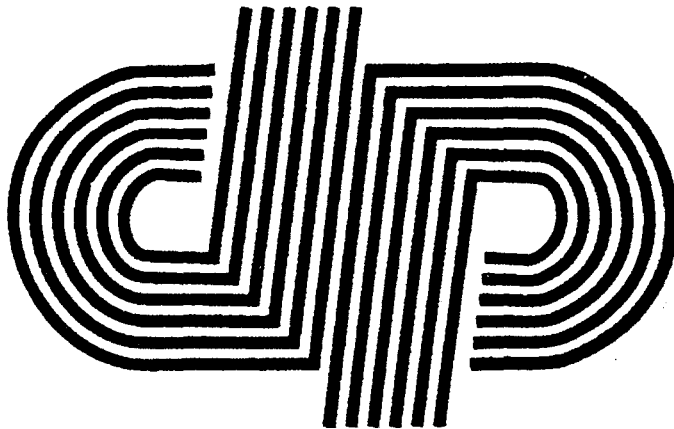


**DECCAN
POLYPACKS
LIMITED**



**25th Annual Report
2008-2009**



**DECCAN
POLYPACKS
LIMITED**

Board of Directors

Sri K Gopal
Sri D V R Raju
Shri D R S P Raju
Shri G V S Raju
Shri N V S Rao
Shri N S B Reddy
Shri Krishna Raju Kalidindi

Chairman

Managing Director
Director (Commercial)

Auditors

M Bhaskara Rao & Co.
Chartered Accountants
5th Floor, Kautilya Apartments
Somajiguda
Hyderabad - 500 082

**Shareholders may also correspond to
Mr D V Prudvi Raju, General Manager
at the following email ID :
prudvi22@gmail.com**

Bankers

State Bank of India
Industrial Finance Branch
Somajiguda
Hyderabad - 500 082

Registered Office & Works

Sy.No. 142/A, IDA Bollaram, Via Miyapur
Jinnaram Mandal, Narsapur Tq.
Medak District, Andhra Pradesh
Pin : 502 325
Phone : 0091-8458-279498, 279577
Fax : 0091-8458-279322
E-mail : hyd2_dpl@sancharnet.in
Website : www.deccanpoly.com

Registrar and Share Transfer Agents (R & STA)

Sathguru Management Consultants (P) Ltd
Plot No. 15, Hindi Nagar, Panjagutta
Hyderabad - 500 034



NOTICE:

Notice is hereby given that the 25th Annual General Meeting of Deccan Polypacks Limited will be held on Wednesday the 30th day of September 2009 at 11.00 AM at the Registered Office of the company situated at Sy. No : 142A, IDA Bollaram, Via Miyapur, Narsapur Taluk, Jinnaram Mandal, Medak District to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2009, Audited Balance Sheet and the Cash Flow Statement as at that date and the Reports of the Director's and Auditor's thereon.
2. To appoint a Director in the place of Sri K Gopal, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Sri N V S Rao, Director, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s M.Bhaskara Rao & Co., Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310, 314 and all other applicable provisions of the Companies Act, 1956 (including any statutory modifications or enactment thereof for the time being in force) and subject to the limits specified in Schedule XIII of the said Act consent be and is hereby accorded to the re-appointment of Sri G V S Raju as Director (Commercial) for a period of Two Years with effect

from 01.10.2009 and payment of remuneration on the following terms and conditions.

I. Salary Rs 34,000 per month in the grade Rs. 34,000-3000-37,000.

II. Perquisites and allowances :

I. Housing

- a) The expenditure incurred by the company on hiring accommodation for the Director (Commercial) shall be subject to a ceiling of 60% salary over and above 10% payable by the Director (Commercial) himself.
- b) Where accommodation is provided in a company owned house, the Director (Commercial) shall pay to the company by way of rent 10% of the salary.
- c) Where the company does not provide accommodation to the Director (Commercial) House Rent Allowance may be paid by the company in accordance with (a) above.
- d) The expenditure incurred by the company on gas, electricity, water and furnishing will be valued as per the Income-Tax Rules, 1962, This will however, be subject to a ceiling of 10% of salary of the Director (Commercial).

II. Medical Reimbursement :

Expenses incurred for self and family subject to a ceiling of one month's salary per year or one months salary in a period of two years.

III. Leave Travel Concession :

For self and family once in year in accordance with rules specified by the company.

IV. Club Fess :

Fees of Clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.



V. Personal Accident Insurance :

For an amount the annual premium of which does not exceed Rs 2,000.

OTHER PERQUISITES:

- I. Company's contribution towards Provident Fund as per the rules of the company.
- II. Company's contribution towards Pension/ Superannuation Fund as per the rules of the company. Such contribution together with the contribution to the Provident Fund shall not exceed the limits prescribed in the Income-Tax Act, 1961.
- III. Gratuity-payable in accordance with an approved scheme and shall not exceed one half month's salary for each completed year of service.

Contribution to Provident Fund and Superannuation Fund to the extent they are exempted under the Income-Tax Act, 1961 and encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites. Provision of car for use on company's business and telephone at residence will not be considered as perquisites. All long distance personal calls shall be duly logged and paid for by the Director (Commercial).

Earned /Privilege Leave – on full pay and allowances as per rules of the company. "Leave accumulated but not availed of during his tenure may be allowed to be encashed as per the rules of the company.

"FURTHER RESOLVED THAT "where in a financial year the company has no profits or its profits are inadequate the company may pay to Sri G V S Raju, Director (Commercial) remuneration by way of salary, perquisites and allowances as mentioned hereinabove subject to the provisions of Schedule XIII, Section II, Part II of the

Companies Act, 1956."

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

"RESOLVED THAT pursuant to section 314 (1B) of the Companies Act, 1956, and subject to the approval of the Central Government, consent of the company be and is hereby accorded, to Mr D V Prudvi Raju, a relative of the Managing Director of the company, to hold an office of profit or place of profit as General Manager with effect from 01.02.2009 in the scale of Rs 10,800 – 1500 – 17,000 per month together with the usual allowances and benefits, amenities and facilities including staff superannuation fund, retiring gratuity and provident fund benefits as applicable to other employees occupying similar post or posts within the same salary scale or grade, with authority to the Board of Directors to sanction at their discretion increments within the grade as they may deem fit and proper and to sanction at their discretion and in due course. Mr D V Prudvi Raju's promotion to the next higher grade or grades together with the usual allowances and benefits as applicable to such grade or grades and to give increments within that grade or grades as they may deem fit and proper".

"FURTHER RESOLVED THAT" that the remuneration payable to Mr D.V Prudvi Raju as aforesaid will be subject to such modification as the Central Government may suggest or require which the Directors are hereby authorized to accept on behalf of the company and which may be acceptable to Mr D V Prudvi Raju and are not less favourable to the Company."

On behalf of the Board
for DECCAN POLYPACKS LIMITED

Place : Hyderabad
Date : 30-06-2009

D.R.S.P. Raju
Managing Director



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 such proxy need not be a member of the company.
2. Proxy, in order to be effective must be deposited at the Company's Registered Office at Sy. No : 142A, IDA Bollaram, Via Miyapur, Jinnaram Mandal, Narsapur Tq., Medak Dist. AP not less than 48 hours before the time for holding the meeting.
3. The members are requested to please forward all the correspondence relating to transfers, change of address, requests for dematerialization of shares and all matters pertaining to shares to the Registrars and Transfer Agents M/s Sathguru Management Consultants Pvt. Ltd., Plot No : 15, Hindi Nagar, Panjagutta, Hyderabad 500 034.
4. The Register of members and share transfer books of the company will remain closed from 24.09.2009 to 30.09.2009 (both days inclusive)
5. The explanatory statement for special business mentioned in the notice is annexed as per the provisions of Section 173(2) of the Companies Act, 1956.

ANNEXURE:

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business.

ITEM NO.5

The existing term of Sri G V S Raju, as Director (Commercial) expires on 30.09.2009. The Board of Directors at their meeting held on 30.06.2009 have

re-appointed Sri G V S Raju as Director (Commercial) for a period of Two Years w.e.f. 01.10.2009. The Director's remuneration Committee at its meeting held on 30.06.2009 has passed resolution approving the remuneration payable to Sri G V S Raju Director (Commercial) as per the terms mentioned in the notice subject to the approval of the shareholders. Your Directors are of the view that the re-appointment of Sri G V S Raju as Director (Commercial) will be in the interest of the company and its members and accordingly commend the resolution for your approval. None of the Directors except Sri G V S Raju and Sri D R S P Raju (being relative of Sri G V S Raju) is concerned or interested in the said resolution. The explanation together with the accompanying notice may be treated as an abstract under section 302 of the Companies Act, 1956.

