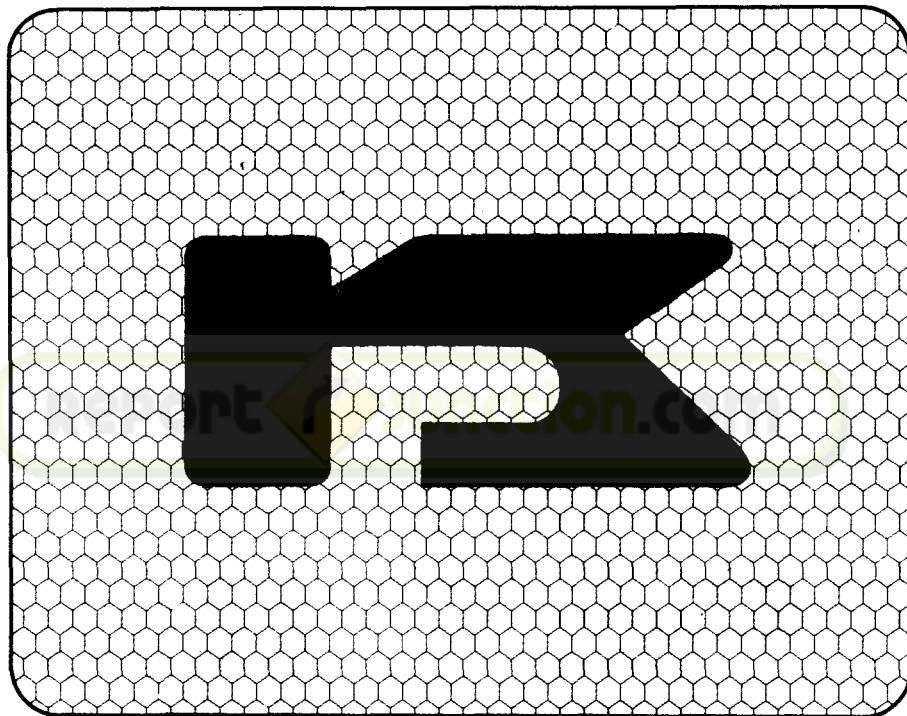


34th Annual Report 2004-2005



KANPUR PLASTIPACK LTD.

AN ISO 9001 : 2000 ACCREDITED COMPANY

KANPUR PLASTIPACK LIMITED

BOARD OF DIRECTORS

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

Shri MANOJ AGARWAL, *Joint Managing Director*

Shri B. L. MANCHANDA

Shri S. M. JAIN

Shri P. K. GOENKA

Dr. J. N. GUPTA

Smt. SANTOSH AGARWAL

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

AUDITORS

PANDEY & COMPANY

Chartered Accountants

KANPUR

CORPORATE LAW ADVISORS

ADESH TANDON & ASSOCIATES

Company Secretaries

KANPUR

BANKERS

STATE BANK OF INDIA

REGISTERED OFFICE & WORKS

D-19-20, PANKI INDUSTRIAL AREA,

KANPUR-208 022

AN ISO 9001 : 2000 ACCREDITED COMPANY

KANPUR PLASTIPACK LIMITED**NOTICE**

NOTICE is hereby given that the THIRTY FOURTH 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 Friday the 16th September 2005, at 2.30 p.m. to transact the following businesses :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2005 and Balance Sheet as at that date together with the Reports of Auditors and Directors thereon;
2. To consider declaration of Dividend;
3. To appoint a Director in place of Shri S.M. Jain, who retires by rotation and, being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri P.K. Goenka, who retires by rotation and, being eligible, offers himself for re-appointment;
5. To appoint Auditors to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration;

SPECIAL BUSINESS :

6. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution :

“RESOLVED THAT subject to the provisions of Sections 198, 269 & 309 read with Schedule XIII as amended 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 Shri M.S. Agarwal, as Executive Chairman of the Company with the fresh terms and conditions as contained herein below for a period of 3 years w.e.f. 1st September, 2005 :

