



WE SHARE OUR JOY



**STANPACKS (INDIA) LTD**

**ANNUAL REPORT 2010 - 2011**



## BOARD OF DIRECTORS

<b>SRI G.P.N.GUPTA</b>	- Chairman*
<b>SRI G.RADHAKRISHNA</b>	- Managing Director
<b>SRI S.RAMAKRISHNAN</b>	- Director
<b>SRI M.V.CHANDRASEKAR</b>	- Director
<b>SRI M.RAVINDRA REDDY</b>	- Director
<b>SRI RAJU SAMY</b>	- Director
<b>SRI SANJAY RAMASWAMI</b>	- Director
<b>SRI B.SURENDER</b>	- Director**
<b>SRI G.S.SRIDHAR</b>	- Director – Operations
<b>SRI G.V.GOPINATH</b>	- Director – Finance & Marketing

\* has been elected as the Chairman w.e.f 29<sup>th</sup> July 2010

\*\* has retired from Directorship w.e.f 29<sup>th</sup> July 2010.

## STATUTORY AUDITORS

M/s. M.SRINIVASAN & ASSOCIATES  
Chartered Accountants,  
No.5, 9th Floor, B Wing Parsn Manere  
602, Anna Salai, Chennai - 600 006

## BANKERS

The Karnataka Bank Ltd.

## REGISTERED OFFICE

"S.K. ENCLAVE" New No.4, (Old No.47)  
Nowroji Road, Chetpet,  
Chennai 600 031  
Phone: 044-26451722, 26461415, 26452325  
Fax: 91-44-26454216,  
E-Mail: info@blissgroup.com  
Website: <http://www.blissgroup.com>

## LISTING

The Madras Stock Exchange Ltd.  
The Bombay Stock Exchange Ltd.

## COMPANY SECRETARY AND COMPLIANCE OFFICER MR V.RAMESH

## WORKS

Sholiyapalayam Village,  
Sholavaram, Thiruvallur Dist.  
Chennai – 600 067,  
Tamil Nadu.

No.157/1, GNT Road,  
Chinnambedu PO,  
Kavarapet, Thiruvallur Dist.  
Pin : 601 206, Tamil Nadu

## REGISTRAR AND SHARE TRANSFER AGENT

M/s.Cameo Corporate Services Ltd.,  
Subramaniam Building, No.1,  
Club House Road, Chennai – 600 002.  
Phone: 044-28460390, Fax: 044-28460129

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## NOTICE

**NOTICE** is hereby given that the 20<sup>th</sup> ANNUAL GENERAL MEETING of the members of the Company will be held at 10.30 A.M. on Thursday, 22<sup>nd</sup> September, 2011 at Narada Gana Sabha Trust, Mini Hall, No.314, T.T.K. Road, Chennai – 600 018 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date and the report of the Board of Directors' and Auditor's thereon.
2. To appoint a Director in place of Sri. M. Ravindra Reddy who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. M.V. Chandrasekar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provision of section 224 of the Companies Act, 1956, M/s. M. Srinivasan & Associates, Chartered Accountants, (Registration No. 004050S) be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be determined by the Board of Directors."

### SPECIAL BUSINESS

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

Re-appointment of Sri G.Radhakrishna as Managing Director

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, of any amendments thereto) in that approval of the Company be and is hereby accorded to re-appointment of Sri G.Radhakrishna as the Managing Director of the Company with effect from 19<sup>th</sup> November, 2011 for a period of three years, on such terms and conditions decided by the Board of Directors as set out in the Explanatory Statement attached herewith."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter and vary the terms and conditions, in accordance with the law in force from time to time and to take all such steps and to perform all such actions, matters and things as may be considered necessary to give effect to the above resolution."

6. To Consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

Re-appointment of Sri. G.V.Gopinath as Director Finance & Marketing:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force or any amendments and /or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, of any amendments thereto) in that approval of the Company be and is hereby accorded to re-appointment of Sri. G.V.Gopinath as Whole Time Director (Director Finance & Marketing) of the Company with effect from 25<sup>th</sup> September, 2011 for a period of three years, on such terms and conditions decided by the Board of Directors as set out in the Explanatory Statement attached herewith."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter and vary the terms and conditions, in accordance with the law in force from time to time and to take all such steps and to perform all such actions, matters and things as may be considered necessary to give effect to the above resolution."