ITEM NO.6

Under sub-section (1B) of section 314 of the Companies Act, 1956, it is necessary to obtain the prior consent of the company by a special resolution and the approval of the Central Government for holding or continuing to hold office or place of profit under the company in any such office or place of profit carrying a total monthly remuneration of Rs 20,000 or more. Mr D V Prudvi Raju is a commerce graduate and has completed MBA (HR and Marketing) from IIPM (Indian Institute of Planning and Management), Hyderabad. Mr Prudvi Raju possesses good knowledge in HR and Marketing and possesses exceptional organizational skills. In order to strengthen the HR and Marketing Department, it is proposed to appoint him as General Manager in the grade of Rs.10,800 – 1500 – 17,000 per month. Since he is a son of the Managing Director and his total remuneration exceeds Rs 20,000 per



month, the proposed special resolution is intended to obtain the consent of the company and approval of the Central Government to his holding or continuing to hold office or place of profit under the company. The resolution also seeks authority of the Board to sanction in due course promotion of Mr D V Prudvi Raju to the next higher grade together with the usual allowances and benefits.

INFORMATION REQUIRED UNDER CLAUSE 49 OF LISTING AGREEMENT

As required under clause 49 of the listing agreement the particulars of the Directors who are proposed to be appointed at this Annual General Meeting is given below.

Sri K Gopal is in Arts Graduate from Osmania University and a certified Associate of the Indian Institute of Bankers, Mumbai. He has worked in State Bank of India in various departments in India and abroad and has rich experience of over 3 decades. Sri K Gopal was re-appointed as Director at the Annual General Meeting held on 29.09.2006

and was appointed as Chairman of the Company at the Board Meeting held on 28.01.2008. Sri K Gopal is Chairman of Audit Committee, Remuneration Committee and member of Shareholders Grievance Committee of Directors.

Sri N V S Rao is Post Graduate in Economics from Osmania University. He has worked in State Bank of India for over three decades. He has held senior positions during his tenure of service in the Bank. Sri N V S Rao was appointed as Director at the Annual General Meeting held on 28.09.2007. Mr N V S Rao is a member of Audit Committee and Remuneration Committee.

On behalf of the Board
for DECCAN POLYPACKS LIMITED

Place : Hyderabad
Date : 30-06-2009

D.R.S.P. Raju
Managing Director

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 25th Annual Report together with the Audited Accounts and Cash Flow Statements for the year ended 31st March 2009.

The financial results for the year ended 31st March 2009 are summarized below.

Particulars	(Rs. in Lacs)	
	2008-2009	2007-2008
Income from operations	3330.25	3435.91
Gross Profit	198.81	218.81
Interest	136.74	121.75
Depreciation	28.27	26.71
Profit/(Loss) before taxation	33.80	70.35
Deferred Tax(Liability)/Asset	(3.38)	(23.39)
Fringe Benefit Tax	(0.66)	(0.79)
Current tax	(3.41)	(7.16)
Net Profit/(Loss) After Taxation	26.35	39.00
Balance brought forward	24.76	14.25
Balance carried to		
Balance Sheet	51.11	24.76

Operations

The overall performance of the company in terms of productions, sales, exports has been low in comparison with the previous year. During the year the company has recorded production of 2482 MTs (Previous year 3017 MTs), The Company has recorded capacity utilization of 81.03% as against 98.49% recorded in the previous year.

The current recession has affected the company's overall performance resulting in reduction in sales, gross profit during the year under report in comparison with the previous year. The company has recorded income from operations of Rs 3330.25 lacs as against Rs 3435.91 lacs in the previous year. The company exported 163 MTs of its products valued at 150.04 lakhs during the year under report as against 206 MTs

valued 168.99 lakhs in the previous year. The sales in the domestic market as well as export has reduced during the year under report. This is mainly due to slow down in the construction and infrastructure activities and general recession in the economy. In view, of these factors the company has recorded net profit of Rs 26.35 lakhs as against Rs.39.00 lakhs in the previous year. The Company has continued its efforts to reduce costs wherever possible to improve its overall performance. The company is hopeful of achieving improved performance in the coming years.

Future Outlook

The recessionary trend in the present economic situation especially in the construction and infrastructure activity has severely affected the demand for company's products. The company mainly caters to the packing requirements of the Cement and Fertilizer industries whose growth has been affected due to present recessionary market conditions. The Government is making efforts to stabilize the economy by reducing interest rates, ensuring stability in stock markets announcing certain other measures to improve the demand position, however it would take some more time to see the results of the efforts put in by the Government. Similar is the situation in the export market. The economies in the Europe, America have been facing similar trends due to which the orders for exports have declined. The company has drawn strategic plans to strike balance between the domestic and export market to ensure improvement in performance in future.

Corporate Governance

The company has implemented the Corporate Governance Code during the year under report. A detailed report is enclosed.



Directors Responsibility Statement

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956 it is stated that :

- (a) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 profit of the company for that period.
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) the Directors have prepared the annual accounts on a going concern basis.

CRISIL RATING:

Your company has been accredited with SME-2 rating by CRISIL. This Rating denotes High Level of credit worthiness.

Energy, Technology and Foreign Exchange

Additional information on conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed in terms of section 217(1)(e) of the Companies Act, 1956 as amended by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this

report.

Particulars of Employees

There is no employee in the company coming under the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

Auditors

M/s Bhaskara Rao & Co. Chartered Accountants, the statutory Auditors of the company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Directors

Pursuant to the provisions of Sections 255 and 256 of the Companies Act, 1956 Sri K Gopal and Sri N V S Rao Directors of the company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Secretarial Compliance Certificate

Secretarial Compliance Certificate in terms of section 383A of the Companies Act, 1956 is attached and forms part of the report.

Acknowledgements

The Board expresses its grateful thanks to the State Bank of India, State Bank of Hyderabad, various departments of the State and Central Government, customers, vendors and shareholders for their valuable support to the company, staff and employees.

For and on behalf of the Board

G V S Raju
Director (Commercial)

D R S P Raju
Managing Director

Place : Hyderabad
Date : 30.06.2009



Annexure-I

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and out go as required under Companies (Disclosure of particulars in the Board of Directors Report) Rules, 1988.

A. Conservation of Energy

Conservation of energy continues to be accorded high priority. The company conducts inhouse study at regular intervals in respect of energy consumption and formulates operational systems to minimize power consumption.

B. Technology Absorption

The company has not obtained any imported technology. The company has trained its personnel in the equipment suppliers works to absorb the technology.

C. Foreign Exchange Earnings and Outgo:

	Current Year Rs.	Previous Year Rs.
1. Foreign Exchange earned	1,46,00,000	1,50,76,374
2. Foreign Exchange used for import of raw material	45,36,891	23,89,152

Form A
(see rule 2)

Form for Disclosure of Particulars with respect to Conservation of Energy.

Plastic industry is not covered under the list of industries required to furnish information in Form A hence information not disclosed.

CORPORATE GOVERNANCE REPORT

I. The Corporate Governance Code

The company is implementing the Corporate Governance Code as per the guidelines issued by the Stock Exchange. The company has consistently practiced good corporate governance. The company creates an environment for the efficient conduct of the business and to enable management to meet its obligations to all its stakeholders, including amongst others, customers, employees and the community in which the company operates.