- I. Salary : Rs.1,40,000 per month
- II. Special : 25% of basic salary
Allowance
- III. Perquisites : Perquisites shall be allowed in addition to salary as under. However these shall be restricted to an amount equal to the annual salary, subject to an overall ceiling as mentioned hereinafter :-

Category – ‘A’**Housing :**

- i) The expenditure incurred by the company on hiring unfurnished accommodation shall be subject to a ceiling of thirty percent of salary over and above twenty percent payable by Shri M.S. Agarwal. In case no accommodation is provided by the Company, the company shall pay house rent allowance to the extent of thirty percent of salary of Shri M.S. Agarwal. The Company shall provide such furniture and furnishing as may be required by the Chairman. Further the expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962.

ii) Medical Reimbursement / Medical Insurance :

Reimbursement of actual medical expenses incurred for self and family in India and / or abroad including hospitalisation, subject to a ceiling of one month's salary in a year or three months' salary over a period of 3 years.

iii) Leave Travel Concession :

For self and family, once in a year to any place in India or abroad subject to a ceiling of one month's salary.

iv) Club Fees :

Fees of club subject to maximum of two clubs. No admission and life membership fee will be paid.

v) Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs.12,000/-

Category – ‘B’

- i) Company's contribution towards Provident Fund as per the Rules of the Company but not exceeding limits as prescribed under the Government regulations from time to time.
- ii) Company's contribution towards Superannuation Fund as per the rules of the Company, but it shall not together with the Company's contribution to Provident Fund, exceed 25% of the salary. Contribution to Provident Fund and Superannuation Fund shall not be included in computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act.
- iii) Gratuity as per the rules of the Company but shall not exceed half month's salary for each completed year of service.

THIRTY FOURTH ANNUAL REPORT

- iv) Encashment of Leave at the end of tenure will not be included in the computation of the ceiling on perquisites.
- v) He will not be entitled to any sitting fees for attending the meeting of the Board of Directors or Committees thereof.

Category – 'C'

- i) He will be entitled to free use of Company's Car with driver for official as well as for personal purpose.
- ii) The company shall provide him mobile phone and telephone, and other communication facilities at residence and these will not be considered as perquisites."

"FURTHER RESOLVED that in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shri M.S.Agarwal by way of salary, allowances, and perquisites, shall not exceed the maximum limit as prescribed under Schedule XIII of the Companies Act, 1956."

- 7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT subject to the provisions of Sections 198, 269 & 309 read with Schedule XIII as amended and other applicable provisions, if any, of the Companies Act, 1956, Shri Manoj Agarwal be and is hereby appointed as Managing Director of the Company on fresh terms and conditions contained herein below for a period of 3 years w.e.f.1st September, 2005 :

- I. Salary : Rs.105,000-15,000-1,35,000/- per month
- II. Special Allowance : 25% of Basic Salary
- III. Perquisites : Perquisites shall be allowed in addition to salary as under. However these shall be restricted to an amount equal to the annual salary, subject to an overall ceiling as mentioned hereinafter :-

Category – 'A'

Housing :

- i) The expenditure incurred by the company on hiring unfurnished accommodation shall be subject to a ceiling of thirty percent of salary over and above twenty percent payable by Shri Manoj Agarwal. In case no accommodation is provided by the Company, the company shall pay house rent allowance to the extent

of thirty percent of salary of Shri Manoj Agarwal. The Company shall provide such furniture and furnishing as may be required by the Managing Director. Further the expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962.

ii) Medical Reimbursement / Medical Insurance :

Reimbursement of actual medical expenses incurred for self and family in India and / or abroad including hospitalisation, subject to a ceiling of one month's salary in a year or three months' salary over a period of 3 years.

In addition, the Company will reimburse him towards Medical Insurance Premium, the amount of which shall not exceed Rs.15,000/- per annum.

iii) Leave Travel Concession :

For self and family, once in a year to any place in India or abroad subject to a ceiling of one month's salary.

iv) Club Fees :

Fees of club subject to maximum of two clubs. No admission and life membership fee will be paid.

v) Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs.12,000/-.

