



RISHI PACKERS

RISHI PACKERS LIMITED

23RD ANNUAL REPORT 2006-07

BOARD OF DIRECTORS

Mr. H. B. Patel

Chairman & Managing Director

Mr. K. B. Patel

Mr. P. J. Patel

Mr. A. N. Nopany

AUDITORS

Alladi Krishnan & Kumar

503-504 VIP Plaza

B-7, Veera Indl.Estate

Off. Link Road, Andheri (W)

Mumbai - 400 053.

BANKERS

Canara Bank,

Tamarind Lane Branch,

Calcot House, Fort,

Mumbai – 400 023.

REGISTRARS AND TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.,

19, Jaferbhoy Industrial Estate,

1st Floor, Makwana Road,

Marol Naka, Andheri (E),

Mumbai – 400 059.

REGISTERED OFFICE

612, Veena Killedar Industrial Estate,

10/14, Pais Street, Byculla (W),

Mumbai – 400 011.

WORKS**Unit I**

Survey No. 381, Causeway Road,

Village Kachigam, Taluka Daman,

Union Territory of Daman & Diu.

Unit II

Plot No. 277/3/3,

Dadra Demni Road,

U.T. Of Dadra & Nagar Haveli.

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RISHI PACKERS LIMITED

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of Rishi Packers Limited will be held on Tuesday, the 25th day of September, 2007 at 1 p.m. at Indian Merchants' Chamber, Killachand Conference Room, 2nd floor, IMC Marg, Churchgate, Mumbai 400020 to transact the following business.

As ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2007 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Arvind Nopany, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office: -

612, Veena Killedar Industrial Estate
10-14, Pais Street, Byculla (W), Mumbai- 400011

By Order of the Board

Dated 29th June, 2007

Vasant Goray
Company Secretary

NOTES

- A 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.
- B Register of Members and Share Transfer Books of the Company will remain closed from 20.09.2007 to 25.09.2007 (both days inclusive).
- C Reappointment of Director Mr. Arvind Nopany aged 42 years is a Commerce Graduate with an MBA. He is the Managing Director of Garrison Polysacks Pvt Ltd and has over 18 years experience in business.

DIRECTORS' REPORT**FINANCIAL RESULTS :**

| | Rs. in Lacs | | |
|--|-------------|---------|------------|
| | 2006-07 | 2005-06 | % Increase |
| Total Income | 3351.15 | 3086.66 | 8.57 |
| Earning before Interest & Depreciation | 380.30 | 297.29 | 27.92 |
| Interest | 157.30 | 100.65 | |
| Depreciation | 160.30 | 132.37 | |
| Profit before Tax | 62.70 | 64.27 | |
| Provision for Tax | 8.80 | 8.32 | |
| Profit after Tax | 53.90 | 55.95 | (3.80) |

OPERATING RESULTS

During the year under report the total income increased by Rs.264.49 lacs from Rs.3086 lacs to Rs.3351 lacs showing an increase of 8.57%. The profit before Interest, Depreciation and Taxation increased by Rs.27.92 lacs from Rs.297.29 lacs to Rs.380.30 lacs showing an increase of 28%. However, the Net profit declined from Rs.55.95 lacs to Rs.53.90 lacs mainly on account of higher interest cost and provision of depreciation.

The results are disappointing as turnover has grown by only 8.6% in very good market conditions. The turnover in both divisions needs to grow by 15% for the profitability to improve.

DIVIDEND

In view of the inadequacy of profits the Directors regret their inability to declare dividend.

CURRENT YEAR

Sales during first two months of the current year are at Rs.609.80 lacs as compared to Rs.556.14 lacs in the same period last year.

INSURANCE

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

FIXED DEPOSITS

During the period under report, the Company has not accepted deposits from public. The total deposits outstanding at the end of the year amounts to Rs.62.31 lacs.

DIRECTORS

Mr. Arvind Nopany retires by rotation and being eligible, offers himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby Report:

- That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.
- That the Directors have selected such Accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at March 31, 2007 and of Profit and Loss account for the year ended March 31, 2007.
- That the Directors have 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.
- That the Directors have prepared the Accounts on a going concern basis.



