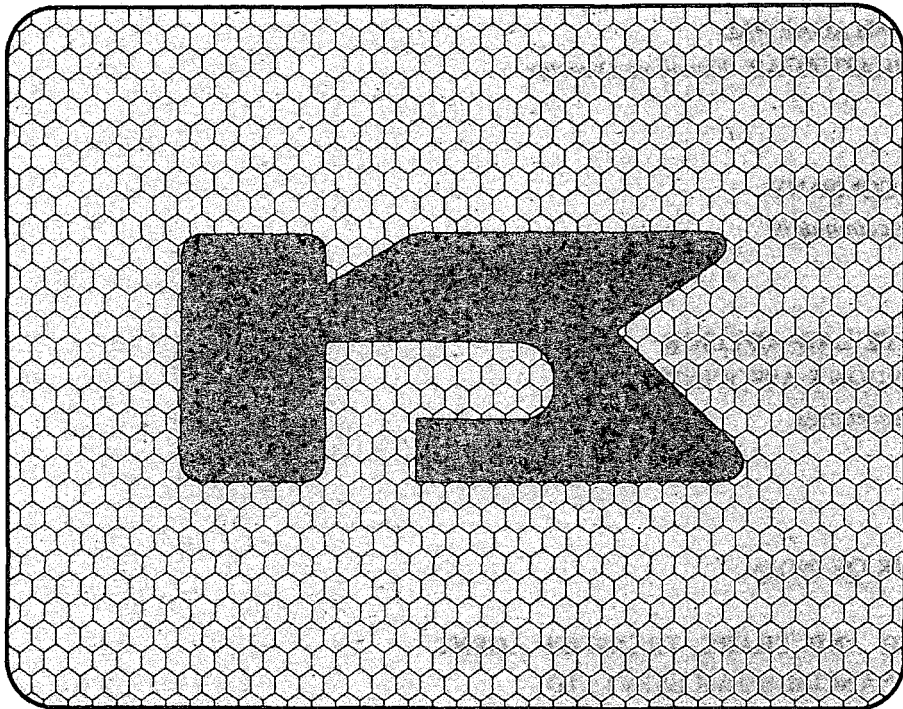


38th Annual Report
2008-2009



**KANPUR
PLASTIPACK LTD.**

A STAR EXPORT HOUSE

KANPUR PLASTIPACK LIMITED

BOARD OF DIRECTORS

Shri M. S. AGARWAL, *Executive Chairman*

Shri MANOJ AGARWAL, *Managing Director*

Shri B. L. MANCHANDA

Shri S. M. JAIN

Shri P. K. GOENKA

Dr. G N. MATHUR

Dr. J. N. GUPTA

Smt. SANTOSH AGARWAL

Shri A. K. BHATNAGAR, *Executive Director*

AUDITORS

PANDEY & COMPANY

Chartered Accountants

KANPUR

CORPORATE LAW ADVISOR

ADESH TANDON & ASSOCIATES

Company Secretaries

KANPUR

BANKERS

STATE BANK OF INDIA

REGISTRAR AND SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES PVT. LTD.

246, 1ST FLOOR, SANT NAGAR,

EAST OF KAILASH,

NEW DELHI-110 065

REGISTERED OFFICE

D-19-20, PANKI INDUSTRIAL AREA,

KANPUR-208 022

WORKS

1. D-19-20, PANKI INDUSTRIAL AREA, KANPUR
2. A-1, A-2, UDYOG KUNJ, SITE V, KANPUR

NOTICE

Notice is hereby given that the THIRTY EIGHTH ANNUAL GENERAL MEETING OF KANPUR PLASTIPACK LIMITED will be held at the Registered Office of the Company at D-19-20, Panki Industrial Area, Kanpur – 208 022 on Monday, the 7th day of September, 2009 at 12:00 Noon to transact the following businesses :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2009 and Balance Sheet as at that date together with the Reports of Auditors and Directors thereon;
2. To consider declaration of Dividend;
3. To appoint a Director in place of Shri B. L. Manchanda, who retires by rotation and is eligible for re-appointment;
4. To appoint a Director in place of Dr. J.N. Gupta, who retires by rotation and is eligible for re-appointment;
5. To appoint Auditors to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

“RESOLVED THAT pursuant to the provisions of section 314(1)(b) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Shri Shashank Agarwal as Production Engineer being an office or place of profit, under a contract of service with effect from 08/06/2009 on the following monthly remuneration together with the usual allowances and benefits, amenities and facilities including staff superannuation fund, retiring gratuity and provident fund benefits as may be applicable to other employees occupying similar post or posts with the same salary scale or grade :-

- a) Basic Salary : Rs. 12,000/-
- b) House Rent Allowance : Rs. 2,400/-
- c) Conveyance Allowance : Rs. 700/-
- d) Special Allowance : Rs. 750/- ”

7. To consider and if thought fit to pass with or without

modification(s) the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the borrowing power of the Company be and is hereby increased from Rs. 60 Crores to Rs. 100 Crores.”

“RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded in favour of the Board of Directors to borrow moneys from time to time upto the limit not exceeding Rs. 100 Crores (Rupees One Hundred Crores Only) notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in ordinary course of business) exceed the aggregate of paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be necessary, desirable and / or expedient to give effect to the above resolution.”

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 29/08/2009 to 07/09/2009 (both days inclusive). The entitlement to dividend on shares, when declared, will be determined on the basis of names registered as such in the Register of Members of the Company after giving effect to the valid share transfers in physical form lodged with the Company on or before 28/08/2009 and the beneficial owners as per the Beneficiary List at the close of the business on 28/08/2009 provided by NSDL and CDSL.
4. The members are hereby informed that the Company would transfer the dividends, which remain unpaid over a period of 7 years, to the Investor Education and Protection Fund (IEPF) constituted under Section 205C of the Companies Act, 1956. It is pertinent to mention

THIRTY EIGHTH ANNUAL REPORT

that no claim of investors shall lie against IEPF.

The details of unpaid dividend are as follows :-

S.No.	Financial Year	Unpaid Balance as on 31/03/2009
1.	2004-05	Rs. 2,69,431.00
2.	2005-06	Rs. 2,17,168.20
3.	2006-07	Rs. 3,44,564.00
4.	2007-08	Rs. 3,48,194.00

Investors are advised to send all unencashed dividend warrants pertaining to the year 2004-05, 2005-06, 2006-07 & 2007-08 to the Company for revalidation.

5. Members who have multiple folios with identical order of names are requested to intimate to the Company those folios to enable the Company to consolidate all shareholdings into one folio.
6. Members having any queries relating to this Annual Report are requested to send their questions to Registered Office of the Company at least 7 days before the date scheduled for Annual General Meeting.
7. Members who hold shares in physical form are requested to intimate the Company, dividend mandate under the signature of Sole/first named joint shareholder specifying Bank's name, Name and Address (with PIN No.) of the Branch, Account Type - Saving (SA) or Current (CA), Account No.
8. In case of physical transfer of shares, copy of PAN Card of the transferee is mandatory as per the SEBI Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009.
9. Investors holding shares in physical form are advised to opt for Electronic Clearing System (ECS) to avail fast and safe remittance of dividend. A photocopy of a leaf of your cheque book bearing your Account Number may also be sent along with mandate.
10. Members are requested to notify promptly changes in their address quoting their Registered Folio Nos. to the Company at its Registered Office.
11. As per the provisions of the Companies Act, 1956, facility for making nomination is available to the Shareholders in respect of shares held by them. The nomination can be made by filing the prescribed Form No. 9B. Nomination forms may also be requisitioned from the Company.
12. Investors who have not yet dematerialized their physical holding in the Company are advised to avail the facility of dematerialization.

13. Members/Proxy are requested to bring attendance slip duly filled along with their copies of Annual Report in the meeting.
14. All material documents are open for inspection by the members on all working days at the Registered Office of the Company till the conclusion of the Annual General Meeting.
15. Details of Directors as required under Clause 49 of the Listing Agreement with the Stock Exchange seeking re-appointment at the forthcoming Annual General Meeting are as under :

Shri B.L. Manchanda and Dr. J.N. Gupta are retiring by rotation and are eligible for re-appointment.

- a) Shri B.L. Manchanda aged 85 years has vast and diversified experience of about 59 years. He contributed in the industrial growth of Uttar Pradesh by being part of State Government, PSUs like UPFC, UPSIDC and their respective subsidiaries and Private Sector in various capacities. He has got niche in developing systems and procedures. He holds 150 equity shares in the Company. He also occupies the position as Director of Golden Proteins Limited and The Upper India Couper Paper Mills Co. Private Limited. Therefore, with a view to get benefit of his vast experience and tremendous drive and enthusiasm to contribute to the growth of the Company, the Board recommends his re-appointment.
- b) Dr. J.N. Gupta aged 67 years started his career with the Reserve Bank of India in 1962. He has vast academic and management experience spanning over 44 years. He had been Executive Director of U.P. Stock Exchange Association Ltd. and Professor and Director of Dr. Gaur Hari Singhania Institute of Management & Research, Kanpur. A noted academic and administrative leader, Dr. J.N. Gupta is presently associated with Jagran Education Foundation, Kanpur as Chief Executive Officer. He does not have any shareholding in the Company. He holds position as Director of J. K. Cotton Spinning & Weaving Mills Co. Limited. Keeping in view of his vast knowledge and experience, the Board recommends his re-appointment.