Category – 'B'

- i) Company's contribution towards Provident Fund as per the Rules of the Company but not exceeding limits as prescribed under the Government regulations from time to time.
- ii) Company's contribution towards Superannuation Fund as per the rules of the Company, but it shall not together with the Company's contribution to Provident Fund, exceed 25% of the salary. Contribution to Provident Fund and Superannuation Fund shall not be included in computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act.
- iii) Gratuity as per the rules of the Company but shall not exceed half month's salary for each completed year of service.
- iv) Encashment of Leave at the end of tenure will not be included in the computation of the ceiling on perquisites.
- v) He will not be entitled to any sitting fees for attending the meeting of the Board of Directors or Committees thereof.

KANPUR PLASTIPACK LIMITED

Category – 'C'

- i) He will be entitled to free use of Company's Car with driver for official as well as for personal purpose.
- ii) The company shall provide him mobile phone, telephone and other communication facilities at residence and these will not be considered as perquisites."

"FURTHER RESOLVED that in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shri Manoj Agarwal by way of salary, allowances, and perquisites shall not exceed the maximum limit as prescribed under Schedule XIII of the Companies Act, 1956."

8. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution :

"RESOLVED THAT the appointment of Shri A.K. Bhatnagar, Director (Operations), which was effective w.e.f. 01.01.2005, subject to the provisions of Section 198, 269 & 309 read with Schedule XIII as amended and other applicable provisions, if any, of the Companies Act, 1956, be and is hereby approved."

"FURTHER RESOLVED that subject to the provisions of Sections 198, 269 & 309 read with Schedule XIII as amended and other applicable provisions, if any, of the Companies Act, 1956 the consent of the Company be and is hereby given to the change in terms of appointment of Shri A.K. Bhatnagar, as Director in whole-time employment of the Company with the designation as Executive Director on the fresh terms and conditions as contained herein below for a period of 3 years w.e.f. 1st September, 2005:

I. Salary : Rs. 60,000-10,000-80,000
per month

II. Perquisites : Perquisites shall be allowed in addition to salary as under.

Category – 'A'

- i) House Rent Allowance shall be 30% of salary. The Company shall provide such furniture and furnishing as may be required by the Executive Director. Further the expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962.

ii) Medical Reimbursement :

Reimbursement of actual medical expenses incurred for self and family in India and / or abroad including

hospitalisation, subject to a ceiling of one month's salary in a year or three month' salary over a period of 3 years.

iii) Leave Travel Concession :

For self and family, once in a year to any place in India or abroad subject to a ceiling of one month's salary.

iv) Club Fees :

Fees of club subject to maximum of two clubs. No admission and life membership fee will be paid.

v) Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs.12,000/-.

Category – 'B'

- i) Company's contribution towards Provident Fund as per the Rules of the Company but not exceeding limits as prescribed under the Government regulations from time to time.

- ii) Company's contribution towards Superannuation Fund as per the rules of the Company, but it shall not together with the Company's contribution to Provident Fund, exceed 25% of the salary. Contribution to Provident Fund and Superannuation Fund shall not be included in computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act.

- iii) Gratuity as per the rules of the Company but shall not exceed half month's salary for each completed year of service.

- iv) Encashment of Leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

- v) He will not be entitled to any sitting fees for attending the meeting of the Board of Directors or Committees thereof.

Category – 'C'

- i) He will be entitled to free use of Company's Car with driver for official as well as for personal purpose.

- ii) The company shall provide him mobile phone and telephone, and other communication facilities at residence and these will not be considered as perquisites."

"FURTHER RESOLVED that in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shri A.K. Bhatnagar by way of salary, allowances, and perquisites, shall not exceed the maximum limit as prescribed under Schedule XIII of the Companies Act, 1956."