RISHI PACKERS LIMITED

PARTICULARS OF EMPLOYEES

During the year under Report, no employee has drawn remuneration in excess of the limits laid down under Section 217 (2A) of the Companies Act, 1956.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

The information required to be disclosed is set out in Annexure.

AUDITORS

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment.

The Company has obtained the requisite certificate required under section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

APPRECIATIONS

The Directors place on record their appreciation of the efficient and loyal services rendered by the staff and workmen as also help and guidance received from Financial Institutions and Canara Bank.

Place : Mumbai
Date : 29.6.2007

By Order of the Board
Harshad B. Patel

Chairman

ANNEXURE

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

(A) CONSERVATION OF ENERGY

The Company has made changes in some of its extruders which reduces the consumption of energy by 10%. The form 'A' prescribed under the rules is not applicable to the Company.

B) TECHNOLOGY ABSORPTION

The Company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for R&D. The Company has installed new Machines as well as modified existing machines to improve the quality of its products.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company has not imported any Technology.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The earning in foreign exchange on Export of bags and fabrics amounts to Rs.163.05 lacs. Expenditure in foreign currency on account of Travelling Rs. 0.70 lacs, on account of Spares and Components Rs. 14.51 lacs, on account of Raw Materials Rs 4.34 lacs and on account of Capital Goods Rs.24.97 lacs.

CORPORATE GOVERNANCE REPORT

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance aims at attaining the highest level of professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders.

BOARD OF DIRECTORS (As on 31.3.2007)

The Company has five Directors

| Name | Category | Other director Ships | Committee Member-ships | Attendance At Board Meetings | Attendance at AGM | Share holding of Non Executive Directors |
|-------------------|---------------------------|----------------------|------------------------|------------------------------|-------------------|--|
| Mr.H.B.Patel | Promoter/ Executive | 3 | Nil | 7 | Yes | N.A |
| Mr. A.V.Paranjpe* | Non-Promoter/ Independent | 1 | Nil | Nil | Yes | 11793 |
| Mr.A.N.Nopany | Non-Promoter/Independent | 1 | 3 | 7 | No | Nil |
| Mr.P.J.Patel | Non-Promoter/Independent | 1 | 3 | 7 | No | 1767 |
| Mr.K.B.Patel | Promoter/ NonExecutive | Nil | Nil | Nil | No | 153232 |

*Ceased to be Director with effect from 5.2.2007

COMMITTEES

1) Remuneration Committee

Remuneration Committee approves the remuneration payable to the Managing Director and senior executives.

Only the Managing Director is paid remuneration. Other Directors are paid sitting fees of Rs. 500/ per Board Meeting.

Managing Directors remuneration

Period : Three years from 1.4.2005

Salary : 70,000 per month in the grade of 70000-5000-80000

HRA : 50% of salary per month

Besides the above the Managing Director is entitled to perquisites such as PF, Gratuity, Medical LTA, Telephone, Car, Accident Insurance.

Total Remuneration received by the Managing Director during the year 2006-07 amounts to Rs.16.31 lacs.

2) Audit Committee

The Audit Committee consists of three Directors, Mr.P.J.Patel, Mr. Arvind N. Nopany and Mr.Harshad Patel. The terms of reference to the Committee broadly are as under :-

- 1 Reviewing the quarterly and annual financial statements before submission to the Board.
- 2 Recommending to the Board the appointment, reappointment of the statutory auditors and fixing their remuneration.
- 3 Reviewing the internal control system and internal audit function.
- 4 Discussing with internal auditors failure in internal control system and recommending measures for improvement.
- 5 Discussing with statutory auditors about the nature and scope of audit and post audit discussions on any area of concern.
- 6 To look into any defaults in payment to depositors, shareholders and creditors.



RISHI PACKERS LIMITED

The Committee met on 29th June, 2006 to consider the Annual Accounts for the year ended 31.3.2006, on 24.7.06 to consider quarterly unaudited results for the quarter ended 30.6.2006, on 30.10.2006 to consider the half yearly results for the half year ended 30.9.2006 and on 30.1.2007 to consider the Nine months unaudited results for the period ended 31.12.2006.