By order of the Board of Directors
For KANPUR PLASTIPACK LTD.

M. S. AGARWAL

Executive Chairman

Place : Kanpur

Date : 28th May, 2009

KANPUR PLASTIPACK LIMITED

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

ITEM NO. 6 :-

Shri Shashank Agarwal, son of Shri Manoj Agarwal, Managing Director of the Company graduated from the University of Nottingham, UK obtaining B. Engg. (Hons.) degree in Manufacturing Engineering & Operations Management. He has also done a summer course at the London School of Economics on "Business Development and ICT Innovation."

Therefore, keeping in view the skills required, the management proposed appointment of Shri Shashank Agarwal as Production Engineer. The Board approved his appointment at its meeting held on 28/05/2009 w.e.f. 08/06/09 subject to approval by the members of the Company. The terms of appointment are as mentioned in the resolution. In view of the provisions of Section 314(1)(b) of the Companies Act, 1956 his appointment is subject to the approval of the shareholders at the general meeting by way of Special Resolution. Your Directors, therefore, recommend passing of this resolution as a Special Resolution.

None of the Directors except Shri M. S. Agarwal, Executive Chairman, Shri Manoj Agarwal, Managing Director and Smt. Santosh Agarwal, Director being relatives of Shri Shashank Agarwal are concerned or interested in the resolution.

ITEM NO. 7 :-

Under the provisions of Section 293(1)(d) of the Companies

Act, 1956, the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting, borrow moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

At the Extraordinary General Meeting of the Company held on 27th January, 2007, the Shareholders had sanctioned the borrowing power of the Company upto Rs. 60 Crores and authorised the Board to exercise the said borrowing powers. In order to provide flexibility to the Board to manage additional fund requirements which may be needed for capital expenditure / working capital in future, it is proposed to increase the borrowing power from Rs. 60 Crores to Rs. 100 Crores.

Your Directors recommend passing of this resolution. None of the Directors of the Company is, in any way, concerned or interested in this Resolution except as shareholders of the Company.

By order of the Board of Directors
For KANPUR PLASTIPACK LTD.

Place : Kanpur
Date : 28th May, 2009

M. S. AGARWAL
Executive Chairman

OTHER GENERAL INFORMATION :

i) The Company is presently engaged in manufacturing of HDPE/PP Fabric, Sacks & FIBC Bags. The Company is also engaged as Consignment Stockist of M/s GAIL (India) Ltd., which is a Trading Operation. The turnover of the Company and its financial performance during last 3 years have been as under :

(Rs. in Lacs)

Year	Sales & Other Income	Operating Profit	Net Profit after Tax
2008-09	10238.97	683.30	186.21
2007-08	8043.27	614.90	183.35
2006-07	6974.80	433.32	144.80

ii) The Company made exports of its products worth Rs. 4898 Lacs, Rs. 4903 Lacs and Rs. 7098 Lacs during 2006-07, 2007-08 and 2008-09 respectively.

iii) Shri M. S. Agarwal, Executive Chairman is the father of Shri Manoj Agarwal, Managing Director and is husband of Smt. Santosh Agarwal, Director of the Company.

iv) There is no foreign investment or collaborations, etc.

v) No stock option benefit has been given to any Director/ Employee.

By order of the Board of Directors
For KANPUR PLASTIPACK LTD.

Place : Kanpur
Date : 28th May, 2009

M. S. AGARWAL
Executive Chairman

THIRTY EIGHTH ANNUAL REPORT

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the 38th Annual Report together with Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS HIGHLIGHTS :

	(Rs. in Lacs)	
	2008-09	2007-08
Sale/Income	10238.97	8043.27
Operating Profit	683.30	614.90
Less : Interest	235.73	211.82
Less : Depreciation	162.81	121.72
Less/Add : Adjustments relating to earlier year	0.15	0.06
Profit before Tax	284.61	281.42
Less : Provision for taxation		
– Income Tax	84.99	32.00
– Deferred Tax	10.51	63.08
– Fringe Benefit Tax	2.90	2.99
Net Profit for the year	186.21	183.35
Appropriation :		
Proposed dividend	31.84	53.06
Tax on dividend	5.41	9.02
Balance carried to Balance Sheet	741.99	593.03

REVIEW OF OPERATIONS :

Your Directors are glad to report that inspite of economic slowdown and volatile foreign currency rates, the Company has been able to achieve net profit of Rs. 186.21 lacs as against Rs. 183.35 lacs for earlier year after providing for tax. During the year, smooth operations have been maintained at optimum level.