7. To Consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

Re-appointment of Sri. G.S.Sridhar as Director Operations:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force or any amendments and /or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, of any amendments thereto) in that approval of the Company be and is hereby accorded to re-appointment of Sri. G.S.Sridhar as the Whole Time Director (Director Operations) of the Company with effect from 25<sup>th</sup> September, 2011 for a period of three years, on such terms and conditions decided by the Board of Directors as set out in the Explanatory Statement attached herewith."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter and vary the terms and conditions, in accordance with the law in force from time to time and to take all such steps and to perform all such actions, matters and things as may be considered necessary to give effect to the above resolution."

By Order of the Board  
For **STANPACKS (INDIA) LIMITED**

Place : Chennai  
Date : May 26, 2011

**V.Ramesh**  
Company Secretary

**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 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement as per the provisions of section 173(2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed.
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting. Members are requested to bring their copy of the Annual Report, no additional copies will be provided at the venue.
4. Members are requested to intimate the Company, queries, if any, regarding the accounts/notice, not less than seven days before the meeting to enable the management to keep the required information readily available at the meeting.
5. The Register of Members of the Company will remain closed from 16<sup>th</sup> September 2011 to 22<sup>nd</sup> September, 2011 (both days inclusive).
6. The "Ministry of Corporate Affairs" has taken a Green Initiative in Corporate Governance which permits the Company to send Notices, Annual Report via E-Mail. To support the Government's initiative in full measure, it is requested that all the Share Holders update/furnish their E-mail ID with their respective DP's or with our Share Transfer Registrar M/s. Cameo Corporate Services Limited who's address is given at Page 16.
7. All documents referred to in the accompanying Notice are available for inspection at the registered office of the Company between working hours 11.00 A.M to 1.00 p.m. except on holidays.
8. **RESUME OF DIRECTORS BEING RE-APPOINTED:**

As required under Clause 49 of the Listing Agreement a brief background, functional expertise of the Directors proposed for reappointment are furnished below:

<b>Name</b>	<b>Qualification &amp; Experience in Field</b>	<b>Suitability to the Post</b>
Sri. M.Ravindra Reddy	Science and Law Graduate. He is an Advocate with vast experience in legal field.	His experience in the legal field has been supplementary to the functioning of the Company. He has been the Director of the Company since 1994.
Sri. M.V.Chandrasekar	A graduate in B.Sc. with a degree in B.E.(Mech.) also an Executive MBA in finance in 2007. Committee member of Srirama Vidyalaya trust.	He is an Industrialist at Bangalore and has an experience of over 47 years.

9. Shareholders are requested to check whether they have en-cashed Dividend Warrants for earlier years. If the Dividend Warrants are lost or not encashed please apply for Demand Draft in lieu of those Dividend Warrants before the last dates indicated below:

Dividend for the year ended	Rate of Dividend	Dividend warrant dated	Date on which Unpaid amounts required to be paid to the Central Government	Shareholders should apply latest by
31.3. 2005	5%	27.09.2005	11.10.2012	17.09.2012
31.3. 2006	5%	14.10.2006	27.10.2013	03.10.2013

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**

#### **Resolution 5**

As per Sections 198, 269, 309, 310 and 311 the Managing Director is re-appointed and the remuneration is being so fixed. Sri G. Radhakrishna was appointed for a period of three years on 19.11.2008 as the Joint Managing Director, whose term expires on 18.11.2011. On April 01, 2010 Sri G. Radhakrishna was re-designated from the Joint Managing Director to Managing Director. Sri G. Radhakrishna, aged 59 years is a Promoter-Director of the Company. Based on his rich experience and contribution made by him for the growth of the Company it is considered necessary for his re-appointment as Managing Director for a further period of three years with effect from 19.11.2011. The terms and conditions, including remuneration payable to Sri G. Radhakrishna are set out below. He is a Director in Jumbo Bag Ltd.

