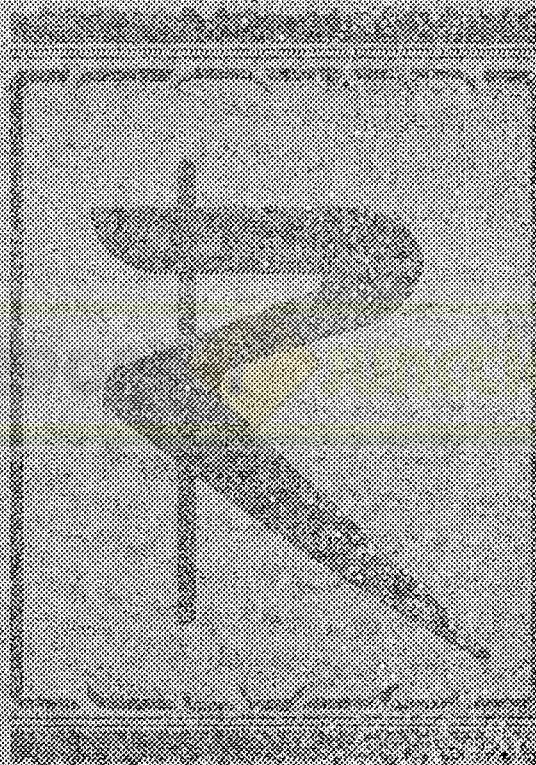


|     |                                     |  |     |                                     |
|-----|-------------------------------------|--|-----|-------------------------------------|
| MD  | <input checked="" type="checkbox"/> |  | BKC | <input checked="" type="checkbox"/> |
| CS  | <input checked="" type="checkbox"/> |  | DPY | <input checked="" type="checkbox"/> |
| RO  | <input checked="" type="checkbox"/> |  | DIV | <input checked="" type="checkbox"/> |
| TRA | <input checked="" type="checkbox"/> |  | AC  | <input checked="" type="checkbox"/> |
| AGM | <input checked="" type="checkbox"/> |  | SHI | <input checked="" type="checkbox"/> |
| YE  | <input checked="" type="checkbox"/> |  |     |                                     |

11

th  
Annual  
Report  
1997 - 98



**RAI** PACKAGING INDUSTRIES LIMITED

**Board of Directors**

|   |                   |
|---|-------------------|
| Shri U.C. Bhandari                            | Director          |
| Shri Ramesh Chandra Singhi                    | Director          |
| Shri Rajendra Kankaria                        | Director          |
| Shri C.S. Ramulu<br>(Nominee of APSFC)        | Director          |
| Shri K. Jayaprakash Rao<br>(Nominee of APIDC) | Director          |
| Shri Prem Kankaria                            | Managing Director |

**Registered Office**

6-3-1090/C-4, Opp. Kapadia Lane,  
Raj Bhavan Road, Hyderabad - 500 082.  
Andhra Pradesh, India.

**Works**

Survey No. 715, Kondamadugu, Bibinagar,  
Dist. Nalgonda, Andhra Pradesh, India.

**Bankers**

State Bank of India  
Saifabad Branch, Hyderabad,  
Andhra Pradesh, India.

**Auditors**

S. Singhvi & Co.  
Chartered Accountants  
Hyderabad, Andhra Pradesh, India.

**Share Transfer Department**

6-3-1090/C-4, Opp. Kapadia Lane,  
Raj Bhavan Road, Hyderabad - 500 082.  
Andhra Pradesh, India.

You can Email us at : [rajpack@hd2.vsnl.net.in](mailto:rajpack@hd2.vsnl.net.in)



**RAJ****packaging industries ltd.****NOTICE TO MEMBERS**

Notice is hereby given that the ELEVENTH Annual General Meeting of the Members of RAJ PACKAGING INDUSTRIES LIMITED will be held at Hotel Aditya Deluxe, 1-7-206, S.D. Road, Secunderabad on Wednesday the 30th day of September 1998, at 10.30 a.m. to transact the following business:-

**ORDINARY BUSINESS**

1. To Consider and adopt the Balance Sheet as at 31st March, 1998, Profit & Loss Account for the year ended on that date and the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Sri Rajendra Kankaria, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

By Order of the Board

Hyderabad  
27th June, 1998.

**PREM KANKARIA**  
Managing Director

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered office of the company not less than forty eight hours before the Schedule time of meeting.
3. Members/proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members are requested to intimate to the Company at its registered office any change of Address quoting their Share Ledger Folio number(s).
5. The Share transfer books and Register of members will remain closed from Tuesday the 22nd day of September, 1998 to Wednesday the 30th day of September, 1998 (both days inclusive)
6. No person other than Member/ Duly registered proxy with the company with duly filled in attendance slip will be allowed to enter the venue of the meeting.

**RAJ****packaging industries Ltd.****DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 11th Annual Report and Audited Accounts of the Company for the year ended 31st March, 1998.