A notable feature during the year was the relaxation of the Jute Packaging Act allowing for the first time the packaging of food grains in PP Bags. Your Company was well placed to take advantage of this relaxation. Your Company also achieved BRC and ISO 22000 Certifications during the year for the manufacture of Certified Food Grade FIBCs-one of the few companies in the country to do so.

The trading activities as consignment stockist of GAIL (India) Ltd. have been affected during the year due to adverse market conditions.

DIVIDEND :

In view of economic slowdown and to conserve resources, your Directors recommend a dividend of 6% (Rs. 0.60 per equity share) for the financial year 2008-09 as against 10% in the earlier year.

PROSPECTS :

The Company has reached a new milestone in its operations and has maintained its market share. The investments made in the earlier years have enabled the Company to offer state of the art manufacturing facilities according to International Standards. The order book remains satisfactory, as end users in the West look increasingly towards India for cost effective packaging which is an essential item and the Company is confident that it should be able to continue its progress.

PUBLIC DEPOSITS :

The Company has total deposits of Rs.190.23 Lacs (including interest accrued thereon) as on 31/03/2009. This is to confirm that there are no overdue, unpaid / unclaimed deposits. The interest has also been paid in time to all deposit holders.

DIRECTORS :

Shri B. L. Manchanda and Dr. J. N. Gupta are the directors retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. In view of the services rendered by the said directors and the growth that the Company has achieved under their able guidance, your Directors recommend their re-appointment.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report and a Report on Corporate Governance are included in the Annual Report at Annexure 'A' which forms part of this report. The Auditors' Certificate certifying that the Company has complied with the requirements of the Corporate Governance in terms of Clause 49 of the Listing Agreement is attached and forms part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information as per 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 relating to

conservation of energy, technology absorption and foreign exchange earnings and outgo are given at Annexure 'B' which forms part of this report.

PARTICULARS OF EMPLOYEES AS REQUIRED U/S 217(2A) OF THE COMPANIES ACT, 1956 :

Particulars of employees required to be disclosed in terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the year 2008-09 are given at Annexure 'C', which forms part of this report.

LISTING :

The Company's Equity Shares continue to be listed at Bombay Stock Exchange. We confirm that the Listing Fees for the financial year 2008-09 has been paid to them. Further, as reported earlier, we have completed all the legal formalities in 2003-04 relating to the delisting of securities as per the provisions contained in SEBI (Delisting of Securities) Guidelines, 2003 from Calcutta Stock Exchange, which has not yet responded despite our several reminders. Hence, we have presumed that they have delisted our securities.

AUDITORS :

The Statutory Auditors, M/s Pandey & Company, Chartered Accountants are retiring at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that : -

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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;

- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv) the Directors have prepared the Annual Accounts of the Company on a going concern basis.

ACKNOWLEDGEMENT :

Your Directors take this opportunity of placing on record their sincere gratitude for overwhelming cooperation received from State Bank of India, other Govt. Agencies and esteemed customers for their continued support, patronage and assistance during the year.

Your Directors also wish to place on record their appreciation for whole-hearted commitment, contribution, sincere and dedicated efforts put in by the Officers, Staff and Workers for maintaining continued improvement in the Company's operations.

For and on behalf of the Board of Directors
For KANPUR PLASTIPACK LTD.

Place : Kanpur
Date : 28th May, 2009

M. S. AGARWAL
Executive Chairman

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY :

Your Company believes that transparency, accountability, fair dealing and ethical practices lead to conduct of business in efficient and effective manner. This in turn creates wealth for all stakeholders on one hand and safeguards their interest on the other. Your Company is led by distinguished Board. The Board consists of Directors having expertise in diverse fields which includes technical, managerial and finance backgrounds. It is due to this reason that the Board provides a strong oversight and strategic counsel to the management based on SWOT analysis. The Company has established systems and procedures to ensure that the Board is well informed and well equipped to take decisions on strategic and managerial aspects.