He is holding 242900 (3.98%) Equity Shares in the Company as on 31.03.2011.

**SALARY:-** Rs. 50,000/- per month.

#### **PERQUISITES:-**

- Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof.
- The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income tax rules, 1962.
- Medical reimbursement: Expenses incurred for director and his family as per company's rules.
- Leave travel concession: For director and his family, once a year, incurred in accordance with the company's rules.
- Club fees: Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.
- Personal accident insurance: Premium as per the company's rules.
- Contribution to provident fund, superannuation fund, annuity funds and gratuity / contribution to gratuity fund under Company's rules.
- Encashment of leave not availed of by Director as per the Company's rules.
- Provision of car and telephone at his residence for his use and such other benefits, amenities and facilities as per the Company's rules
- The Director will not be entitled to a sitting fee for meetings of the Board/Committee attended by him.



The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule XIII of the Companies Act, 1956. Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Managing Director since the same is within the limits prescribed under Part II of Schedule XIII of the Companies Act, 1956.

Sri G. Radhakrishna shall not be liable to retire by rotation as a Director.

The Board recommends the said resolution for approval by the shareholders as a Special resolution. None of the Directors except Sri G.P.N.Gupta, Chairman, are interested in this resolution.

### **Resolution 6 & 7**

**SALARY:-** Rs. 40,000/- per month.

**PERQUISITES:-**

- a. Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof.
- b. The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.
- c. Medical reimbursement: Expenses incurred for director and his family as per Company's rules.
- d. Leave travel concession: For director and his family, once a year, incurred in accordance with the Company's rules.
- e. Club fees: Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.
- f. Personal accident insurance: Premium as per the Company's rules.
- g. Contribution to provident fund, superannuation fund, annuity funds and gratuity / contribution to gratuity fund under Company's rules.
- h. Encashment of leave not availed of by director as per the Company's rules.
- i. Provision of car and telephone at his residence for his use and such other benefits, amenities and facilities as per the company's rules
- j. The Director will not be entitled to sitting fee for meetings of the Board/Committee of the board attended by them.

The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule XIII of the Companies Act, 1956.

Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Directors since the same is within the limits prescribed under Part II of Schedule XIII of the Companies Act, 1956.

Sri G.S.Sridhar and Sri G.V.Gopinath shall not be liable to retire by rotation as Directors.

The Board recommends the said resolution for approval by the shareholders as a Special Resolution. None of the Directors are interested in this resolution.

By Order of the Board  
For **STANPACKS (INDIA) LIMITED**

Place : Chennai  
Date : May 26, 2011

**V.Ramesh**  
Company Secretary

**REPORT BY THE BOARD OF DIRECTORS' AND MANAGEMENT  
DISCUSSION AND ANALYSIS**

To  
The Members,  
Your Directors' present the audited accounts of the Company for the financial year ended 31<sup>st</sup> March 2011.

**FINANCIAL RESULTS:**

The Company's financial results for the period under review are as follows:-

(Rs. In lakh)

<b>PARTICULARS</b>	<b>2010-2011</b>	<b>2009-2010</b>
Sales and other Income	2977.86	2702.32
Profit before Interest, Depreciation & Taxes	319.62	194.86
Interest	197.24	185.73
Depreciation	97.97	98.54
Profit Before Tax	8.51	(90.92)
Deferred Tax	-	(27.42)
Profit/Loss After Tax	8.51	(63.50)
Profit / Loss of earlier years	(75.15)	(11.65)
Profit / (Loss)	(66.65)	(75.15)

**DIVIDEND:**

The Directors of the Company keeping in view the performance of the Company have not recommended any dividend for the period under review.

**BUSINESS OPERATIONS:**

The Company made a turnover of 2973.15 lakhs as against the turnover of 2694.47 lakhs during the previous year. The operations of the Company have improved resulting in higher production. This has resulted in the Profit of Rs 8.51 lakhs. The operations at Nellore had to be closed down owing to the market conditions pertaining to that area which were unsuitable for the production of Hessian bags.