II. Board of Directors ("Board")

The Board comprises of Seven Directors of whom two are executive, and five are non-executive Directors. Out of the five non-executive Directors four are Independent Directors. The Chairman of the Board is a Non-Executive Director.

a) Composition of the Board:

Name of the Director	Status
Shri K Gopal	Independent & Non Executive - Chairman
Shri D V R Raju	Promoter & Non Executive
Shri D R S P Raju	Managing Director & Executive
Shri G V S Raju	Director (Commercial) & Executive
Shri N S B Reddy	Independent & Non Executive
Shri N V S Rao	Independent & Non Executive
Shri K Krishna Raju	Independent & Non Executive

b) Disclosure of relationships between Directors Inter se:

Sl.No.	Name of the Director	Nature of relationship to (Name of the Director)
1.	Shri D V R Raju	Father (Sri D R S P Raju)
2.	Shri D R S P Raju	Son (Sri D V R Raju)
3.	Shri K Gopal	Nil
4.	Shri N S B Reddy	Nil
5.	Shri G V S Raju	Sister's Husband (D R S P Raju)
6.	Shri N V S Rao	Nil
7.	Shri K Krishna Raju	Nil

c) Board Meetings:

The meetings of the Board of Directors are held at the City Office / Registered Office of the Company at Hyderabad / Bollaram (factory site) agenda for which is circulated at least seven days in advance. Senior Management of the company is invited to attend the Board Meetings, to make presentations and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and financial results.

d) Number of Board Meetings

During the year from 1st April 2008 to 31st March 2009 the Board met five times on the following dates.

Sl.No.	Date	Board Strength	No. of Directors present
1.	28.06.2008	7	6
2.	31.07.2008	7	5
3.	30.10.2008	7	6
4.	27.01.2009	7	6



e) Attendance of Directors:

Name of the Director	No.of Board Meetings held	No.of Board Meetings attended	Attendance at the last Annual General Meetings	No.of Directorships in other Board as on 31.3.2009	No.of Memberships in other Board Committees as on 31st March, 2009
Sri K Gopal	4	4	Yes	Nil	Nil
Sri D V R Raju	4	4	No	Nil	Nil
Sri D R S P Raju	4	4	Yes	3	Nil
Sri G V S Raju	4	4	Yes	1	Nil
Sri N S B Reddy	4	3	Yes	Nil	Nil
Sri N V S Rao	4	4	Yes	Nil	Nil
Sri K Krishna Raju	4	Nil	No	Nil	Nil

III. Committees of Directors:

The Board has constituted Committees which comply with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

a: Audit Committee:

i) The Audit Committee was reconstituted at Board Meeting held on 25.06.2007. The committee comprises of the following non-executive members of the Board.

1. Sri K Gopal - Chairman
2. Sri D V R Raju - Member
3. Sri N S B Reddy - Member
4. Sri N V S Rao - Member
5. Sri K Krishna Raju - Member

During the year 1st April 2008 to 31st March 2009 the committee had four meetings.

Sl.No.	Date
1.	28-06-2008
2.	31-07-2008
3.	30-10-2008
4.	27-01-2009



ii) Attendance of the Directors in the Audit Committee Meeting:

Name of the Director	No. of Meetings held	No. of Meetings attended
Sri. K Gopal	4	4
Sri D V R Raju	4	4
Sri N S B Reddy	4	3
Sri N V S Rao	4	4
Sri K Krishna Raju	4	-

iii) Terms of reference:

The Audit Committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The terms of reference of the Audit Committee also includes the following :-

- 1) Overseeing of the company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other service.
- 3) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on ;
 - a) any changes in accounting policies and practices
 - b) Major accounting entries based on exercise of judgment to management.
 - c) Qualifications in draft audit report
 - d) Significant adjustments arising out of audit
 - e) The going concern assumption
 - f) Compliance with accounting standards
 - g) Compliance with stock exchanges and legal requirement concerning financial statements
 - h) Any related party transactions.
- 4) Reviewing with the management, external and internal auditors, the adequacy of internal control system.
- 5) Reviewing the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit.



- 6) Discussion with internal auditors on significant findings and follow up thereon.
 - 7) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - 8) Discussions with external auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
 - 9) Reviewing the company's financial and risk management policies.
 - 10) To look into the reasons for substantial defaults in the payment to the depositors, debenture holder, shareholders (in case of non-payment of declared dividends) and creditors.
 - 11) Such other matters as may be entrusted to the committee from time to time.
- b) Share Transfer Committee :

The committee comprises of the following members of the Board.

1. Sri D R S P Raju - Chairman
2. Sri D V R Raju - Member

Terms of Reference :

The Share Transfer Committee ratifies transfer of shares, deals with split and consolidation of shares, issue of duplicate shares etc.

Attendance of Directors in the Share Transfer Committee Meetings:

The Share Transfer Committee met 9 times during the year ended 31st March 2009.

The attendance for the meetings are as stated below :

Name of the Director	No.of Meetings held	No.of Meetings attended
Sri. D V R Raju	9	9
Sri. D R S P Raju	9	9

Number of shares pending for transfer: Nil



c) Shareholders Grievances Committee:

The Committee comprises of following members Sri D R S P Raju, Sri D V R Raju, Sri K Gopal and Sri N S B Reddy. The terms of reference to the Committee to look into investor complaints such as non receipt of Balance Sheet, transfer of shares, non-receipt of declared dividend etc.

Details of Investors letters / complaints received during the year ended 31st March, 2009.

Sl.No.	Nature of letter/ Complaints	Recd.	Disposed	Pending
1.	Non receipt of share certificates after transfer/ exchange/sub-dividend/ consolidated/duplicate transfer and transmission	16	16	Nil
2.	Miscellaneous and others change of address, old share certificates & mandate etc.	15	15	Nil

All the complaints / letters received during the financial year were replied / resolved to the satisfaction of the shareholders and there are no complaints pending as on 31st March, 2009.

d) Remuneration Committee:

The Remuneration Committee was re-constituted on 25.06.2007 comprising of following members all independent Directors.

- | | | |
|-----------------------|---|----------|
| a) Sri K Gopal | – | Chairman |
| b) Sri N S B Reddy | – | Member |
| c) Sri K Krishna Raju | – | Member |
| d) Sri N V S Rao | – | Member |

During the year 1st April, 2008 to 31st March, 2009 no meeting of the Directors Remuneration Committee was held.



Terms of Reference :

To fix the remuneration payable to Managerial Personnel and such other matters as may be entrusted from time to time.

Details of remuneration paid to the Directors during the Financial Year from 1st April, 2008 to 31st March, 2009.

Executive Directors

Name	Salary	Per- quisites	Comm.	Date of appointment	Date of expiry
Sri D R S P Raju	6,00,000	3,60,000	—	01.10.2006	30.09.2011
Sri G V S Raju	3,60,000	2,16,000	—	01.10.2007	30.09.2009

Non-Executive Directors:

Name	Sitting Fees (Rs.)	No. of shares
Sri D V R Raju	10,000	1,17,600
Sri K Gopal	11,250	Nil
Sri N S B Reddy	8,750	Nil
Sri N V S Rao	10,000	Nil
Sri K Krishna Raju	2,500	Nil

No remuneration is paid to the non-executive Directors except sitting fees.

IV. Subsidiary Company

There is no Subsidiary Company.

V. Code of Conduct

- The company has evolved a code of conduct for the Directors and Senior Management Personnel of the company which has been affirmed for adherence.
- Steps have been taken to post the same on the company website.

VI. Risk Management

The Company has initiated procedure for risk assessment and its minimization. The company has identified the areas and steps have been taken to minimize risk wherever possible.



General Body Meetings:

a) The last three Annual General Meetings of the company were held as under:

FINANCIAL YEAR	Date	Time	Place
2005-2006	29.09.2006	11.00 AM	Registered Office IDA Bollaram Sy.No : 142/A, Via Miyapur Jinnaram (M) Medak Dist.AP
2006-2007	28.09.2007	11.00 AM	Registered Office IDA Bollaram Sy.No : 142/A, Via Miyapur Jinnaram (M) Medak Dist.AP
2007-2008	30.09.2008	11.00 AM	Registered Office IDA Bollaram Sy. No. 142/A, Via Miyapur, Jinnaram (M) Medak Dist. AP

- i) All the resolutions as set out in the respective notices were passed by the shareholders.
- ii) Special resolution for appointment of Managing Director was passed at the Annual General Meeting held on 29.09.2006 and Director (Commercial) at the Annual General Meeting held on 28.09.2007.
- iii) No special resolutions were passed through postal ballot.

Disclosures:

The pecuniary disclosure with regard to interested Directors

- a) Disclosures on materially significant related party transactions of the company of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the company at large.

None of the transactions with any of the related parties were in conflict with interests of the company.