2. BOARD OF DIRECTORS :

As on 31st March, 2009 the Board of Kanpur Plastipack Limited consisted of three Whole -Time Directors – Executive Chairman, Managing Director and Executive Director and six Non-Executive Directors. Five of the six Non-Executive Directors are Independent Directors. The composition of the Board and other relevant details relating to Directors are as under :

Name of the Director	Category	No. of Board Meetings attended	Whether attended last AGM	No. of other Directorship	No. of other Committee Chairmanship	No. of other Committee Membership
Shri M.S. Agarwal	Promoter -Executive	7	Yes	3	—	—
Shri Manoj Agarwal	Promoter -Executive	7	Yes	3	—	—
Smt. Santosh Agarwal	Promoter -Non Executive	5	No	1	—	—
Shri B.L. Manchanda	Non Executive & Independent	6	Yes	2	—	—
Shri S.M. Jain	Non Executive & Independent	1	No	—	—	—
Shri P. K. Goenka	Non Executive & Independent	7	Yes	9	1	3
Dr. J.N. Gupta	Non Executive & Independent	7	Yes	1	—	—
Shri A.K. Bhatnagar	Executive	6	Yes	1	—	—
Dr. G. N. Mathur	Non Executive & Independent	2	No	4	—	—

Details of Board Meetings held during the year 2008-09 :

During the year, seven Board meetings were held on 17th April, 25th June, 31st July, 29th August, 15th September, 24th October, 2008 & 29th January, 2009. The last Annual General Meeting of the Company was held on 15th September, 2008. During the year, all the requirements under Clause 49 of the Listing Agreement have been complied with. The Declaration to this effect has been given by the Managing Director, which is reproduced at the end of this Report. The information as required under Annexure IA to clause 49 has been made available to the Board.

3. AUDIT COMMITTEE :

The Audit Committee had been duly constituted comprising of Independent Directors namely Shri S.M. Jain as Chairman and Dr. J. N. Gupta, Shri P.K. Goenka and Shri B.L. Manchanda as members.

Four Audit Committee meetings were held during the year 2008-09. The details of the meetings are as under :-

S. No.	Date	Committee Strength	No. of members present
1.	25 th June, 2008	4	2
2.	31 st July, 2008	4	3
3.	24 th October, 2008	4	3
4.	29 th January, 2009	4	4

The terms of reference of the Audit Committee include review of Quarterly, Half-Yearly and Annual Financial Statements before submission to the Board for its approval, to review adequacy of internal control system, to apprise the Board on the impact of accounting policies, accounting standards and legislation, to hold periodical discussions with Statutory Auditors on the scope and content of the audit and to review the Company's financial and risk management policies. The members of the Committee are well versed in matters relating to finance, accounts, company law, other economic legislations and general management practices.

4. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

Shareholders' / Investors' Grievance Committee was constituted under the Chairmanship of Shri P.K. Goenka, a Non-Executive & Independent Director. Other two members are Shri M. S. Agarwal, Executive Chairman and Shri Manoj Agarwal, Managing Director. During the year 2008-09 five Committee Meetings were held.

The Committee sees the matter relating to transfer of shares, demat of shares, issue of duplicate share certificates, redressal of shareholders' / investors' grievances and complaints regarding non-receipt of dividends, Annual Reports, etc.

During the year 2008-09, all the complaints received by the Company and/or Registrar of the Company were generally solved to the satisfaction of complainants and there was no pending complaint.

5. REMUNERATION COMMITTEE :

The Board has constituted the Remuneration Committee consisting of three Non-Executive Independent Directors - Shri B. L. Manchanda as the Chairman of the Committee, Shri P. K. Goenka and Shri S.M. Jain as the members of the Committee. The Committee looks into the matters of fixation of salary, perquisites, commission payable to the Directors of the Company, etc.

The Company does not pay any remuneration to its Non-Executive Directors, except sitting fees for attending the meetings of the Board @ Rs.2,000/- w.e.f. 15/09/2008 (@ Rs. 1,000/- upto 14/09/08) and Rs. 500/- for each meeting of Audit/ Remuneration Committee of the Directors besides reimbursement of expenses of travelling, etc. The Company has no pecuniary relationship or transaction with its Non-Executive Directors other than payment of sitting fees to them for attending Board and Committee Meetings.

The details of remuneration paid to Directors of the Company during the year 2008-09 are as under :-

	<i>(Rs. in lacs)</i>
i. Salary	66.59
ii Contribution to P.F.	6.58
iii. Perquisites	18.00
iv. Sitting Fees	0.43
Total	91.60

6. GENERAL BODY MEETING :

Location and time where the last three Annual General Meetings were held :

YEAR	DATE	TIME	LOCATION OF THE MEETING
2007-08	15.09.08	1:00 P.M.	D-19-20, Panki Industrial Area, Kanpur-208 022
2006-07	31.07.07	1:00 P.M.	D-19-20, Panki Industrial Area, Kanpur-208 022
2005-06	14.09.06	2:30 P.M.	D-19-20, Panki Industrial Area, Kanpur-208 022

Special Resolution passed at the last three Annual General Meetings :

Meeting Date	Details of the Special Resolution
September 15, 2008	Appointments of :- 1. Shri M. S. Agarwal as Executive Chairman 2. Shri Manoj Agarwal as Managing Director 3. Shri A. K. Bhatnagar as Executive Director. 4. Smt. Usha Agarwal as Senior Manager (Marketing)
July 31, 2007 Nil.....
September 14, 2006 Nil.....

