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ANNUAL REPORT 2007-2008



**STANPACKS
(INDIA) LTD.**



BOARD OF DIRECTORS

SRI B.SURENDER	Chairman
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

AUDITORS

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

COMPANY SECRETARY AND

COMPLIANCE OFFICER
Sri N. Gopalsamy

BANKERS

The Karnataka Bank Ltd.

SOLICITOR

Sri R.Sundarrajan, Advocate, Chennai.

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.

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

REGISTERED OFFICE

No.46, Halls Road, Kilpauk,
Chennai – 600 010.
Phone:26451722, 26461415, 2645325
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.
Bombay Stock Exchange Limited.

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NOTICE

NOTICE is hereby given that the 17TH ANNUAL GENERAL MEETING of the members of the Company will be held at 10.30 a.m. on Thursday, the September 25, 2008 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, 2008 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri G. Muralidhar who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. S. Ramakrishnan who retires by rotation and being eligible, offers himself for re-appointment.
4. 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

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 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) and such other approvals, as may be necessary, approval of the Company be and is hereby accorded to the re-appointment of Dr. G.V. Chalapathi as the Managing Director of the Company for a period of three years with effect from 19.11.2008 upon the terms and conditions as may be decided by the Remuneration Committee of the Board of Directors at a later date, subject to the same not exceeding the limits specified in Schedule XIII to the said Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions in accordance with the laws in force from time to time and to

take all such steps, deeds, 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 :

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 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) and such other approvals, as may be necessary, approval of the Company be and is hereby accorded to the re-appointment of Sri G. Radhakrishna as the Joint Managing Director of the Company for a period of three years with effect from 19.11.2008 upon the terms and conditions as may be decided by the Remuneration Committee of the Board of Directors at a later date, subject the same not exceeding the limits specified in Schedule XIII to the said Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions in accordance with the laws in force from time to time and to take all such steps, deeds, matters and things as may be considered necessary to give effect to the above resolution.”

Registered Office:

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

Date : July 26, 2008

By Order of the Board
for **STANPACKS (INDIA) LIMITED**
N. GOPALSAMY
COMPANY SECRETARY

NOTES:

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.

- 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.
- 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.
- The Register of Members of the Company will remain closed from 19th September 2008 to 25th September, 2008 (both days inclusive).
- 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.
- As required under Clause 49 of the Listing Agreement a brief background of the Directors proposed for reappointment are furnished below:

Mr.G. Muralidhar

Mr. S. Ramakrishnan

- Shareholders are requested to check whether they have encashed Dividend Warrants for earlier years. 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.

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

Item No. 5

Since the term of 3 years of the appointment of Dr. G.V. Chalapathi as Managing Director is to expire on 19.11.2008, the Board of Directors of the Company at its Meeting held on 26.07.2008 have reappointed Dr. G.V. Chalapathi as Managing Director for a further period of 3 years with effect from 19.11.2008 subject to the approval of the members at the General Meeting.

Dr. G.V. Chalapathi aged about 60 years is a promoter-director of the Company. Based on the contribution made by him for the growth of the Company it is considered necessary for his reappointment as managing Director for a further period of three years with effect from 19.11.2008. He is not a director in any other company. He is holding 90000 (1.48%) Equity Shares in the company.

The terms and conditions including salary and perquisites shall be decided by the Remuneration Committee of the Board of Directors 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 remuneration that may be fixed, 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.

Dr. G.V. Chalapathi shall not be liable to retire by rotation as a Director.

The Board recommends that said resolution for approval of the shareholders as a **SPECIAL RESOLUTION**.

None of the directors except Dr. G.V. Chalapathi, Managing Director, Sri. G. Radhakrishna Joint Managing Director and Sri G. Muralidhar, Director are deemed to be concerned or interested in this resolution

Item No. 6

Since the term of 3 years of the appointment of Sri G. Radhakrishna as Joint managing Director was to expire on 19.11.2008, the Board of Directors of the Company at its meeting held on 26.07.2008 have reappointed Sri G. Radhakrishna as Joint Managing Director for a further period of 3 years with effect from 19.11.2008 subject to the approval of the members at the General Meeting.

Sri G. Radhakrishna, aged about 53 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 reappointment as Joint Managing Director for a further period of the three years with effect from 19.11.2008. The terms and conditions, including Salary and Perquisites payable to Sri G. Radhakrishna shall be decided by the Remuneration Committee of the Board of Directors subject to the limits specified in Part II of the Schedule XIII of the Companies Act, 1956. He is a director in Jumbo Bag Ltd. and Srinvasa Gayathri Resources Recovery Ltd. He is holding 242900(3.98%) Equity Shares in the Company.