- b) Details of non-compliance by the company, penalties, structures imposed on the company by the stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

There were no instances of non compliance of any matter related to capital market during the last three years.



c) Whistle Blower Policy

The Company has made known to all its employees about the policy. It is affirmed that no personnel has been denied access to the Audit Committee.

d) The Managing Director has given a certificate to the Board as per Clause 49 of the Listing Agreement.

e) Compliance of Non- Mandatory Clause.

i) constituted a Remuneration Committee

ii) Board has noted the other non mandatory requirements and is taking steps for its implementation.

Means of Communications

a) Quarterly/half yearly financial results of the company are forwarded to Mumbai and Hyderabad Stock Exchanges and published in Business Line and Andhra Prabha. Half Yearly report is not sent to each household of shareholders as the results are published in the newspapers.

b) The results or official news were not displayed in any website.

c) Company has not made any presentations to any institutional investors/analysts during the year.

d) All terms required to be covered in the Management Discussions & Analysis have been included in the Directors Report to the members.

e) Company e-mail ID : hyd2_dpl@sancharnet.in

General Shareholders Information :

a) Annual General Meeting

Date : 30th September, 2009

Time : 11.00 A.M

Venue : Sy.No.142/A IDA Bollaram Via
Miyapur Jinnaram Mandal Medak District AP



- b) Financial Calendar : 1st April 2008 to 31st March 2009
- c) Date of Book Closure : 24.09.09 to 30.09.09 (both days incl)
- d) Registered Office & works : Sy.No.142/A, IDA Bollaram, Via Miyapur
Jinnaram Mandal, Narsapur Taluk
Medak District AP.
- e) Listing on Stock Exchanges : Bombay Stock Exchange Ltd.,
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001.
- f) Code : BSE -531989
- g) Market Price data : April 2008 to March 2009
on Bombay Stock Exchange

Month	High	Low	Month	High	Low
April	12.96	8.55	October	10.00	6.66
May	14.96	11.21	November	6.99	6.47
June	10.65	8.15	December	6.15	5.33
July	11.02	7.40	January	7.40	6.00
August	10.30	9.27	February	8.55	7.77
September	10.39	9.00	March	8.50	6.87

h) Share transfer System :

The company has appointed M/s Sathguru Management Consultants Pvt Ltd as the Registrar and Share Transfer Agents and the shareholders are requested to correspond with the Registrar and Share Transfer Agents at their address mentioned hereunder :

Sathguru Management Consultants (P) Ltd
Plot No. 15 Hindi Nagar Panjagutta
Hyderabad - 500 034 email. info@sathguru.com

i) Distribution of shareholding as on 31.03.2009

Sl. No.	Category	No.of shares held	Percentage of shareholding
1.	Promoters	1169691	55.30
2.	Mutual Funds	—	—
3.	Banks, Fin.Inst, Ins.Co, (central/state govt inst. Non Govt. Int. (IDBI)	—	—
4.	Private Corp. Bodies	40850	1.93
5.	NRI/OCBs	4271	0.20
6.	Indian Public	900188	42.57
Total:		2115000	100.00

j) The company has not issued any of the instruments like GDA's / ADR's / warrants or any convertible instruments.

k) Dematerialization of shares

As on 31.03.2009 the company has dematerialized 1117605 shares representing 53% of total paid up share capital.

National Securities Depositories Limited	—	152715 shares
Central Depository Services Limited	—	964890 shares

l) Address for correspondence

Shareholders are requested to correspond at the Registered Office of the Company at Sy. No : 142/A, IDA Bollaram, via Miyapur, Jinnaram Mandal, Narsapur Tq., Medak Dist. AP. Also the shareholders may correspond to Mr D V Prudvi Raju, General Manager at the following email ID prudvi22@gmail.com.

Management discussion and Analysis Report

Management Discussion and analysis report on the business of the company as applicable and to the extent relevant is given below

The Company is engaged in the manufacture of HDPE/PP Woven sacks/fabric, film covers, HMHDPE/LDPE bags, which is alternate packing medium in comparison with jute or paper bags. These bags are mainly preferred by cement and fertilizer companies due to low cost, good external appearance, long shelf life, easy to handle, moisture resistance etc. In addition, the woven sacks are used for packing composite manure, food grains, chemicals and poultry products in the domestic markets. The company markets its products in the domestic market directly to the end user Customers. The company has established its presence in the exports market also. Polypropylene and Polyethylene the main raw materials are available indigenously as well as through imports. The prices of the raw materials are announced by indigenous suppliers at the beginning of the month depending upon the international prevailing prices. These prices at times are also revised during the month by the suppliers. The company does not have control on the prices of the raw material. The raw material market is controlled by few players and the company at times is not in a position to pass on the increase in price of raw materials to the buyers.

Opportunities and Challenges

The woven sacks industry is highly competitive due to presence of many players. The growth and demand for packing is dependent on the growth of cement and fertilizer industries who account for major consumption of bags in turn whose growth depends on the Real Estate and construction activities and Government Policies, and spending on development of infrastructure activities. Any major variation in the fortunes of these industries has direct impact on the prospectus of the woven sack industry. There is tremendous potential for the woven sacks in the domestic as well as export market, however the contributions are very much dependent upon prices of raw materials which undergo revision frequently. Price of the raw material is major factor which decides the profitability and performance of the company. In addition, the costs of other inputs also influence the bottom line.

Segment wise performance

The company is engaged in a single line of activity hence no disclosure of segment wise performance is made.

Risk and Concerns

Indian Economy is not insulated any more from the global economy. Any adverse factor in the international market also affects the domestic Indian market. Frequent changes in price of raw materials, highly competitive market leading to price war is building pressure on the existing thin margins in the woven sack industry.



Internal Control Systems & their Adequacy

The company has adequate internal control system and an external firm of Chartered Accountants have been appointed as the Internal Auditors and the Audit Committee reviews the Internal Auditor's Report and suggests remedial action where required.

Discussion on financial performance with respect to operations

The Company has reported gross sales and other income of Rs 3330.25 Lacs as against Rs 3435.91 Lacs in the previous year. The operations of the company has resulted in net profit of Rs 26.35 Lacs. as against net profit of RS 39.00 Lacs. recorded in the previous year. With the combined efforts of management and staff the company could bring down expenses in regard to administrative expenses. There has been no change in the paid up share capital during the year 2008-2009.

Material Development in Human Resources / Industrial Relations

Human resources is an invaluable asset. The company has cordial relationship with the employees and staff.

Cautionary Statement

Statement in this "Management Discussion Analysis" may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand-supply conditions, increased installed capacity, finished goods prices, raw materials availability and prices, cyclical demand and pricing in the company's markets, changes in Government regulations, tax regimes, besides other factors, such as litigations and labour negotiations.

Declaration on Code of Conduct

This is to confirm that the Board has laid down the code of conduct for all the Directors and Senior Management Personnel of the Company. It is further confirmed that all Directors and Senior Management Personnel of the company have affirmed compliance of the code of conduct of the company for the financial year ended 31.03.2009, as envisaged in clause 49 of the listing agreement with Stock Exchanges.

Date : 30.06.2009
Place : Hyderabad

D R S P RAJU
MANAGING DIRECTOR



AUDITORS' CERTIFICATE

To
The Members of
Deccan Polypacks Limited

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by DECCAN POLYPACKS LIMITED for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the "Guidance Note on Certificate of Corporate Governance" issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the Directors and the Management, we certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

**for M. BHASKARA RAO & CO.,
CHARTERED ACCOUNTANTS**

Plac : Hyderabad
Date : 30.06.2009

V Raghunandan
Partner
Membership No. 26255



FORM
(See Rule 3)
COMPLIANCE CERTIFICATE

Registration Number of the Company	:	L24134AP1984PLC005215
Authorized Capital	:	Rs 5,00,00,000/-
Paid-up Capital	:	Rs 2,11,50,000/-

To
The Members,
M/s. Deccan Polypacks Limited.

I have examined the registers, records, books and papers of M/s DECCAN POLYPACKS LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded;
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being a Public Limited Company, comments are not required.
4. The Board of Directors duly met 4 (Four) times on 28.06.2008, 31.07.2008, 30.10.2008, and 27.01.2009 (dates) in respect of which meetings proper notices were given and proceedings were properly recorded and signed including the circular resolution passed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from 25.09.2008 to 30.09.2008 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2008 was held on 30.09.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary Meeting was held during the Financial Year under review.
8. The company has not advanced any loans or given any guarantees or provided any securities to its Directors or persons or firms or companies referred to under Section 295 of the Act during the financial year.



