



EIGHTH  
ANNUAL  
REPORT  
1998 - 99



WE SHARE OUR JOY



## STANPACKS (INDIA) LIMITED

### BOARD OF DIRECTORS

Sri G. Sudhakar	Chairman
Dr. G.V. Chalapathi	Managing Director
Sri G. Radhakrishna	Joint Managing Director
Sri G.P.N. Gupta	Director
Sri G. Muralidhar	Director
Sri M. Ravindra Reddy	Director
Sri M.V. Chandrasekar	Director
Sri S. Soundararajan	Director
Sri M. Rajasekara Sastry	Director

### BANKERS

The Karnataka Bank Ltd.

### SOLICITORS

R. Sundarajan,  
Advocate, Chennai

### WORKS

Sholiyapalayam Village,  
Sholavaram,  
Thiruvallur District,  
Chennai - 600 067, Tamil Nadu.

6-6, Assisted Pvt. Industrial Estate,  
Nellore - 524 004.  
Andhra Pradesh.

B.M. Sankarappa Estate,  
11th K.M., Magadi Road,  
Sunkadakatte, Viswaneeham Post,  
Bangalore - 560 091.

### REGISTERED OFFICE

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

### AUDITORS

M/s. Itta Parthasarathy & Co.  
Chartered Accountants  
94, Broadway, Chennai - 600 108.

### SHARES LISTED WITH

The Madras Stock Exchange Ltd.  
The Stock Exchange, Mumbai.  
Bangalore Stock Exchange Ltd.

### REGISTRARS AND SHARE TRANSFER AGENT

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

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**Stanpacks (India) Limited**

### NOTICE TO THE MEMBERS

NOTICE is hereby given that the EIGHTH ANNUAL GENERAL MEETING of the members of STANPACKS (INDIA) LIMITED will be held at RANI SEETHAI HALL, 603, Anna Salai, Chennai - 600 006 on Thursday, the 23rd day of September, 1999 at 2.30 p.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 appoint a Director in place of Sri G. Radhakrishna who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri G. Muralidhar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri S. Soundararajan who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

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

By order of the Board  
for **STANPACKS (INDIA) LIMITED**

**DR. G.V. CHALAPATHI**  
Managing Director

29th July, 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 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.
3. The Register of Members of the Company will remain closed from 16th September, 1999 to 23rd September, 1999 (both days inclusive).
4. Members are requested to communicate their change of address, if any, quoting their respective folios.
5. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
6. The Listing Fees payable to the Stock Exchanges have been paid in time.



## Stanpacks (India) Limited

### DIRECTORS' REPORT

The Directors present the 8th 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/(Loss)	(58.28)	5.20
Less : Depreciation	34.11	29.71
Profit/(Loss) before tax	(92.39)	(24.51)
Provision for tax	—	—
Profit/(Loss) after tax	(92.39)	(24.51)

### OPERATIONS

The year ending 31.3.1999 posed tough challenges to the Company, mostly for external reasons. The global economical environment was itself turbulent, affecting all segments of industry in India adversely. Economic growth slowed down to 2.5%, the world over, in 1998. The prospect of recovery in 1999 is assessed to be dim by experts. The Asian crisis, which struck Thailand in July, 1997, widened during the year in the region. In India, the index of industrial production rose by 3.6% in 1998-99, which compares unfavourably with that (6.6%) of the previous year. The Company is in the packaging industry and its prosperity is linked to the buoyancy in trade, commodity market and in bulk-handling. The sharp decline in world trade and its adverse impact on India's economic growth led to strains in the packaging industry.

The year began with low international prices, which could not be matched by us due to our higher costs of inputs. This brought down the production and sales of our products. Due to general recessionary trends, the market demand was also far below the Company's expectations. These factors resulted in a loss of Rs. 92.39 lakhs for the Company. Consequent to this, the Directors are not in a position to recommend dividend.

### OUTLOOK

The Company expects general growth in the coming years, in spite of many factors that loom large in the horizon. The current recession in the industry is unlikely to fade away for another year, going by the industry-trends. The adverse supply-demand ratio, which is prevailing today, is a matter of concern in the coming year as well and competition will be getting stiffer. The Company hopes to overcome these problems by developing new designs and evolving innovative marketing strategies.

### FIXED DEPOSITS

Your Company has not accepted any Deposits from the public.

### AUDITORS

The Auditors, M/s. Itta Parthasarathy & Co., Chartered Accountants, Chennai retire and are eligible for re-appointment.


**Stanpacks (India) Limited**
**DIRECTORS**

Sri G. Radhakrishna, Sri G. Muralidhar and Sri S. Soundararajan, directors of the Company are liable for retirement by rotation and being eligible, offer themselves for re-appointment.

**RESEARCH & DEVELOPMENT**

The Research & Development division of your Company is continuously putting forth its efforts to develop innovative packages, modification of designs and to locate the new avenues in the market. To its credit the Company bagged prestigious awards, Indiarstar Award-1998 and Worldstar Award-1998 for an innovative and cost effective product, Centre seamless kraftlined PP/HDPE woven sack, for which the Company also filed for an Indian patent.

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

Conservation of Energy & Technology Absorption: Nil.

Foreign Exchange: Earnings - Rs. 24,62,653/-

Outgo - Rs. 31,07,687/-

**PARTICULARS OF EMPLOYEES**

None of the personnel in the Company was in receipt of remuneration in excess of the limits prescribed in Section 217 (2A) of the Companies Act, 1956 during the year under review.

**YEAR 2000 (Y2K) COMPLIANCE**

The Company is Y2K compliant.

**ENVIRONMENT AND SAFETY**

The Company accords the highest priority to maintaining safety standards and a pollution free environment.

**PERSONNEL AND INDUSTRIAL RELATIONS**

The Board wishes to place on record its appreciation of the efforts put in by the employees. Industrial relations were cordial.

**ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for the support and guidance received from The Karnataka Bank Ltd., Financial Institutions and all Government Agencies and thank all the shareholders, customers and suppliers for their continued support and co-operation.

For and on behalf of the Board

Place : Chennai

Date : 29th July, 1999.

**G. SUDHAKAR**

Chairman