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WE SHARE OUR JOY



ANNUAL REPORT 2005 - 2006



STANPACKS (INDIA) LTD.

AN ISO 9001 - 2000 COMPANY

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**STANPACKS
(INDIA) LTD.**



Stanpacks (India) Limited an integral part of the Bliss group has now emerged as a specialist provider of packaging solutions for a large range of applications. From meeting the bulk requirements of large industries to answering the specific needs of different segments within these industries. And more importantly, **Stanpacks'** unique offerings tailor made in response to individual needs of the end users of various products with strict adherence to the prescribed standards.

Stanpacks' speciality lies in its ability to provide innovative cost effective solutions to all packaging needs and at the same time achieve end to end integration of the entire production chain. This ensures that the highest quality is consistently maintained without any compromise on delivery schedules. And also allows flexibility in volume options which is ideal for the growing SME segment.

Stanpacks continuously invests in research and development to ensure that its customers always get the best. A large number of proto types have been developed to give wider variety of ready options to customers. Additionally a large inventory of stocks is always maintained to enable immediate deliveries.

While packaging is a necessity and the need is likely to grow many fold in the future, **Stanpacks** realizes its responsibility towards environment. As an expression of its concern, Stanpacks encourages the use of jute and paper and offers several packaging solutions using these base material.

As **Stanpacks (India) Limited** marches ahead, it rededicates itself to its objective of providing highest quality packaging solutions through innovation, technology and determination.

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**STANPACKS
(INDIA) LTD.**



Dear shareholder,

I am sure you share my pride and happiness at the performance of your company. We have come out good in all parameters of business growth. Our turnover increased from Rs. 2108 lacs to Rs. 2379 lacs (growth rate 12.89%), which was essentially due to the management's thoughtful decision to achieve deeper market penetration with our existing range. Increased efficiency at all levels has helped us increase our profits from Rs. 56.94 lacs to Rs. 70.43 lacs (growth rate 24%).

The polymer industry has been witnessing a double digit growth consistently in the last few years. Obviously this has had a positive impact on our industry. I expect this trend to continue which will mean continued growth for us too.

Our USP lies in our ability to offer a large portfolio of cost effective packaging solution with flexible volume options. This has given us the edge over competition and we are confident of maintaining this strength.

Your company has finalized its plans to increase its capacity to take full advantage of the growing opportunities. At the same time special emphasis will be laid on ensuring the highest quality standards, as today in the packaging industry **Stanpacks** is synonymous with best quality and we have the responsibility to live up to the honour.

DR. G.V. CHALAPATHI

Managing Director

Chennai

June 27, 2006

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BOARD OF DIRECTORS

SRI B. SURENDER	Chairman (From 29.10.2005)
SRI G. SUDHAKAR	Chairman (Till 29.10.2005)
DR. G.V. CHALAPATHI	Managing Director
SRI G. RADHAKRISHNA	Joint Managing Director
SRI G. MURALIDHAR	Director
SRI M. RAVINDRA REDDY	Director
SRI S. RAMAKRISHNAN	Director
SRI M.V. CHANDRASEKAR	Director
SRI M. RAJASEKARA SASTRY	Director

COMPANY SECRETARY AND COMPLIANCE OFFICER

Sri N. Gopalsamy

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.

WORKS

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

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

6-6, Asisted Pvt. Industrial
Estate, Nellore - 524 004. A.P.

No.330/B,331,331/B,331/1 & 334,
Shubharam Estate, Marasur Gate,
Anekal Road, Marasur,
Bangalore - 562 106

SOLICITOR

Sri R.Sundarrajan, Advocate,Chennai.

REGISTERED OFFICE

No.46, Halls Road, Kilpauk,
Chennai - 600 010.
Phone : 26451722, 26461415, 26452325
Fax : 91-44-26451720
E-Mail: info@blissgroup.com
Website: <http://www.blissgroup.com>

REGISTRARS AND SHARE TRANSFER AGENT

M/S.Cameo Corporate Services Ltd.,
Subramaniam Building,
No.1, Club House Road, Chennai - 600 002.

SHARES LISTED WITH

The Madras Stock Exchange Ltd.,
The Stock Exchange, Mumbai.

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**STANPACKS
(INDIA) LTD.**



NOTICE TO THE MEMBERS

NOTICE is hereby given that the 15TH ANNUAL GENERAL MEETING of the members of the Company will be held at 10.30 a.m. on Thursday, the September 28th, 2006 at Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai - 600 017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2006 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shareholders.
3. To appoint a Director in place of Sri M. Ravindra Reddy who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri M. Rajasekara Sastry who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration. The retiring Auditors Messrs. M. Srinivasan & Associates, Chartered Accountants are eligible for re-appointment. In this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Messrs. M. Srinivasan & Associates, Chartered Accountants, 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 on a remuneration to be determined by the Board of Directors."

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, existing Articles of Association of the Company be and is hereby altered as follows:

- i. After the existing Article 2(v) the following new Articles be added:
 - 2 (w) "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI.
 - 2 (x) "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996.
 - 2 (y) "The Seal" means the Common Seal of the Company.
- ii. After the existing Article 58(2) the following new Articles be added:
 - 58(3) The holders of Stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

Provided the Board may, from time to time, fix the minimum amount to Stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words 'share' and 'shareholders' in those regulations shall include 'stock' and 'stockholders' respectively.