9. The company has not entered into any contracts falling within the purview of Sec. 297 of the Act.
10. The company has made necessary entries in the register maintained under Sec. 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Sec 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members and previous approval of the Central Government.
12. The company has not issued duplicate share certificates during the financial year.
13. The company has ;
 - i) delivered all the certificates on lodgment thereof for transfer/transmission of shares in accordance with the provisions of the Act.
 - ii) The company has not deposited any amount in a separate Bank A/c. as no dividend was declared during the financial year.
 - iii) The company was not required to post warrants to any member of the company as on dividend was declared during the financial year.
 - iv) The company was not required to transfer as no such amounts were held in unpaid dividend account and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional director; alternate directors and directors to fill casual vacancy during the financial year. Form 32's filed are related to appointment made in previous year.
15. The company has not appointed any Managing Director / Whole Time Director / Manager during the Financial Year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any Shares, Debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has not issued any preference shares/debentures and hence the question of redemption of preference shares debentures does not arise during the financial year under review.



22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any deposits falling within the purview of Section 58A during the financial year ended 31.03.2009.
24. The amounts borrowed by the company from directors, members, financial institutions, banks and others during the financial year ending 31.03.09 are within the borrowing limits of the company.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the year and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the Provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. As the company has not altered the Articles of Association the approval of members in general meeting is not necessary.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place : Hyderabad
Date : 23-06-2009

For VBSS Prasad
Company Secretary

VBSS Prasad
Proprietor
C.P. No.: 4605



Annexure 'A' - COMPLIANCE CERTIFICATE

Name of the Company : M/s. Deccan Polypacks Limited
Registration Number : L24134AP1984PLC005215
Authorised Capital : Rs 5,00,00,000/-

Registers as maintained by the Company :

Sl. No.	Section Number	Name of the Register
1.	108	Share Transfer Register
2.	143	Register of Charges
3.	150	Register of Members
4.	193	Minutes of meetings of Board of Directors
5.	193(1)	Minutes of General Meetings
6.	303	Register of Directors
7.	307	Register of Directors' shareholding
8.	301	Register of Contracts

Place : Hyderabad

Date : 23.06.2009

VBSS PRASAD
COMPANY SECRETARY
C.P.No. : 4605



Annexure 'B' – COMPLIANCE CERTIFICATE

Name of the Company : M/s. Deccan Polypacks Limited
Registration Number : L24134AP1984PLC005215
Authorized Capital : 5,00,00,000/-

Returns / Documents / Forms filed with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March, 2009.

REGISTER OF COMPANIES

Sl.No	Form No	Description	Date of Filing	Whether filed within prescribed	If delay in filing whether requisite addl. Fee paid Yes/No
01	23AC	Balance Sheet 2007-2008	27.11.2008	No	Yes
02	23ACA	Profit and Loss Account 2007-2008	27.11.2008	No	Yes
03	66	Compliance Certificate 2007-2008	27.11.2008	No	Yes
04	20B	Annual Return 2007-2008	27.11.2008	Yes	No
05	32	Appointment of Mr N V S Rao as Additional Director	26.04.2008	No	Yes
06	32	Appointment of Mr N V S Rao as Director	10.05.2008	No	Yes

Place : Hyderabad
Date : 23.06.2009

VBSS PRASAD
COMPANY SECRETARY
C.P. No. : 4605



AUDITORS' REPORT

To
The Members of
DECCAN POLYPACKS LIMITED

We have audited the attached Balance Sheet of Deccan Polypacks Limited, as at 31st March, 2009, the Profit & Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we report that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;

- c) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement comply with the accounting standards referred to in Sub-section (3C) of Section 211 of Companies Act, 1956
- e) On the basis of written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Directors in terms of Clause (g) of Sub-section (1) of Section 274 of the companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit & Loss Account, and Cash Flow Statement read with notes thereon and the significant Accounting Policies give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

for **M. BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

Place : Hyderabad
Date : 30.06.2009

V RAGHUNANDAN
Partner

Membership No. 26255



Annexure to the Auditors' Report (Statement Referred To in Paragraph (1) Of Our Report Of Even Date)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) These fixed assets were physically verified by the Management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
- (c) Substantial part of fixed assets have not been disposed off during the year, which will affect its status as going concern.
- ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the inventory records, the company is maintaining proper records. The discrepancies noticed on physical verification of inventory as compared to book records were not material in relation to the operations of the company and the same have been properly dealt within the books of account.
- iii) (a) According to the information and explanations given to us, the company has granted loans to a party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 37.18 lakhs.
- The Company has taken interest free unsecured loans amounting to Rs.27.50 lakhs from entities covered in register maintained under Section 301 of the Companies Act 1956 during the year. The maximum amount involved during the year in respect of loans taken in the previous years and during the year was Rs.59.99 lakhs.
- (b) The rate of interest and other terms and conditions of loans given or taken by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company.
- (c) Since the loans taken are repayable on demand, question of overdue amounts does not arise.
- (d) In the absence of amounts becoming overdue, commenting under this clause does not arise.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business, with regard to the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion according to the



information and explanation given to us, there has been no continuing failure to correct major weaknesses in internal control system during the year.

v) (a) In our opinion and according to the information and explanations given to us, and based on the representations by the management, there are no transactions (except loans mentioned under clause (iii) above) that needs to be entered into the register in pursuance of Section 301 of the Companies Act, 1956. Accordingly clause (v) (b) of this order is not applicable to the Company for the current year.

vi) In our opinion and according to information and explanation given to us, the company has not accepted Deposits from public and as such the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public are not applicable to the company.

vii) The Internal Audit of the Company has been conducted by a Firm of Chartered Accountants. The scope and coverage of Internal Audit needs to be enlarged and strengthened keeping in view the size of the Company and nature of its business.

viii) In our opinion and as per the information and explanations given to us, and as informed by the company, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for the products of the company.

ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, undisputed statutory dues including Provident Fund,

Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues as applicable, have been regularly deposited during the year with the appropriate authorities in India. There are no arrears of Statutory dues as at 31st March 2009 which are outstanding for a period more than 6 months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues on account of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess as at 31st March 2009 which have not been deposited on account of any dispute.

x) The Company has no accumulated losses as on 31st March 2009. Further it has not incurred cash losses in the financial year under report and in the immediately preceding financial year.

xi) Based on our Audit procedures and as per the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions or bank or debenture holders during the financial year under report.

xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the company is not a Chit Fund / Nidhi / Mutual Benefit Fund / Society and hence commenting under this clause does not arise.



- xiv) In our opinion and according to information and explanation given to us, the company does not deal or trade in shares, securities, debentures and other investments.
- xv) In our opinion and according to the information and explanation given to us, the company has not given any guarantee for the loans taken by others from bank or financial institutions.
- xvi) The Company has not obtained any term loans from banks / financial institutions during the year. Hence commenting under this clause does not arise.
- xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, funds raised on short-term basis have not been used for long-term purposes.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- xix) The Company has not issued any debentures during the year and hence commenting under this clause does not arise.
- xx) The Company has not raised any money by public issue during the year and hence commenting under this clause does not arise.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

for **M. BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

Place : Hyderabad

Date : 30.06.2009

V RAGHUNANDAN

Partner

Membership No. 26255



BALANCE SHEET AS AT 31ST MARCH, 2009

Particulars	Schedule	As at 31st March, 2009		As at 31st March, 2008	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS :					
SHAREHOLDERS' FUNDS					
Share Capital	I	21150000		21150000	
Reserves & Surplus	II	11104969		8469980	
			32254969		29619980
LOAN FUNDS					
Secured Loans	III	52441862		51675299	
Unsecured Loans	IV	27629558		18795738	
			80071420		70471037
DEFERRED TAX LIABILITY VIII			7559922		7221828
Total			<u>119886311</u>		<u>107312845</u>
APPLICATION OF FUNDS :					
FIXED ASSETS	V				
Gross Block		66108996		64742379	
Less: Depreciation		39571912		37657807	
Net Block			26537084		27084572
CURRENT ASSETS, LOANS AND ADVANCES	VI				
A. Current Assets					
Inventories		61517892		73137999	
Sundry Debtors		73561852		67131533	
Cash & Bank balances		6636062		7347606	
Other Current Assets		66425		59593	
B. Loans and Advances		11883580		7240480	
		153665811		154917211	
Less: Current Liabilities and Provisions	VII				
Current Liabilities		57793629		73122149	
Provisions		2522955		1566789	
Net Current Assets			93349227		80228273
Total			<u>119886311</u>		<u>107312845</u>
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	VIII				

As per our Report attached

For **M.BHASKARA RAO & CO.,**
Chartered Accountants.