No Special Resolution was put through Postal Ballot last year nor is it proposed to put any Special Resolution to vote through Postal Ballot this year.

7. DISCLOSURES :

- (a) There was no materially significant related party transaction i.e. transaction of material nature with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- (b) During the year 2008-09 :
 1. no person has been denied access to the Audit Committee;
 2. the Company has complied with all the mandatory requirements and most of the non mandatory requirements specified in Clause 49 of the Listing Agreement; and
 3. no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or by any statutory authority on any matter related to capital markets, during the last three years.

THIRTY EIGHTH ANNUAL REPORT

8. MEANS OF COMMUNICATION :

Quarterly, Half Yearly and Annual Results of the Company are sent to all the Stock Exchanges, where the Company's shares are listed, immediately after they are approved by the Board. These are also published in a local Hindi daily newspaper and in a national English daily newspaper as prescribed under the Listing Agreement.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The discussion on financial performance with respect to the operational performance, review of operations, exports, and prospects have been covered in the Directors' Report.

The Company has adequate system of internal controls with regards to purchase of stores, raw materials including components, plant & machinery, equipment, sale of goods and other assets. The internal control system is supplemented by well documented policies and guidelines and the internal audit report are periodically put to and is reviewed by the top management.

The industrial relations during the year continued to be cordial. The Company is committed to provide necessary human resource development and training opportunities to equip them with the required modern skill and knowledge.

10. GENERAL SHAREHOLDER INFORMATION :

- (i) **Annual General Meeting** : Date : 7th September, 2009.
Time : 12:00 Noon
Venue : D-19-20, Panki Industrial Area, Kanpur-208 022.
- (ii) **Financial Year** : 1st April to 31st March.
- (iii) **Date of Book Closure** : From 29/08/2009 to 07/09/2009 (both days inclusive).
- (iv) **Dividend payment date, if declared** : 15th September, 2009.
- (v) **Listing on Stock Exchanges** : Bombay Stock Exchange Limited, Mumbai

The Company is up-to-date on payment of Annual Listing fees. *The Calcutta Stock Exchange is yet to approve delisting though all necessary requirements with regard to the same have been complied with by the Company long back in 2003-04.*

- (vi) **Stock Code** :
Bombay Stock Exchange Limited : 507779

(vii) Market Price Data At BSE :

Date	High	Low
April 2008	24.90	16.10
May 2008	24.75	16.50
June 2008	22.95	14.60
July 2008	21.80	14.00
August 2008	21.80	16.35
September 2008	19.50	15.00
October 2008	17.45	9.75
November 2008	14.85	9.50
December 2008	12.45	9.06
January 2009	12.00	9.55
February 2009	10.55	8.25
March 2009	11.60	9.90

- (viii) **Registrar and Share transfer Agent (RTA)** : Skyline Financial Services Pvt. Ltd.
246, 1st Floor, Sant Nagar, East of Kailash, New Delhi- 110 065

- (ix) **Share Transfer System** :
The shares received for transfer in physical form are processed by RTA and the Share Certificates are returned within a period of 30 days from the date of receipt, subject to the documents being valid & complete in all respects. Any transferee who wishes to get the shares dematerialized may approach any of the Depository Participants (DP) along with a duly filled Demat Request Form.

(x) Shareholding Pattern as on 31st March, 2009 :

Category	No. of shares held	Percentage of Shareholding
Promoters	36,56,912	68.92
Mutual Funds and UTI	-	-
Financial Institutions, Banks and Insurance Companies	-	-
Private Corporate Bodies	75,894	1.43
FII's	-	-
Indian Public	13,76,470	25.94
NRIs/OCBs	1,96,974	3.71
TOTAL	53,06,250	100.00

(xi) Distribution of Shareholding as on 31st March 2009 :

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	6955	95.98	944733	17.80
501-1000	140	1.93	113975	2.15
1001-2000	71	0.98	104519	1.97
2001-3000	24	0.33	61282	1.15
3001-4000	10	0.14	34977	0.66
4001-5000	12	0.17	54104	1.02
5001-10000	7	0.10	57642	1.09
More Than10000	27	0.37	3935018	74.16
Total	7246	100	5306250	100

(xii) Dematerialisation of shares :

The Company's shares are under demat mode. The ISIN of the Company is **INE694E01014**.