3) Shareholders/ Investors Grievance Committee

The Committee consists of two independent Directors, Mr. Arvind N. Nopany and Mr. Pranav Patel. The Committee has been constituted to look into redressal of shareholders complaints and correspondence with SEBI and the Stock Exchange.

There are no complaints pending with the Company.

General Meetings

21st AGM- Friday, 23.9.05 at 1p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

22nd AGM-Wednesday, 27.9.06 at 1 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

23rd AGM-Tuesday 25.09.2007 at 1 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

No Resolution was put through postal ballot last year.

Disclosures

There are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or relatives, etc. that had any potential conflict with the interest of the Company at large.

There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Finance Officer have certified to the Board in accordance with clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31.3.2007.

Means of Communication

The Company has been publishing the Quarterly and Half Yearly results in Free Press Journal and Navshakti.

General Shareholder Information

23rd Annual General Meeting

Date: 25th September, 2007

Time: 1 p.m.

Venue: Killachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400020.

Financial Calendar

Publication of Unaudited Results

Quarter Ending

June, 30th 2007 July, 2007

September, 30th 2007 October, 2007

December, 31st 2007 January, 2008

March 31st 2008 April 2008 or June 2008 in case of Audited Results

Book Closure Date

20.09.2007 to 25.09.2007 (both days inclusive).

Listing on Stock Exchange

The shares of the Company are listed in the Mumbai Stock Exchange

Stock Code

Physical Segment 523021

CDSL/NSDL ISIN NO INE989D01010

Stock Market Data

The High and Low of share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai and performance in comparison to BSE sensex.

| Month | High | Low | High | BSE SENSEX Low |
|--------------|-------|-------|----------|-------------------|
| April 06 | 21.60 | 20.00 | 12042.56 | 11237.23 |
| May 06 | 22.00 | 17.45 | 12612.38 | 10398.61 |
| June 06 | 20.25 | 11.10 | 10609.25 | 8929.44 |
| July 06 | 17.80 | 12.30 | 10930.09 | 10007.34 |
| August 06 | 15.45 | 12.00 | 11723.92 | 10751.66 |
| September 06 | 13.49 | 12.10 | 12454.42 | 11550.69 |
| October 06 | 15.57 | 11.50 | 13024.26 | 12204.01 |
| November 06 | 14.19 | 11.60 | 13773.59 | 13033.04 |
| December 06 | 17.21 | 10.04 | 13972.03 | 12995.02 |
| January 07 | 16.25 | 13.05 | 14282.72 | 13362.16 |
| February 07 | 13.39 | 11.24 | 14652.09 | 12938.09 |
| March 07 | 11.27 | 9.97 | 13308.03 | 12415.04 |

Registrar and Transfer Agents

Adroit Corporate Services Private Limited
19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai 400059.
Phone No. 28496060/4060 Fax No. 28590942

Share Transfer System

The Share Transfers are handled by Transfer Committee.

The Company's equity shares are compulsorily traded on in dematerialised form as per the SEBI guidelines.

Physical share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are correct and valid in all respects. A letter is sent to the shareholder giving him an option to receive shares in the physical mode or in the dematerialised mode. A period of 30 days is given to the shareholder for sending him intimation. The shareholder then receives the shares in the form he exercises his option.

Pursuant to clause 47 (c) of the listing Agreement, certificates, on half yearly basis have been issued by a company secretary in practice for due compliance of share transfer formalities by the Company. Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

Shareholding Pattern as at March 31, 2007

| Category | No. Of Shares Held | % to Paid up Capital |
|-------------------------------|--------------------|----------------------|
| Promoters | 1260175 | 25.60 |
| Banks/ Financial Institutions | 342000 | 6.95 |
| Bodies Corporate | 775850 | 15.76 |
| Non Resident Indians | 31228 | 0.64 |
| Public | 2512747 | 51.05 |
| Total | 4922000 | 100 |