For and on behalf of the Board

VRAGHUNANDAN
Partner.

G V S RAJU
Director (Commercial)

D R S P RAJU
Managing Director

Place : Hyderabad
Date : 30.06.2009

SCHEDULE V: FIXED ASSETS

(Figures in Rupees)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 31.3.2008	Additions during the year	Deductions/ adjustments during the year	As at 31.3.2009	Upto 31.3.2008	For the Year	Deductions/ adjustments during the year	Upto 31.3.2009	As at 31.3.2009	As at 31.3.2008
Freehold Land	290357	—	—	290357	—	—	—	—	290357	290357
Buildings	7497949	157618	—	7655567	2732370	230951	—	2963321	4692246	4765579
Plant & Machinery	52928132	1541159	656460	53812831	33203352	2254466	623930	34833888	18978943	19724780
Other Equipments	206107	—	—	206107	126023	9403	—	135426	70681	80084
Furniture & Fixtures	391378	7950	—	399328	263154	20912	—	284066	115262	128224
Office Equipments	952148	171860	—	1124008	615200	62542	—	677742	446266	336948
Vehicles	2476308	600035	455545	2620798	717709	248816	289056	677469	1943329	1758599
Total	64742379	2478622	1112005	66108996	37657808	2827090	912986	39571912	26537084	27084571
Previous Year	64641689	901811	801121	64742379	35351014	2746203	439410	37657807	27084572	29290675

SCHEDULE VI: CURRENT ASSETS, LOANS AND ADVANCES

	As at 31st March, 2009		As at 31st March, 2008	
	Rupees	Rupees	Rupees	Rupees
CURRENT ASSETS				
Interest Accrued on Deposits		66425		59593
Inventories				
Finished Goods	2037706		2017069	
Work-in-Process	39509476		41887141	
Raw Materials	12271133		22363679	
Stores & Spares	<u>7699577</u>		<u>6870118</u>	
		61517892		73137999
Sundry Debtors				
(unsecured, considered good)				
Debts outstanding for a period exceeding 6 months	0		1778405	
Other debts	<u>73561852</u>		<u>65353128</u>	
		73561852		67131533
Cash and Bank balances				
Cash on hand	37306		63186	
Bank balances with Scheduled Banks in				
Current Account	418006		332420	
Deposit Account	<u>6180750</u>		<u>6952000</u>	
		6636062		7347606
		<u>141782231</u>		<u>147676732</u>
LOANS AND ADVANCES				
(unsecured, considered good)				
Advances recoverable in cash or in kind or for value to be received				
Advance Tax for MAT	1201464		675189	
Tax Deducted at Source	506960		297027	
Advances - Others	7718987		3335591	
Deposits - Government and Public Bodies	2239020		2239020	
- Excise Duty & VAT	<u>217149</u>		<u>693653</u>	
		11883580		7240480
Total		<u><u>153665811</u></u>		<u><u>154917211</u></u>



SCHEDULE VII : CURRENT LIABILITIES AND PROVISIONS

	As at 31st March, 2009		As at 31st March, 2008	
	Rupees	Rupees	Rupees	Rupees
A. CURRENT LIABILITIES				
Sundry Creditors for :				
Micro, Small and Medium Enterprises		-		-
Others		54016894		69280111
Other Liabilities		3776735		3842038
B. Provisions				
For Taxation	1756559		1415168	
For Leave Encashment	286091		151621	
For Gratuity	480305		0	
		2522955		1566789
TOTAL		60316584		74688938

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 1: OTHER INCOME

	Year ended 31st March, 2009	Year ended 31st March, 2008
	Rupees	Rupees
Interest on deposits (Tax deducted at source Rs. 1,83,185/-)	853612	463731
(Previous year Rs.1,38,750/-)		
Adv. Lic Income - Direct/Third		
Party exports	1988361	2749172
Profit on sale of asset	21180	0
Miscellaneous Income	245776	3395614
TOTAL	3108929	6608517



SCHEDULE 2 : MANUFACTURING, ADMINISTRATION, SELLING & OTHER EXPENSES

	Year ended 31st March, 2009		Year ended 31st March, 2008	
	Rupees	Rupees	Rupees	Rupees
Consumption of Raw Material		222938530		231585176
Consumption of Stores & Spares		3188727		3604081
Consumption of Calcium Carbonate		0		2389152
Power and Fuel		10754699		13273354
Other Manufacturing Expenses		3722874		3735244
Salaries & Wages				
Salaries, Wages & Benefits	9914910		9534092	
Contribution to Provident Fund and Others	1841785		1163890	
Staff welfare expenses	193558	11950253	369756	11067738
Repairs & Maintenance				
Plant & Machinery	795801		793050	
Vehicles	255064		296616	
Others	295339	1346204	308753	1398419
Administrative Expenses				
Travelling & Conveyance	38030		68032	
Directors Travelling & Conveyance	188705		23435	
Directors Sitting Fees	40000		42500	
Printing & Stationery	128975		149420	
Postage, Telegrams & Telephones	279672		284045	
Insurance	280826		477041	
Legal & Professional Charges	129638	1085846	81083	1125556
Auditors Remuneration :				
Audit Fee	40000		25500	
Tax matters	15000		7500	
Certified Fee	21000		13500	
Out of Pocket Expenses	5000	81000	3500	50000
Rent	120000		120000	
Security Service Charges	408371		405089	
Bank Charges & Commission	2547095		2525823	
Miscellaneous Expenses	1230004		1359644	
Rates & Taxes	328422	4633892	449464	4860020
Selling Expenses & Other Expenses				
Advertising & Publicity	51903		33675	
Freight & Handling (Outward)	2257505		2956907	
Agency Commission	0		79203	
Foreign Exchange Fluctuation Expenses	0		799539	
Sales Commission	372515		0	
Loss on sale of vehicle	45199		0	
Bad debts Written off	0		902553	
Other Expenses	451691	3178813	59514	4831390
TOTAL		262880838		277920131



SCHEDULE 3: STOCK VARIATION

	Year ended 31st March, 2009		Year ended 31st March, 2008	
	Rupees	Rupees	Rupees	Rupees
WORK - IN- PROCESS				
Opening Stock	41887141		30857555	
Closing Stock	<u>39509476</u>		<u>41887141</u>	
		2377665		(11029586)
FINISHED GOODS				
Opening Stock	2017069		216695	
Closing Stock	<u>2037706</u>	(20637)	<u>2017069</u>	(1800374)
TOTAL		<u><u>2357028</u></u>		<u><u>(12829960)</u></u>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31st March, 2009		Year ended 31st March, 2008	
	Rupees	Rupees	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax and extraordinary items	3380189		7035008	
Add: Adjustments for:				
Depreciation	2827091		2671181	
Interest income	(853612)		(463731)	
Interest expenses	13674111		12174527	
(Profit)/Loss on sale of assets	24019		52232	
Operating Profit before working capital changes	19051798		21469217	
Adjustments for increase / decrease in				
Trade and Other receivables	(6430319)		9979597	
Inventories	11620106		(29528727)	
Loans and Advances	(4643100)		(1316366)	
Trade Payables and Other Liabilities	(14372344)		13652552	
Provisions	338094		2338811	
Interest Account	(6841)		9919	
Cash Credit Utilisation	766563		(3310453)	
Cash Generated from operations	6323957		13294550	
Interest paid	(13674111)		(12174527)	
Provision for taxation (MAT)	(341391)		(716440)	
Provision for deferred tax	(338094)		(2338811)	
Fringe benefit tax	(65716)		(79277)	
Cash flow before extra-ordinary items	(8095355)	(8095355)	(2014505)	(2014505)
Net Cash flow from Operating Activities				
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(2478622)		(901811)	
Sale of Fixed Assets	175000		384500	
Interest received	853612		463731	
Net cash used in investing activities		(1450010)		(53580)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Short-term Borrowings	8833821		3870843	
Net cash used in Financing Activities		8833821		3870843
NET INCREASE IN CASH AND CASH EQUIVALENTS		(711544)		1802758
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		7347606		5544848
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		6636062		7347606