THIRTY FOURTH ANNUAL REPORT

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 09.09.2005 to 16.09.2005 (both days inclusive).
4. Members who have multiple folios with identical order for 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 at least 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 Nos at its Registered Office.
7. As per the provisions of the Companies (Amendment) Act, 1956, facility for making nomination is available to the shareholders and fixed deposit holders in respect of shares or deposits held by them. The nomination can be made by filing the prescribed Form No. 2B. Nomination forms may also be requisitioned from the Company.
8. THE EQUITY SHARES OF THE COMPANY HAVE BEEN PLACED UNDER COMPULSORY DEMAT TRADING W.E.F. 31st MARCH 2002. MEMBERS WHO HAVE NOT YET DEMATERIALIZED THEIR PHYSICAL HOLDING IN THE COMPANY ARE ADVISED TO AVAIL THE FACILITY OF DEMATERIALIZATION URGENTLY.
9. Members/ Proxies are requested to bring attendance slip duly filled in along with their copies of Annual Report in the meeting.
10. All material documents are open for inspection by the members on all working days at the Registered Office of the Company till the conclusion of the meeting.
11. Details of Directors as required under Clause 49 of the Listing Agreement with the Stock Exchanges :

Shri S.M. Jain & Shri P.K. Goenka retire by rotation and being eligible offers themselves for re-appointment.

- a) Shri S.M. Jain is a retired top executive from a renowned Public Sector Undertaking. He had been

associated with various PSUs for a very long period. He is a good administrator and has good contacts in Govt. sector. In view of his knowledge and experience, the Board proposes to re-appoint him in the Board of Directors of the Company.

- b) Shri P. K. Goenka is a renowned Practicing Chartered Accountant of Kanpur. In view of his knowledge and experience, the Board proposes to re-appoint him in the Board of Directors of the Company.

By order of the Board of Directors
FOR KANPUR PLASTIPACK LTD.

Place : Kanpur

M. S. AGARWAL

Date : 30th June, 2005 *Chairman & Managing Director*

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) AND OTHER GENERAL INFORMATION PURSUANT TO SECTION II PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956

Item No. 6, 7 & 8 :

Shri M.S. Agarwal (78 years) was re-appointed as Chairman & Managing Director of the company w.e.f. 1st September 2002 for a period of three years u/s 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. He has over 55 years experience of the industry. Shri M.S. Agarwal has been working as Managing Director and has been guiding the company's operations since its inception and under his able leadership, the company has been able to reach new heights. The Company has also been able to turnaround during his tenure as Managing Director and now has stabilized its operations. Finances are on sound footing. Shri M. S. Agarwal has expressed his wish to relinquish from the post of Managing Director. As he feels that time has come when new generation should take over and take the Company still further. His continued services will be greatly beneficial to your company. He is the President of Merchants' Chamber of U.P. and has very good contacts in Banks, Business associations etc. which are beneficial to the company. The Board proposes to appoint him as Executive Chairman w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions as approved by the Remuneration Committee. The Board puts on record its appreciation for his valued contribution in managing and rehabilitating the operations of the company all these years.

Shri Manoj Agarwal (51 years) was re-appointed as Executive Director of the Company w.e.f. 1st September 2002 for a period of three years u/s 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. After that he was redesignated as Jt. Managing Director of the Company. Shri Manoj Agarwal, a Management Post graduate, has ably assisted in turning around the performance of the

KANPUR PLASTIPACK LIMITED

Company and is the main guiding factor in the development of Export Market. He has contributed for the Company's excellent performance and is a key person of the Company and, therefore, his continued services will be in the great interest of the Company. The Board proposes to appoint Shri Manoj Agarwal as Managing Director w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions as approved by the Remuneration Committee.

The Board re-appointed Shri A.K. Bhatnagar as Director in the whole time employment of the company with the designation as Director (Operations) w.e.f. 01.01.2005 in accordance with section 198, 269 & 309 read with Schedule XIII of the Companies Act, 1956 on a salary of Rs. 45,000/- per month and HRA of Rs. 17,500/- per month and other terms and conditions similar to his earlier appointment w.e.f. 01.01.2002. Shri A.K. Bhatnagar has been in the Company for about 21 years and is a qualified Textile Engineer as well as has wide experience in the Industry. He has contributed for the Company's excellent performance and is another pillar of the Company's success and, therefore, his continued services will be beneficial to the Company. In view of his knowledge and experience, the Board proposes to appoint Shri A.K. Bhatnagar as Executive Director w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions as approved by the Remuneration Committee and as mentioned in the resolution no. 8.