Share Warrants

58(4) The Company may issue share warrant, subject to and in accordance with the provisions of Section 114 and 115 of the Act and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

Not more than one person shall be recognized as depositor of the share warrant.

The Company shall, on two days written notice, return the deposited share warrant to the depositor.

Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company or be entitled to receive any notice from the Company.

The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares included in the warrant and he shall be deemed to be a member of the Company in respect thereof.

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case defacement, loss or destruction of the original.

iii. Article 164 of the Articles of Association of the Company be amended as follows:

1. The words "Share Premium Account" wherever appearing under Article 164 of Articles of Association of the Company shall be substituted with the words "Securities Premium Account".
2. The following new proviso shall be added under Article 164(a):

"Provided further that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Securities Premium Account may also be utilized (other than for capitalisation), in accordance with the provisions of the Act."

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iv. After the existing Article 174, the following new Article be added:

Accounts 174A.

- (1) The Board shall cause proper books of accounts to be maintained under Section 209 of the Act.
- (2) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any of them, shall be open to the inspection of members not being Directors.
- (3) Subject to provisions of Section 209A of the Act, no member(not being a Director)shall have any right of inspection any account or book or document of the Company, except as conferred by law or authorised by the Board or by the Company in General Meeting.
- (4) Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provisions of the Act.

Registered Office:

No.46, Halls Road,
Kilpauk, Chennai - 600 010.

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

N. GOPALSAMY

Company Secretary

Date : June 27, 2006

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 ATLEAST 48 HOURS BEFORE THE TIME FOR THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement as per the provisions of Section 173(2) of the Companies Act, 1956 in respect of the items of the Special Business as set out above is annexed.
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report. No additional copies will be provided at the venue.
5. Members are requested to intimate to the Company, queries, if any, regarding the accounts/notice, atleast seven days before the meeting to enable the management to keep the required information readily available at the meeting.
6. The Register of Members of the Company will remain closed from 20th September, 2006 to 28th September, 2006 (both days inclusive).
7. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
8. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during working hours between 11.00 A.M. to 1.00 P.M. except on holidays.

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

Sri M. Ravindra Reddy aged 49 years is a Science and Law Graduate. He is an advocate and has vast experience in legal matters. He has been serving as a Director of the Company since 1994. He is holding 3500(0.06%) shares in the company.

Sri M. Rajasekara Sastry, M.A., CAIIB., aged 66 years has an experience of over 30 years in the Banking Industry. He is a Director in Messrs. Sakthi Alternate Energy Ltd., and Asia LPG Ltd. He has been serving as a Director of the company since 1996. He is a member of the Audit Committee of the company. He is not holding any shares in the company.

10. Shareholders are requested to check whether they have encashed Dividend Warrants for earlier year. If the Dividend Warrants are lost or have become time-barred, please apply for Demand Draft in lieu of those Dividend Warrants before the last date indicated below. Shareholders are also requested to note that Dividend Warrants are valid for three months from the date of issue and the Banks are not allowing REVALIDATION. The company has to incur Bank Charges for issue of Demand Drafts after the date of expiry of the Dividend Warrants. The shareholders are therefore requested to encash the dividend warrants before expiry of three months from the date of issue.

Dividend for the year ended	Rate of Dividend	Dividend Warrant date	Date on which unpaid amount is required to be paid to the Central Government	Shareholders should apply latest by
31.3.2005	5%	27.9.2005	11.10.2012	17.9.2012

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

Item No.6.

Consequent to the developments in the securities market and Corporate Laws, the Articles of Association of the Company need to be amended as proposed in the resolution.

Hence, the proposed resolution is recommended to be passed as a Special Resolution.

None of the Directors is concerned or interested in the said resolution.

A copy of the Articles of Association of the Company together with the proposed alterations is open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Registered Office:

No.46, Halls Road,
Kilpauk, Chennai-600 010.

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

N. GOPALSAMY
Company Secretary

Date : June 27, 2006

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(INDIA) LTD.****DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present the 15th Annual Report along with the Audited Accounts for the year ended March 31, 2006.

A. FINANCIAL RESULTS

(Rs.in Lakhs)

	2005-2006	2004-2005
Income:		
Sales and Other Income	2379.28	2107.57
Profit:		
Profit before Depreciation	144.68	121.06
Less: Depreciation	74.87	62.50
Less: Prior period adjustments	(0.61)	1.62
Profit Before Tax	70.42	56.94
Less: Provision for Taxation	9.48	4.59
Deferred Taxation Provision	23.97	17.58
Profit After Tax	36.97	34.77
Add: Profit b/f from previous year	34.41	34.00
Profit available for appropriation	71.38	68.77
Appropriation		
Dividend on Equity Shares	30.48	30.48
Tax on Dividend	4.27	3.88
Tax on dividend for earlier year	0.39	--
Balance retained in the Profit and Loss Account	36.24	34.41

PERFORMANCE

The turnover during the year 2005-06 increased by 12.89%. The Profit Before Tax during the year was Rs. 70.42 Lakhs as against Rs. 56.94 Lakhs in the previous year. The depreciation for the year was Rs.74.87 Lakhs as against Rs. 62.50 Lakhs in the previous year.

B. DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 0.50 per share i.e.5% on 6096000 Equity Shares of Rs. 10/- each. The dividend payout will aggregate to Rs. 35.14 Lakhs (Rs. 30.48 Lakhs dividend + Rs. 4.27 Lakhs tax on dividend + Rs. 0.39 Lakhs tax on dividend for earlier year).