Provided that in case of loss or inadequacy of profit in any financial year, the remuneration that may be fixed will be treated as the minimum remuneration payable to the Joint 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 of the shareholders as a **SPECIAL RESOLUTION**

None of the directors except Dr. G.V. Chalapathi, Managing Director, Sri G. Radhakrishna Joint Managing Director and Sri G. Muralidhar, Director are deemed to be concerned or interested in this resolution.

Chennai
July 26, 2008

By Order of the Board
STANPACKS (INDIA) LIMITED
N. GOPALSAMY
COMPANY SECRETARY

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting their Report and the Audited Accounts of the Company for the year ended 31st March, 2008.

FINANCIAL RESULTS:

Rs. In lakhs

	2007-2008	2006-2007
Income		
Sales and other Income	3787.94	2948.40
Profit before Interest, Depreciation & Taxes	423.98	295.28
Interest	202.09	187.68
Depreciation	98.56	99.05
Profit Before Tax	128.32	8.56
Current Tax	6.28	0.96
Deferred Tax	25.18	2.55
Fringe Benefit Tax	2.16	2.68
Profit After Tax	89.45	2.37
Add/(Less) Prior period adjustments	0.26	0.00
Provision for previous years taxes	17.52	-
Profit of earlier years	26.15	36.23
Profit available for Appropriation	98.07	38.60
Dividend on Equity Shares	-	-
Tax on dividend	-	-
Tax on dividend for earlier year	-	-
Balance retained in the Profit & Loss Account	98.07	38.60

DIVIDEND:

In order to build up reserves and also due to tight financial position, your Directors have not recommended any dividend for the year ended 31.03.2008.

OPERATIONS:

The performance of the company has improved to a great extent. The turnover of the company has increased from Rs. 29.43 Crores to Rs. 36.84 Crores and the company has made a profit of Rs.89.44lacs including profit on sale of assets of Rs.68.85lacs which as against Rs.2.37lacs in the previous year. Your Company is widening its operations by including various types of bags catering to different types clients.

FIXED DEPOSITS

The total amount of Fixed Deposits from the Public and Shareholders of the Company as at 31st March, 2008 was Rs.22,26,000/-. There was no default in repayment of deposits or interest thereon on the due dates and there was no overdue/unclaimed deposit at the end of the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has set up an audit committee and the scope of activities of the committee comply with the requirements of the revised clause 49 of the Listing Agreement with the Stock Exchanges. The constitution, powers and the role of the audit committee is set out as part of the Report on Corporate Governance.

Internal Audit is conducted regularly and report of the Internal Auditors is placed before the Audit Committee. All the shortcomings in the regular activities are brought down to the notice of the Committee and the Board and corrective actions are being taken.

DIRECTORS

Sri G. MURALIDHAR, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Sri. S. RAMAKRISHNAN Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

STATUTORY AUDITORS

The Board of Directors recommend the appointment of the Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The present Auditors, M/s.M.Srinivasan & Associates are eligible for reappointment.

INDUSTRIAL RELATIONS

Industrial relations continued to be cordial. The Directors place on record their deep appreciation of the sincere and dedicated teamwork by all employees at all levels to meet the quality, cost and delivery requirements of the customers.

PARTICULARS OF EMPLOYEES

None of the employees of the Company were in receipt of remuneration which in the aggregate exceeded the limits fixed under sub-section (2A) of Section 217 of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo has been set out in the Annexure-I to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that they have:

- i) Followed the applicable accounting Standards in the preparation of the annual accounts;
- ii) Selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits of the company for the year under review;
- (iii) 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 detecting fraud and irregularities;
- iv). Prepared the accounts for the financial year on a "going concern" basis.

CORPORATE GOVERNANCE

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges with which the Company is registered. The Management Discussion and Analysis Report are produced as part of the Annual Report. A Certificate from the Auditors M/s.M.Srinivasan & Associates regarding Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed to the Directors Report.

CAUTIONARY STATEMENT:

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards incorporated in the listing agreement with Stock Exchanges and such statements may be "forward-looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Central Government and the Government of Tamil Nadu, Karnataka Bank Ltd., for their continued support during the year. Your Directors also wish to convey their thanks to the valued customers and dealers for their continued patronage during the year.

Chennai
July 26, 2008.

For and on behalf of the Board
B. SURENDER
CHAIRMAN