In view of the increased cost of living coupled with prevalent scale of salary for the services of Chief Executives of the corporate sector, it is proposed to increase the overall remuneration of all whole time Directors.

The Board recommends the proposed resolution at Item No. 6, 7 & 8 for your approval as a SPECIAL RESOLUTION. It is also pertinent to mention that Shri M. S. Agarwal has attained the age of 78 years, hence in view of the amended Schedule XIII, his re-appointment would not require Central Government's approval, if approved by share-holders by way of special resolution.

The mention of the terms and conditions of appointment of Shri M.S.Agarwal as Executive Chairman, Shri Manoj Agarwal as Managing Director and Shri A.K. Bhatnagar as Executive Director of the Company, in the notice be treated as Compliance of section 302 of the Companies Act, 1956.

The proposed remuneration of Shri M. S. Agarwal, Shri Manoj Agarwal and Shri A.K. Bhatnagar has been approved by the Remuneration Committee constituted under Schedule XIII of the Companies Act, 1956.

None of the Directors, except Shri M.S.Agarwal, Shri Manoj Agarwal and Shri A.K. Bhatnagar himself and Mrs. Santosh Agarwal being relatives, are concerned or interested in these resolutions.

OTHER GENERAL INFORMATION :

- i) The Company is presently engaged in manufacturing of HDPE/PP Fabric, Sacks & FIBC Bags. The turnover of the Company during the last 3 years 2001-2002 to 2003-04 was Rs.3117 lacs, Rs. 3546 lacs and Rs. 4029 lacs respectively. Financial performance of the Company during the last 3 years have been as under :

Year	Sales & other Income	Operating Profits	Net Profit after Tax
2003-04	4029.08	215.75	60.92
2002-03	3545.88	153.71	38.91
2001-02	3116.99	174.80	85.61

- iii) The Company made exports of its products worth Rs. 1251 lacs, Rs.1039 lacs and Rs.1461 lacs during 2000-01 to 2003-04.
- iv) The past salary of Shri M.S.Agarwal has been Rs. 80000-20000-120000 per month along with other perquisites, Shri Manoj Agarwal Rs. 60000-15000-90,000 per month along with other perquisites and Shri A.K. Bhatnagar Rs. 45000/- per month along with other perquisites.
- v) In the industry it is a normal trend of providing remuneration to the Chief Executives in the range of Rs.15 to Rs.25 lacs inclusive of perquisites per annum. It is also pertinent to mention that the loss making Companies are also providing remuneration of this level to its Chief Executives. The fact, which is very important, is the contribution of the person towards the Company. The performance of the Company has improved substantially during the tenure of Shri M.S.Agarwal as Managing Director, Shri Manoj Agarwal as Jt. Managing Director and Shri A.K. Bhatnagar as Director (Operations) of the Company.
- vi) Shri M.S.Agarwal, is the father of Shri Manoj Agarwal, and is husband of Smt. Santosh Agarwal, Director of the Company.
- vii) There is no foreign investment or collaborators etc.
- viii) No stock option benefit has been given to any Director.
- ix) Expected sales, production & profits are as under :-

Year	Sales & other Income	Operating Profits	Net Profit after Tax	Production in M.T.
2005-06	Rs. 6028 lacs	Rs. 210 lacs	Rs. 135 lacs	6500

By order of the Board of Directors
FOR KANPUR PLASTIPACK LTD.

