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JAL HI POWER PETROCHEM LTD.

*Arshad*  
MANAGING DIRECTOR

## JAL HI POWER PETROCHEM LIMITED

8TH  
ANNUAL REPORT  
1998-99

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**JAL HI POWER PETROCHEM LIMITED**

**8TH ANNUAL REPORT  
1998-99**

BOARD OF DIRECTORS :	JAYESH THAKKAR	-CHAIRMAN& MANAGING DIRECTOR
	JAGDISH THAKKAR	- DIRECTOR
	DINESH PATIL	- DIRECTOR
REGISTERED OFFICE & WORKS	: VILLAGE TALUKA DIST	- TUNDAO - SAVLI - VADODARA
CORPORATE OFFICE	: 9TH FLOOR, GALAV CHAMBERS, NR.SARDAR PATEL STATUE SAYAJIGUNJ VADODARA - 390 005	
AUDITORS	: AKSHAY SHAH & CO. CHARTERED ACCOUNTANTS BARODA	
BANKERS	: PUNJAB NATIONAL BANK LAL BAUG CO-OPERATIVE BANK LTD	

**DIRECTORS REPORT**

To,  
The Members of  
JAL HI POWER PETROCHEM LTD.

Your Directors present, herewith their Eighth Annual Report together with Audited Balance sheet as at 31st March 1999, and the Profit and Loss Account for the year ended on that date.

**FINANCIAL RESULTS**

	(Rs. in lacs)	
	1998-99	1997-98
Net Sales	825.66	385.76
other Income	4.71	2.91
Increase/Decrease in Stock	2.37	(6.43)
	-----	-----
Total Income	832.74	382.24
Total Expenditure	760.14	370.32
Profit/before depreciation and Taxation	72.60	11.92
-Less		
Depreciation	18.01	19.11
Taxation Provision	3.37	-
Prior period adjustment	0.73	1.44
Profit/(Loss) for the year	50.49	(5.75)
Balance brought forward from previous year	(105.07)	(99.32)
Balance carried to Balance sheet	( 54.58 )	(105.07)

**DIVIDEND**

In view of carry forward losses and with a view to conserve resources for Company's use, your Directors do not recommend any dividend for the year 1998-99.

## **OPERATIONS**

Your Directors are extremely happy to report that the net sales and other income of the Company after adjusting increase/decrease in stocks during the year under review shot-up to Rs.832.74 lacs as against Rs.382.24 lacs in the previous year which indicates an abnormal growth of 117.86 % over the previous year. After deducting the total expenditure of Rs.760.14 lacs (Rs.370.32 lacs), the company earned a cash profit of Rs.72.60 lacs as against Rs.11.92 lacs in previous year registering a growth of 609.06 % over the previous year. After deducting therefrom the provision for depreciation Rs.18.01 lacs (Rs.19.11 lacs) , Taxation provisions of Rs.3.37 lacs (Rs.Nil) and prior period adjustment Rs. 0.73 lacs (Rs.1.44 lacs) , the profit for the year under review amounted to Rs.50.49 lacs as against Loss of Rs.5.75 lacs in previous year. Adding thereto the balance brought forward from previous year Rs.105.07 lacs, the total loss of Rs. 54.58 lacs was carried to Balance Sheet.

## **FUTURE PROSPECTS**

The Sales turnover during the first four months of current year amounted to Rs 442.97 lacs (R.140.57 lacs ) . The offtake of the company during the full 12 months of current year might reach a level of approximately Rs 15/16 crores barring unforeseen circumstances . The Demand for company 's products has been rapidly increasing owing to its quality products. The company's production has been geared-up to meet the increased demand in the Market . The company's future appears to be quite encouraging in the years to come.

## **DIRECTORS**

During the year under review,Mr. A.M.Saiyed resigned as a Director of the Company w.e.f. 8th October,1998 . The Board have placed on record their appreciation of the services rendered by Mr.A.M.Saiyed as a Director of the Company.