As per our Report of even date
For **M.BHASKARA RAO & CO.,**
Chartered Accountants
V.RAGHUNANDAN
Partner

For and on behalf of the Board

G V S RAJU
Director (Commercial)

D R S P RAJU
Managing Director

Place : Hyderabad
Date : 30-06-2009



SCHEDULE VIII : SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

I. Significant Accounting Policies :

- a) Accounting Convention : The financial statements have been prepared on the basis of going concern, under the historical cost convention. The company follows accrual system of accounting and recognizes income and expenditure on accrual basis unless otherwise stated.
- b) Fixed Assets :
 - (i) Fixed Assets are stated at cost. Cost includes all costs incidental to acquisition, installation & commissioning of the assets until they are ready for intended use.
 - (ii) Fixed assets are assessed for any indication of, impairment at the end of each financial year. On such indication, the impairment loss, being the excess of carrying value over the recoverable value of the assets, is charged to Profit & Loss account, in the respective financial years. The impairment loss recognized in earlier years is reversed in cases where the recoverable value exceeds the carrying value, upon the reassessment in subsequent years.
- c) Depreciation : Depreciation on Fixed Assets is provided on straight line method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 as amended from time to time.
- d) Foreign Currency Translation : Foreign currency transactions have been translated at the Exchange Rate Prevalent on the date of transaction. Gain/Loss arising out of fluctuation in the exchange rates on realization is treated as income/expenditure.
- e) Inventories : The method of valuation of inventories is as under :
 - (i) Raw Materials, Stores and Spares,
Work-in-process and Finished Goods : At lower of cost and net Realisable value.
Cost includes manufacturing expenses and factory overheads.
- f) Retirement Benefits : Provident Fund is administered through Regional Provident Fund Commissioner. Group Gratuity Scheme is administered through a scheme with Life Insurance Corporation of India. The contributions to the above said funds are charged against revenue. Leave encashment payable at the time of retirement is charged to profit and loss account based on the assumption that such benefits are payable to all the employees at the end of the accounting year.
- g) Customs Duty Drawback, Export incentives, Insurance claims etc. are recognized only when it is reasonably certain that the ultimate collection will be made.



- h) Government Grants : Capital investment subsidy received by the Company is treated as Capital Reserve.
- i) Borrowing costs : Borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing cost incurred for acquiring, construction or production of assets are capitalized as part of the cost of such assets.
- j) Income taxes :
 - i) Deferred income tax is provided, using the liability method, on all timing differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.
 - ii) Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted at the balance sheet date.
- k) Contingent Liabilities : Contingent Liabilities arising from claims, litigation, assessment, fines, penalties etc., are provided for when it is probable that a liability may be incurred and the amount can be reliably estimated.

2. NOTES TO THE ACCOUNTS

1. Contingent Liabilities not provided for :

- a) Irrevocable Documentary Letters of Credit Rs. 1,14,75,864/- (Previous year Rs. 28,18,502/-)
- b) Guarantees issued by banks Rs. 17,08,800/- (Previous year Rs. 10,60,000/-)

2. SECURED LOANS :

Working Capital :

The Working Capital limits from State Bank of India is secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, finished goods, stores, spares and book-debts and first charge on Fixed Assets of the Company viz. Land, Buildings, Plant & Machinery and other Misc. assets and by personal guarantees of Promoter Directors Shri DVR Raju, Shri DRSP Raju, Shri D Rama Raju, Smt D Sakuntala, Smt D Subhadra and Smt Radha Mani.

- 3. The Govt. of Andhra Pradesh vide G.O.Nos 108 & 134 I&C (IP) Department, dated 20.06.1996 and 1.7.1996 has allowed the company to defer the sales tax payments for a period of Fourteen years from 1.7.1997 on expanded capacity (i.e beyond base production of 898.40 MTPA) subject to a maximum exemption of Rs. 3,79,55,720/-. "The Company has availed sales tax deferment Rs. 54,46,626/- during the year 2008-09 (Previous year Rs. 47,26,439/-) and such deferment is cumulatively Rs. 2,09,93,759/- for 2008-09 (upto previous year Rs. 1,55,47,133/-) as per VAT returns filed by Company".
- 4. Inventories : The valuation of finished goods excludes excise duty and education cess payable in respect of Manufactured goods lying in the factory as the same is accounted for on clearance of goods. Such Excise Duty as at 31.03.2009 estimated at Rs. 1,72,382/- (previous year Rs. 2,90,794/-) is not provided for and hence not included in the valuation of finished goods. This accounting treatment has no material impact on the operational results.



5. Particulars of remuneration to Managing Director, and Director (Commercial) :

Particulars	Current Year (Rs.)		Previous Year (Rs.)	
	Managing Director	Director (Commercial)	Managing Director	Director (Commercial)
1. Salary	600000	360000	600000	297000
Perquisites	360000	216000	360000	178200
2. Provident & other funds	72000	43200	72000	35640
TOTAL	1032000	619200	1032000	510840

6. Additional information pursuant to the provisions of paragraph 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956.

a) Details of Capacity and Production :

Particulars	Current Year		Previous Year	
	Licensed & * Installed Capacity Qty.(MTs)	Actual Production Qty. (MTs)	Licensed & * Installed Capacity Qty.(MTs)	Actual Production Qty. (MTs)
HDPE/PP Woven Fabric/Sacks	3063	2482	3063	3017
HMHDPE/LDPE Bags	180	—	180	—

* As Certified by the Management being a technical matter and relied upon by the auditors.

b) Turnover and Stocks :

Particulars	Current Year		Previous Year	
	Quantity	Value Rupees	Quantity	Value Rupees
Opening Stocks :				
HDPE/PP Woven Fabric/Sacks(Nos)	165510	1953600	22000	147581
HMHD/LLDPE Bags(MTs)	—	—	0.03	25152
Turnover :				
PE/PP-Sacks(Nos)	28502918	305442626	29742698	307903819
PE/PP-Fabric(Kgs)	53108	6189270	97248	9430421
PE/PP-Sacks-3rd party Exports(Nos)	—	—	12800	396208
PE/PP-Sacks-Direct Export(Nos)	1502500	15003642	1869700	16503255
Processing Charges	—	73664	—	—
Closing Stocks :				
HDPE/PP Woven Sacks(Nos)	170500	2087528	165510	1953600



c) Details of Raw Materials Consumed :

i). HDPE/PP (Kgs.)	2274975	154073291	2795625	178680433
ii) PP/LDPE LAM. Grade (Kgs.)	226225	18253188	230925	16595194
iii) LLDPE Liner (Kgs.)	187075	12722114	204200	13200478
iv). HDPE/PP Fabric/Sacks (Kgs.)	162741	12985798	3918	358275
v) HDPE/PP Fabric/Sacks (Nos.)	728500	4375150	159345	1030057
vi) Master Batches (Kgs.)	37577	4718899	48233	5503055
vii) FMBA (Kgs.)	331325	11414044	365811	12038153
viii) PPMF Yarn (Kgs.)	9657	1108029	10087	1094290
ix) Ink/Reducer (Kgs./Ltrs.)	30947	3288017	37106	3085240
Total		<u>222938530</u>		<u>231585176</u>

d) Value of Imports (CIF)

Raw Materials	4945570	-
Stores and other materials		2389152

e) Expenditure in Foreign Currency:

Travelling Expenses	94128	-
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f) Earnings in Foreign Currency :

FOB value of Exports	14600000	15076374
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g) Value of Imported, Indigenous Raw Materials, Components, Spare parts and other materials consumed :

	Current Year				Previous Year			
	Raw Materials		Spare Parts & other materials		Raw Materials		Spare parts & other materials	
	Value(Rs)	%	Value(Rs)	%	Value(Rs)	%	Value(Rs)	%
Imports	49,45,570	2.22	-	-	-	-	2389152	-
Indigenous	217992960	97.78	3188727	100	231899207	100	3604081	100
Total	222938530	100.00	3188727		231899207	100	5993233	100



7) Accounting standard 15 - Employee benefits:

The following table sets out the status of the retirement and other benefit plans as required under the Accounting Standard - 15 issued by ICAI.