Place : Kanpur

M. S. AGARWAL

Date : 30th June, 2005 *Chairman & Managing Director*

THIRTY FOURTH ANNUAL REPORT

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the 34th Annual Report together with Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
	2004-2005	2003-2004
Income	5320.88	4,029.08
Operating Profit	271.55	215.74
Less : Interest	70.73	64.72
Less : Depreciation	70.72	60.35
Less : Adjustments relating to earlier year	0.67	0.11
Profit before Tax	129.43	90.56
Provision for taxation - Current	30.80	11.80
- Deferred Tax	20.75	17.95
Net Profit for the year	77.88	60.81

REVIEW OF OPERATIONS :

The Company continues to stabilise its operations and has been earning profits for last few years. The reserves & surplus now stands at Rs.505 lacs after providing deferred tax liability of Rs. 101 lacs. Total income has gone up by about 25% and production in quantity terms by about 12%. The net profit before tax has also gone up to Rs. 129 lacs in comparison to Rs.91 lacs earlier year.

The Trading Activities as consignment stockist of Gail (India) Ltd. continues to contribute to the Company's bottomline.

DIVIDEND :

Having established its operations, the Directors are pleased to recommend 6% maiden dividend.

PROSPECTS :

Tremendous efforts put in by the management has resulted in increase in Exports turnover in value by 104% and in quantity terms by about 79% in comparison to previous year. The company continues to focus its energies for further development of exports in value added niche markets and having consolidated the gains of last two years,

renewed efforts are being made to enter USA market which are expected to yield results in the current year. This is in addition to our existing traditional strong hold in the European market.

Our relations with the domestic and export customers continue to be cordial and the management is confident of maintaining steady progress. With the efforts put in, energy costs have been contained inspite of increased input costs. The management is taking steps to continue its efforts to cost reduction.

The trading activity of Polymers is maintaining steady progress.

FIXED DEPOSITS :

The company has total fixed deposits of Rs.70 lacs as on 31/03/2005. This is to confirm that there are no overdue, unpaid / unclaimed deposits. The interest has also been paid in time to all deposit holders.

DIRECTORS :

Shri M. S. Agarwal has expressed his wish to step down from the post of Managing Director. As he feels that time has come when new generation should take over and take the Company to new heights. The Board proposes to appoint him as Executive Chairman w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions. The Board puts on record its appreciation for his valued contribution in managing and rehabilitating the operations of the company all these years.

The Board proposes to appoint Shri Manoj Agarwal as Managing Director w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions.

Further the Board proposes to elevate Shri A.K. Bhatnagar from the post of Director (Operations) to Executive Director w.e.f. 01.09.2005 for a period of 3 years on fresh terms and conditions.

All the above changes are expected to make the company's operations more vibrant in years to come.

Moreover Shri S.M. Jain and Shri P.K. Goenka retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE :

A separate report on Corporate Governance is furnished as a part of the Directors' Report alongwith a certificate from the Company's Auditors regarding compliance at Annexure 'A' forming part of this report.

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

Information as per Section 217 (1)(e) 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 'B' 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 the aggregate was not less than Rs. 24.00 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. 2.00 lacs per month.

LISTING :

The Company's equity shares continue to be listed at Mumbai Stock Exchange. We confirm that the Listing Fees for the financial year 2005-2006 has been paid to them. The Kolkata Stock Exchange has not responded in spite of our several reminders, though we have completed all the legal formalities relating to the delisting of securities as per the provisions contained in SEBI (Delisting of Securities) Guidelines, 2003. Hence we have presumed that they have delisted our securities.

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 have been followed along with proper explanation to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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;
- iv) the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT :

Your Directors take this opportunity of placing on record their sincere appreciation and gratitude to the overwhelming cooperation and assistance received from State Bank of India, other Govt. Agencies and esteemed customers for their continued support, cooperation and assistance during the year.

Your Directors also wish to place on record their appreciation for whole-hearted commitment, contribution, sincere and dedicated efforts put in by the Officers, Staff and Workers for maintaining continued improvement in Company's overall performance.

For and on behalf of the Board
FOR KANPUR PLASTIPACK LTD.

Place: Kanpur

Date : 30th June, 2005

M. S. AGARWAL

Chairman & Managing Director