**01. SUMMARISED FINANCIAL RESULTS**

|   | (Rs. in lacs) |         |
|---|---------------|---------|
|   | 1997-98       | 1996-97 |
| Sales & Other Income                        | 595.72        | 577.58  |
| Operating Profit (PBDT)                     | 56.83         | 80.83   |
| Interest                                    | 43.87         | 47.56   |
| Profit before Depreciation and Taxes (PBDT) | 12.96         | 33.27   |
| Depreciation                                | 26.03         | 25.48   |
| Profit/(Loss) before Tax                    | (13.07)       | 7.79    |
| Provision for Tax                           | —             | —       |
| Profit/(Loss) after Tax                     | (13.07)       | 7.79    |

**02. REVIEW OF OPERATION**

The Financial year 1997-98 ended with not so satisfactory results. The recessionary and sountend marching market condition forced management to curtail the price of the company's products much more than decline in raw material price, which is monopolistic practically, and hence inspite of increased turnover, the bottomline was not as projected. However the management's efforts to cut the costs, resulted in company achieving a cash profit of Rs.14.73 lakhs as against net loss of Rs.13.07 lakhs.

**03. DIVIDEND**

The results under review do not permit your Directors to recommend dividend for the year.

**04. FUTURE OUTLOOK**

During current year, the shadow of last year seems to have been evaporated. For first quarter, the company has achieved a turnover of Rs.182.79 lakhs. May'98 seen the company posting a highest ever monthly turnover in its 11 year history which was superstated in June'98. Your directors wish to assure you that management will leave no stone untouched to fetch the every available opportunity to enhance the shareholders value and to provide the best possible return on their investment.

**05. FIXED DEPOSITS**

During the year under review your Company has not accepted any Deposits from Public/Members.

**06. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, Technology absorption and Foreign Exchange earnings and outgo is given as Annexure-'A' forming part of this report.

**07. AUDITORS' REPORT**

With reference to the observations made by the Auditors in their report, the notes forming part of Accounts are self explanatory and hence do not require any further clarification.

**08. PARTICULARS OF EMPLOYEES**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 is annexed herewith as Annexure-'B' forming part of this report.

**RAJ****packaging industries ltd.****09. PROJECTION V/S PERFORMANCE**

Pursuant to Clause 43 of the Listing Agreement with Stock Exchanges, following is a comparison between projections as per Prospectus dated 21st January, 1995 and the actuals for the year.

(Rs. in lakhs)

|                 | Projections | Performance |
|-----------------|-------------|-------------|
|                 | 1997-98     | 1997-98     |
| Sales and Other |             |             |
| Income          | 1275.57     | 595.72      |
| Profit After    |             |             |
| Tax (PAT)       | 179.09      | (-) 13.07   |

- \* Reason for variation is general down trend in economy and lower per unit realisation due to cutthroat competition in the market.

**10. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956, and Clause 102 of the Articles of Association of the company, Sri Rajendra Kankaria retire by rotation and being eligible, offers himself for re-appointment.

Shri Vinod Baid resigned the Directorship of the company w.e.f 29th September, 1997 due to his preoccupation. Your

Directors wish to express their sincere thanks for valuable guidance and advise, he made available to the company for its growth.

**11. AUDITORS**

The auditors of the company M/S S.SINGHVI & CO., Chartered Accountants, Hyderabad retire at conclusion of this Annual General Meeting and being eligible, offers themselves for re-appointment.

**12. ACKNOWLEDGEMENT**

Your Directors wish to place on record their gratitude to all staff members for their contribution towards growth of the Company and to Financial Institutions viz. Andhra Pradesh State Finance Corporation, Andhra Pradesh Industrial Development Corporation and State Bank of India for their support and also place on record their appreciation for the continuing support extended by the shareholders.

By Order of the Board

Hyderabad  
27th June, 1998.

**PREM KANKARIA**  
Managing Director



## ANNEXURE - A TO DIRECTORS REPORT

## FORM - A

(Form for disclosure of particulars with respect to conservation of Energy)

|  |         |
|--|---------|
|  | 1998    |
| <b>A. Power &amp; Fuel Consumption</b>       |         |
| <b>1. Electricity</b>                        |         |
| a. Purchased                                 |         |
| Units - KWH                                  | 285792  |
| Total Cost - Rs.                             | 1197071 |
| Rate/Unit - Rs.                              | 4.19    |
| b. Own Generation                            |         |
| Through Diesel Generator                     |         |
| Units - KWH                                  | 55000   |
| Units per Unit of fuel                       | 2.55    |
| Cost/Unit - Rs.                              | 4.15    |
| <b>B. Consumption Per Unit of Production</b> |         |
| Electricity                                  | 0.48    |

## FORM - B

(Form of Disclosure of Particulars with respect to Technology Absorption &amp; Foreign Exchange Earnings &amp; Outgo)

|  |       |
|--|-------|
| Research & Development (R & D)                 | Nil   |
| Technology absorption, adaption and innovation | Nil   |
| Foreign Exchange Earnings                      | Nil   |
| Foreign Exchange outgo (Rs. in lakhs)          | 38.99 |

**RAJ****packaging industries ltd.****ANNEXURE - B TO DIRECTORS REPORT**

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 - READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 ANNEXED TO AND FORMING PART OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 1998.

- a) Employed through out the year and were in receipt of remuneration not less than Rs. 3,00,000/- p.a.

| Name of the Employees | *Remuneration Rs. | Designation       | Qualification & Experience      | Date of commencement of employment | Age years | Particulars of last employment |
|-----------------------|-------------------|-------------------|---------------------------------|------------------------------------|-----------|--------------------------------|
| Prem Kankaria         | 346484            | Managing Director | B.Com (Hons)<br>F.C.A, 18 Years | 18.6.87                            | 42        | Own Industry                   |

- \* Remuneration includes Salary, Value of perquisites as per Income Tax Rules, 1962 & Company's Contribution to Provident Fund

- b) Employed for part of the year and were in receipt of remuneration not less than Rs.25000/- p.m.

Nil