Mr. Dinesh Patil was appointed as an additional Director on the Board of Directors of the Company w.e.f. 3rd October,1998 .Mr.Dinesh Patil holds office of Director upto the date of the ensuing Annual General meeting of the company. Mr.Patil being eligible offers himself for reappointment Your Directors recommend his appointment for your approval.

At the ensuing Annual General Meeting of the Company Mr.Jayesh Thakkar Mr Jagdish Thakkar ,Mr Dinesh Patil will retire by rotation and being eligible offer themselves for reappointment.

## **Y2K COMPLIANT**

Your Directors wish to state that the computers are used for Accounts, Share Transfer and other office communications purposes only and the computer and software are with Y2K Compliant and the company will not face any risk due to this factor.

**FIXED DEPOSITS**

The Company has not accepted any deposits from the Public to which provisions of section 58A of the Companies Act, 1956 and the Rules framed thereunder, are attracted.

**PARTICULARS OF EMPLOYEES**

None of the Employees of the Company was in receipt of a remuneration in excess of limit prescribed under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time and hence no particulars need to be given.

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

Particulars of Energy conservation, Technology Absorption And Foreign Exchange earning and outgo required to be given pursuant to provisions of section 217 (1)(e) of the Companies Act, 1956 read with The Companies ((Disclosure of particulars in the report of the Board of Directors ) Rules, 1988 are given below.

	Total Units	Total Amount (Rs)	Cost per Unit (Rs)
a) Electricity			
i) Purchased	95075	6,20,458	6.53
b) Energy Conservation			

The company adopts from time to time the energy conservation devices to save energy at all levels.

**c) Foreign Exchange Earnings & Outgo**

Foreign Exchange Earnings	Nil
Foreign Exchange outgo	Nil

### AUDITORS

M/s. Akshay Shah & Co., Chartered Accountants, Baroda retiring Auditors of the Company holds the said office of statutory Auditors until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Your Directors recommend their re-appointment.

### AUDITORS REPORT

The notes on Account referred to in the Auditors Report are largely self explanatory and do not call for any further comments or explanation by the Board.

### INSURANCE

The properties of the Company are adequately insured against fire and other risks.

### PERSONNEL

The relations between the Management and the Employees and staff remained cordial through out the year and Directors place on record their appreciation of the services rendered by them to the Company.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciations for the support and co-operation received by the company from the Central and State Government Authorities, Customers, Suppliers and the Shareholders of the Company for having reposed confidence in the Management.

Vadodara  
12th August, 1999

By order of the Board  
For and on behalf of

JAL HI POWER PETROCHEM LTD

  
( Jayesh Thakkar)

Chairman

## **AUDITOR'S REPORT**

To,  
The Members,

We have audited the attached Balance Sheet of the **JAL HI POWER PETROCHEM LIMITED** as at 31<sup>st</sup> March, 1999 and also the annexed Profit and Loss Account of the Company for the year ended on that date and we report that :

1. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that :-
  - Reference is invited regarding Non compliance with the provisions of the Companies (Appointment & Qualification of Secretary) Rules, 1988.
  - Reference is invited regarding non compliance with AS-15 Accounting for Retirement Benefits in the financial statement of employer.

In absence of information relating to liability thereto, effect of the same on Profit and Loss Account and Balance Sheet can not be ascertained.

Except above, in our opinion the Profit & Loss Account and Balance Sheet comply with the Accounting Standard referred to in Section 211 (3c) of the Companies Act, 1956.

(i) 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 ;

(ii) 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.

The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Accounts of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us, the Accounts read with notes to the Accounts give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view :-

(i) In the case of the Balance Sheet, of the State of affairs of the company as at 31<sup>st</sup> March, 1999 and

(ii) in the case of Profit and Loss Account, of the Profit for the year ended on that date.

**VADODARA**  
**12<sup>TH</sup> AUGUST, 1999**



For **AKSHAY SHAH & CO.**  
**CHARTERED ACCOUNTANTS**

**AKSHAY SHAH**  
**PARTNER**