	Gratuity	
	31st March, 2009	31st March, 2008
	Rupees	Rupees
Projected benefit obligation at the beginning of the year	614269	608672
Current Service Cost	64315	101337
Interest Cost	49142	45650
Actuarial (Gain) / Loss	244594	194050
Less: Benefits Paid	(117756)	(335440)
Projected Benefit Obligation at the end of the year	854564	614269
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	854564	614269
Fair value of plan assets at end of the year	(509258)	(133790)
Asset recognized in the Balance Sheet	345306	480479
Cost of Retirement and Other Benefits for the year		
Current Service Cost	64315	101337
Interest Cost	49142	45650
Expected return on plan assets	(31663)	(28295)
Net actuarial (Gain) / Loss recognised in the year	244594	194050
Net cost recognised in the profit and loss account	326388	312742
Assumptions		
Discount Rate (%)	8.00	8.00
Long term rate of compensation increase (%) - workmen	4.00	4.00

8) Accounting Standard 18 - Related Parties:

- i) List of related parties with whom transactions have taken place and relationships :

Sl. No.	Name of the related party	Relationship
1.	Shri D V R Raju	Key Management Personnel (KMP)
2.	Shri D R S P Raju	-do-
3.	Smt. D Subhadra	Relatives of Key Management Personnel (RKMP)
4.	M/s. Aashritha Creations Ltd	Others
5.	M/s. Kanhan Packages Pvt. Ltd.	Others
6.	M/s. Vayhan Coffee Ltd.	Others



ii) Transactions during the year with related parties: (Rs.in lacs)

Sl. No.	Name of transaction	Current year			Previous year		
		KMP	RKMP	Others	KMP	RKMP	Others
1.	Rent	0.60	0.60	Nil	0.60	0.60	Nil
2.	Loans - Opening balance	15.00	Nil	17.49	15.00	Nil	20.99
	- Receipts	5.00	Nil	22.50	Nil	Nil	Nil
	- Paid	5.00	Nil	14.48	Nil	Nil	3.50
	- Closing balance	15.00	Nil	25.51	15.00	Nil	17.49
3.	Loans - Opening balance	0.00	Nil	0.00	0.00	0.00	0.00
	- Given	0.00	Nil	35.00	Nil	Nil	Nil
	- Paid	0.00	Nil	0.00	Nil	Nil	0.00
	- Closing balance	0.00	Nil	35.00	0.00	Nil	0.00

Remuneration paid to directors has been disclosed in note No.5.

9) Lease

- a) The Company has acquired machinery on operating lease as on 28.03.2005 amounting to Rs. 45,00,000/-. Future obligations towards lease rentals under the lease agreement as on 31.03.2009 amount to Rs. 9,00,000/- as follows :

- within one year Rs. 9,00,000/-.

- later than one year and not later than 5 years Rs. -Nil-

- b) Lease rentals paid during the year Rs. 9,00,000/-.

- c) General description of lease terms :

i) Lease rental are charged on the basis of agreed terms.

ii) Assets are taken on lease for a period of five years.

10) Earnings per share :

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
a) Profit/(Loss) after tax	Rs. 2634989	Rs. 3900480
b) Weighted average No.of shares	2115000	2115000
c) Earnings per share - Basic	Rs. 1.25	Rs. 1.84
- Diluted	Rs. 1.25	Rs. 1.84

- (i) In accordance with accounting standard "ACCOUNTING FOR TAXES ON INCOME" issued by the Institute of Chartered Accountants of India, the Company has recognised an amount of Rs.3,38,093/- as a deferred tax liability on unabsorbed depreciation and difference between book and tax depreciation during the year.



(ii) Deferred Tax Asset/Liability :

	Deferred tax Asset/(Liability) as at 31.3.2008	For the year (Charge)/Credit	Deferred tax Asset/(Liability) as at 31.3.2009
Difference between Book & Tax Depreciation-	(13468823)	1562478	(11906345)
Brought forward unabsorbed Depreciation	6246995	(1988973)	4258022
Provision for Leave Encashment		88402	88402
TOTAL	(7221828)	(338093)	(7559921)

(iii) In view of the uncertainty of the company making profits under the head "Income from Business" (Section 28 to 43) to enable the company to avail the credit within the prescribed time of Minimum Alternative Tax paid on the books profits, no credit is accounted with respect to MAT credit entitlement.

11. The Company has not received any intimation from 'Suppliers' regarding their status under the micro, small and medium enterprises development act, 2006. Hence it has not been possible to disclose amounts remain unpaid as at the year end together with interest paid/payable thereon as required under the said act.
12. Export Sales during the year includes Rs.4,47,531 towards foreign exchange fluctuation gain.
13. Previous years figures have been regrouped wherever necessary to confirm with current year's classification.

SIGNATURES TO SCHEDULES I to VIII and 1 to 3

As per our Report attached to the Balance Sheet
For M.BHASKARA RAO & CO.,
CHARTERED ACCOUNTANTS

For and on behalf of the Board

V.RAGHUNANDAN
Partner,

D R S P RAJU
Managing Director

Place: Hyderabad.
Date : 30.06.2009

G V S RAJU
Director (Commercial)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS AT 31.3.2009

I Registration Details : Registration No. : 5215 State Code : 01

II Capital raised during the year : Public Issue : Nil Rights Issue : Nil
(Amount in Rs. Thousands) Bonus Issue : Nil Private Placement/Others: Nil

III Position of Mobilisation & Deployment of Funds : Total Liabilities : 119886 Total Assets : 119886
(Amount in Rs. Thousands)

Source of Funds

Paid-up Capital : 21150 Reserves & Surplus : 11105

Secured Loans : 52442 Unsecured Loans : 27629

Application of Funds

Net Fixed Assets : 26537 Investments : Nil

Net Current Assets : 85790 Misc. Expenditure : Nil

IV Performance of Company : Turnover : 333025 Total Expenditure : 329645
(Amount in Rs. Thousands)

Profit/(Loss) Before Tax : 3380 Profit/(Loss) After Tax : 2635

Earnings Per Share in Rs. : 1.25 Dividend Rate (%) : Nil

V Generic Names of two Principal Products of Company : Item Code No. (ITC Code) : 392690
(As per monetary terms) HDPE/PP Woven Sacks
HMHD/LDPE Film Bags

Barman



DECCAN POLYPACKS LIMITED

Regd. Office : Sy.No. 142/A, IDA Bollaram, Via Miyapur, Jinnaram Mandal,
Medak District, Andhra Pradesh – Pin 502 325.

PROXY FORM

I/We

(address)

being a member/members of Deccan Polypacks Limited, hereby appoint

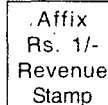
..... (address)

as my/our proxy to vote for me/our behalf at the 25th Annual General Meeting of the Company to be held on Wednesday
the 30th September, 2009 at 11.00 A.M. and at any adjournment thereof.

Signed this day of 2009.

Regd. Folio No.

Signature



Note : The proxy duly completed must be deposited at the Registered Office of the Company not less than 48 hours
before the time for holding the meeting. A proxy need not be a member.



DECCAN POLYPACKS LIMITED

Regd. Office : Sy.No. 142/A, IDA Bollaram, Via Miyapur, Jinnaram Mandal,
Medak District, Andhra Pradesh – Pin 502 325

ATTENDANCE SLIP

I hereby record my presence at the 25th Annual General Meeting of Deccan Polypacks Limited at Sy.No.142/A, IDA
Bollaram, Via Miyapur, Jinnaram Mandal, Narsapur-Tq., Medak District, Andhra Pradesh on Wednesday the 30th
September, 2009 at 11.00 A.M.

1. Full Name of the Member
2. Full Name of the Proxy*
3. Ledger Folio No.
4. No. of Shares held
5. Signature of the member/proxy attending #

* To be filled if the Proxy attends instead of the Member(s)

To be used only when Member, first named is not attending

Please give full name of the First holder

Note : 1. Members attending must fill in this attendance slip and hand it over at the entrance of the venue of the
meeting.

2. Members are requested to bring their copy of the Notice for reference at the meeting.

**BOOK POST
PRINTED MATTER**

To,



**DECCAN
POLYPACKS
LIMITED**

Registered Office & Works :
Sy.No.142/A, IDA Bollaram,
Via Miyapur, Jinnaram Mandal,
Medak District, A.P - 502 325.
Phone : 0091-8458-279498, 279577
Fax : 0091-8458-279322
E-mail : hyd2_dpl@sancharnet.in
Website : www.deccanpoly.com