



RAJ
PACKAGING
INDUSTRIES LTD.



BOARD OF DIRECTORS

Shri U.C. Bhandari

Director

Shri Ramesh Chandra Singhi

Director

Shri Rajendra Kankaria

Director

Shri C.S. Ramulu (Nominee of APSFC)

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 E-mail us at: rajpack@hd2.vsnl.net.in



NOTICE TO MEMBERS

Notice is hereby given that the THIRTEENTH 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 Saturday, the 30th day of September 2000, at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To Consider and adopt the Balance Sheet as at 31st March, 2000, Profit & Loss Account for the year ended on that date and the Reports of the Auditors' and Directors' thereon.
2. To declare dividend.
3. To appoint a Director in place of Sri Ramesh Chandra Singhi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

By Order of the Board of Directors

HYDERABAD

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 and sign at Registration counter at the venue of 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 Monday, the 25th day of September, 2000 to Saturday, the 30th day of September, 2000 (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.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 13th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2000.

SUMMARISED FINANCIAL RESULTS

Your Company's performance during the year as compared to previous year is summarised below:

	(Rs.in lakhs)	
	1999-00	1998-99
Sales & Other Income	876.97	762.85
Operating Profit (PBIDT)	110.66	98.00
Interest	31.46	40.27
Profit before Depreciation and taxes (PBDT)	79.20	57.73
Depreciation	26.40	26.06
Profit/(Loss) before Tax	52.80	31.67
Provision for Tax	--	--
Profit/(Loss) after Tax	52.80	31.67
Prior Period adjustments	1.69	6.49
Profit/(Loss) after Prior Period Adjustments	51.11	25.18
Balance Brought forward	32.19	13.02
Amount available for appropriations	83.30	38.20

APPROPRIATIONS

Your Directors recommended appropriation as under:

Transfer to investments Allowance Reserve	--	5.00
Transfer to General Reserve	5.00	1.00
Proposed Dividend & Tax thereon	23.82	--
Balance Carried forward	54.48	32.20
Total Appropriations	83.30	38.20

REVIEW OF OPERATION

During the year, your company has achieved a highest ever Turnover at Rs.876.48 Lakhs as compared to Rs.752.61 Lakhs in previous year. There was increase in volume also at 1011 M.Tons as compared to 960 M.Tons in previous year.

Your Directors are happy to inform that the Company is continuing its run on growth path. The expectation made during the last year fructified. The Company's sales increased by 16% as compared to previous year. The Net Profit increased by 67%.



Your management's efforts in developing new market, new structure of film, change product mix in order to achieve higher value addition has resulted into higher profits.

DIVIDENDS

In view of good performance of the company, the Directors recommended a maiden post expansion dividend of Rs.0.50 per share for the year 1999-2000; which if approved at the forthcoming Annual General Meeting will be paid to all those equity Shareholders whose name appear on the Register of Members as on the date of Book Closure.

FUTURE OUT LOOK

The Management is confident about the future growth of the company rather upbeat about growth. The company is having Two Imported One Three Layer and another Five Layer plants and one only successful combination in Southern India. Keeping in view above, the management has always directed its efforts on exploring new and technically superior products to give customers high quality product at lesser cost. Thus giving them value for money. This is the reason Company could develop loyal customers and continuing to widen its customers base. With the implementation of Packaging order in Oil industry by State Government at several States, there seems to be boom in demand for Oil Packaging. The Company is well placed and geared to take advantage of that booming demand.

Rather Company is facing the timelag / delay's in supplies of Three Layer film, calling for suitable steps to augment supplies.

Further, company is continuously increasing its share in Five Layer Nylon Film and able to develop new market of Five-Layer Nylon bags for packing of goods for export.

Your management is striving hard to take advantage of opportunities, create new avenues to take the company to new heights and hopeful to provide you good news in the coming year.

FIXED DEPOSITS

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

CAPITAL EXPENDITURE

The company has spent Rs. in purchasing some new machinery's and some balancing equipment to increase productivity as well as quality at factory.

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.



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.

PARTICULARS OF EMPLOYEES

None of the employee is drawing remuneration in excess of the limits specified in Section 217(2A) of the Companies Act, 1956.

DEPOSITORY SYSTEM

In view of SEBI's guideline, your's company shares will also be compulsorily traded in Demat form starting from December 2000. Mangement is taking all the necessary steps to Dematerialise the company's Share and enter into agreement with Central Depositories to enable its Shareholders to hold their Share in Demat Form.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and Clause 102 of the Articles of Association of the company, Sri Ramesh Chandra Singhi retire by rotation and being eligible, offers himself for reappointment.

Y2K COMPLIANCE

The Company has taken appropriate and effective steps to be Y2K Compliant and faced no problems in switching over into the new millennium.

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 reappointment.

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. State Bank of India for their support and also place on record their appreciation for the continuing support extended by the Shareholders.

for and on behalf of the Board

HYDERABAD

PREM KANKARIA
MANAGING DIRECTOR



ANNEXURE - 'A' TO DIRECTORS' REPORT

FORM - A

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

		2000	1999
A. Power & Fuel Consumption			
1. Electricity			
a. <u>Purchased</u>			
Units	- KWH	418446	337252
Total Cost	- Rs.	1833895	1434063
Rate/Unit	- Rs.	4.38	4.25
b. <u>Own Generation</u>			
Through Diesel Generator			
Units	- KWH	256050	263720
Units Per Unit of Fuel		2.65	2.97
Cost/Unit	- Rs.	4.77	4.34
B. Consumption Per Unit of Production			
Electricity		0.66	0.63

FORM -B

(Form of Disclosure of Particulars with respects to
Technology Absorption & Foreign Exchange Earnings & Outgo

Research & Development (R & D)	Nil	Nil
Technology absorption, adaption and innovation	Nil	Nil
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo (Rs. in lakhs)	92.21	53.50