As on 31st March, 2009, 86.88% equity shares of the Company were in dematerialized mode.

(xiii) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity :

Not Applicable

(xiv) Registered Office & Works

1. D-19-20, Panki Industrial Area, Kanpur-208022 (Regd. Office and Works)
2. A-1,A-2, Udyog Kunj, Site V, Kanpur-208022 (Works)

(xv) Address for Investor Correspondence :

1. Kanpur Plastipack Ltd.
D-19-20, Panki Industrial Area, Kanpur.-208 022
2. Skyline Financial Services Pvt. Ltd.
246, 1st Floor, Sant Nagar, East of Kailash,
New Delhi- 110 065

DECLARATION

I, Manoj Agarwal, Managing Director of Kanpur Plastipack Limited, hereby declare that all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2009.

For Kanpur Plastipack Limited

Place : KANPUR
Date : 28th May, 2009

MANOJ AGARWAL
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
KANPUR PLASTIPACK LTD.,
KANPUR.

We have reviewed the compliance of the conditions of Corporate Governance by Kanpur Plastipack Limited, for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India. We have conducted our review on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2009 and furnished to us for the purpose of review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied 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 PANDEY & CO.,
Chartered Accountants
AMIT PANDEY
Partner
Membership No. 402377

Place : Kanpur
Date : 28th May, 2009

THIRTY EIGHTH ANNUAL REPORT

ANNEXURE 'B'

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

A. CONSERVATION OF ENERGY :

	2008-09	2007-08
1. POWER & FUEL CONSUMPTION		
i) Electricity		
a) Purchased :		
- Units	87,37,056	69,48,511
- Total Amount (Rs. in lacs)	353.56	279.55
- Rate / Unit (Rs.)	4.05	3.95
b) Own Generation :		
- Units	15,63,533	11,49,421
- Total Amount (Rs. in lacs)	91.15	82.66
- Rate / Unit (Rs.)	5.83	7.19
2. CONSUMPTION PER UNIT OF PRODUCTION (KG)		
i) Electricity	1.01	1.02
ii) Own Generation	0.18	0.16
iii) Total Units	1.19	1.18

B. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION :

- No research & development work has been carried out by the Company and therefore, there is no expenditure on this head nor any other benefit accrued from it.
- Technical innovation / modifications are being adopted on regular basis to achieve cost reduction and product improvement.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

During the year under review, the Company has earned and spent Foreign Exchange as detailed below :

	(Rs in lacs)
(i) Earnings on FOB value basis	6857.78
(ii) Total Expenditure in Foreign Currency	
(a) Expenditure on Import of Raw Materials and Spare Parts	1136.06
(b) Expenditure on Export Promotion Tour	5.03
(c) Expenditure on other than above	51.32

ANNEXURE 'C'

Particulars required as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 :

Name	Age	Designation	Remuneration	Qualification	Commencement of Employment	Experience	Last Employment
Shri M. S. Agarwal	82 yrs.	Executive Chairman	40,48,482/-	B.A.	26.07.1971	61 Years	--
Shri Manoj Agarwal	55 yrs.	Managing Director	33,31,711/-	Master in Management Studies	21.01.1977	32 Years	--

Notes : 1. The remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites as per Income Tax Rules, 1962 and Company's contribution to provident fund.

- Shri M. S. Agarwal is related to Shri Manoj Agarwal, Managing Director and Smt. Santosh Agarwal, Director of the Company and Shri Manoj Agarwal is related to Shri M.S. Agarwal, Executive Chairman and Smt. Santosh Agarwal, Director of the Company.

AUDITORS' REPORT

The Members of
Kanpur Plastipack Ltd.,
Kanpur.

1. We have audited the attached Balance Sheet of Kanpur Plastipack Limited ("the Company") as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) Amendment Order, 2004 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ("the Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) we have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) 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;
 - (iii) the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) on the basis of written representation 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 a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
 - (vi) in our opinion and to the best of our information and according to the explanation given to us, the said accounts 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.
 - (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) in the case of the Profit and Loss Account of the profit of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For PANDEY & CO.
Chartered Accountants

Place : Kanpur
Date : 28th May, 2009

AMIT PANDEY
Partner
Membership No. 402377

THIRTY EIGHTH ANNUAL REPORT

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in our report to the members of Kanpur Plastipack Limited ("the Company") for the year ended 31st March, 2009. We report that :

