and brought in by promoters and their associates in order to complete their obligations under Modified Rehabilitation Scheme as sanctioned by BIFR in 1997.

**DIRECTORS**

Hon'ble BIFR has withdrawn its nominee Shri S.N. Sharma from the Board of Directors of the Company. The Board places on record its appreciation for the help and advice rendered by Shri S. N. Sharma during his tenure in office.

Smt. Santosh Agarwal and Shri A.K. Bhatnagar retire by rotation and being eligible, offer themselves for re-appointment.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per section 217 (2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure 'A' forming part of this report.

**PARTICULARS OF EMPLOYEES AS REQUIRED U/S 217 (2A) OF THE COMPANIES ACT, 1956**

There are no employees, who were employed throughout the year and were in receipt of remuneration, which in aggregate was not less than Rs. 12.00 lacs per annum or employed for the part of the year and were in receipt of remuneration for any part of the year at a rate, which in the aggregate was not less than Rs. 1.00 lac per month.

**LISTING**

The shares of the Company are listed at Kanpur, New Delhi, Mumbai & Calcutta Stock Exchanges, and confirm that listing fees for year 2001-2002 has been paid to all of them.

**AUDITORS**

The Statutory Auditors M/s Pandey & Company, Chartered Accountants retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- (i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## THIRTIETH ANNUAL REPORT

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(iv) the Directors have prepared the annual accounts on a going concern basis.

### ACKNOWLEDGEMENT

Your Directors express their deep appreciation to Hon'ble BIFR, Govt. of U.P. and State Bank of India, for their continued support in Company's operations.

The Directors express their sincere thanks for efforts put in by the Officers, Staff and Workers of the Company for maintaining continued improvement in Company's operations. The Directors are also thankful to various Govt. Agencies and its Customers for their help and continued patronage.

For and on behalf of the Board

Place : Kanpur  
Date : 20th August, 2001

M. S. AGARWAL  
*Chairman & Managing Director*



**KANPUR PLASTIPACK LIMITED****ANNEXURE 'A' TO DIRECTORS' REPORT****PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY :**

The Company has taken effective measures to minimise energy consumption and the measures have resulted/ will result in savings in the consumption of fuel and power, ultimately resulting in savings in the cost of production. Total energy consumption, as per prescribed Form A together with the comparative figures for the last year has been as under :

	2000-01	1999-2000
<b>a) Purchased</b>		
Units	3249024	2506536
Total Amount (Rs in lacs)	152.17	109.16
Rate / Unit (Rs.)	4.68	4.36
<b>b) Own Generation</b>		
Through Diesel Generator		
Units	3967846	4333667
Total Amount (Rs. in Lacs)	155.04	148.92
Units per litre of Diesel Oil	3.55	3.42
Cost / Unit (Rs.)	3.91	3.44

**CONSUMPTION PER UNIT OF PRODUCTION (KG)**

i) Electricity	0.59	0.49
ii) Own Generation	0.72	0.85
iii) Total	1.31	1.34

**B. TECHNOLOGY ABSORPTION :**

- (i) No research & development work has been carried out by the Company and therefore, there is no expenditure on this head nor any other benefit accrued from it.
- (ii) Technology Absorption, Adaptation & Innovation :  
Technical innovation / modifications are being adopted on regular basis to achieve cost reduction and product improvement.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

During the year under review, the Company has earned and spent Foreign Exchange as detailed below :

	(Rs in lacs)
(i) Earnings on FOB value basis	1124.38
(ii) Expenditure on Import of Raw Materials and Spare Parts	276.21
(iii) Expenditure on Export Promotion Tour	2.15
(iv) Expenditure on Other than above	9.09
(v) Total Expenditure in Foreign Currency	287.45