- I. In respect of its fixed assets :
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. Assets have been physically verified by the Management during the year, there is regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. Fixed Assets disposed off during the year were not substantial and therefore do not affect the going concern status of the Company.
- II. In respect of its inventories :
 - a. The inventory has been physically verified during the year by the management. 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 inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory, the discrepancies noticed on verification between the physical stock and the book records were not material.
- III. The Company has neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- V. In respect of the contracts and arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanation given to us :
 - a. The particulars of the contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into the register required to be maintained under that section.
 - b. In our opinion contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are prima facie reasonable, having regard to prevailing market prices at the relevant time where such prices are available.
- VI. In our opinion and according to the information and explanations given to us, the Company has complied with 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.
- VII. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- VIII. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- IX. In respect of Statutory Dues :
 - a. According to the information and explanations given to us and on the basis of the examination of the records of the Company, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Excise Duty, Wealth Tax, Customs Duty, Service Tax, Cess, Investor Education and Protection Fund, Employees' State Insurance, and other statutory dues applicable to it.
 - b. According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Excise Duty, Wealth Tax, Customs Duty, Service Tax, Cess and other applicable statutory dues were in arrears as at 31st March, 2009 for a period of more than six months from the date they become payable.
 - c. According to the information and explanation given to us, following are the details of the disputed Income Tax, Excise Duty dues :-

Income Tax :

- a) For Assessment years 1995-96 to 2000-01 the department reopened the cases and made Arbitrary additions in respective years. The Company went into Appeal in all the cases and they were decided at Income Tax Appellate Tribunal, Lucknow in favour of the Company where the revised assessment orders were quashed and demand raised annulled. Department granted refund and simultaneously has filed appeals with Hon'ble High Court, Allahabad in respective cases, which have not yet been admitted for any of the Assessment years.
- b) For the assessment years 2001-02 a demand of Rs. 39,40,390/- was raised which was fully adjusted with brought forward losses. On certain counts the Company went into appeal, which was decided in favour of the Department. However now the Company has appealed with Hon'ble Allahabad High Court - Lucknow Bench, which has been admitted and is pending for disposal.
- c) For assessment year 2005-06 Arbitrary additions were made and demand of Rs. 22,84,990/- was raised, which was paid and now the Company's appeal is pending at ITAT Lucknow for disposal.
- d) For assessment year 2006-07, arbitrary additions were made and demand of Rs. 14,25,701/- was raised. The Company has filed an appeal against the same before Commissioner of Income Tax (Appeals), Kanpur.

Excise Duty :

In respect of Company's claim with Central Excise authorities regarding wrong classification of product, which was partially settled and the Company was allowed consequential relief in November, 1998, the appeal of the Department against the same was rejected by the CEGAT and contention of the Company was accepted. Now, the department has filed reference, which is pending with the Allahabad High Court.

- X. The Company does not have any accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XI. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or banks.
- XII. The Company has not granted loans and advances on the basis of security by way of pledge of shares, and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- XIV. The Company has maintained proper records of the transactions and contracts, securities and other investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
- XV. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4 (xv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- XVI. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.
- XVII. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have prima facie not been used during the year for long term investments.
- XVIII. The Company has not made any preferential allotment of shares to the companies/firms/parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4 (xviii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- XIX. The Company has not issued any debentures during the year under audit. Accordingly, the provisions of clause 4 (xix) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- XX. The Company has not raised money by way of public issues during the year. Accordingly, the provisions of clause 4 (xx) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- XXI. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such cases by the management.

Place : Kanpur
Date : 28th May, 2009

For PANDEY & CO.
Chartered Accountants
AMIT PANDEY
Partner
Membership No. 402377

THIRTY EIGHTH ANNUAL REPORT

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
a) Capital	1	5,30,62,500	5,30,62,500
b) Reserves & Surplus	2	10,61,62,882	9,12,66,694
Deferred Tax Liability (Net)		1,72,30,679	1,61,79,586
Borrowed Funds			
a) Secured Loans	3	29,12,55,575	25,94,63,852
b) Unsecured Loans	4	2,15,23,493	2,21,58,150
TOTAL		48,92,35,129	44,21,30,782
APPLICATION OF FUNDS			
Fixed Assets			
a) Gross Block	5	35,27,18,081	34,11,87,533
b) Less : Depreciation		9,38,85,270	7,93,48,046
c) Net Block		25,88,32,811	26,18,39,487
Investments	6	28,62,069	28,62,069
Current Assets, Loans & Advances			
a) Inventories	7	12,70,07,090	10,88,96,278
b) Receivables	8	13,91,33,212	11,61,94,479
c) Cash & Bank Balances	9	82,08,901	37,23,358
d) Loans & Advances	10	5,08,73,189	5,40,82,648
		32,52,22,392	28,28,96,763
Less : Current Liabilities & Provisions	11		
a) Current Liabilities		5,68,12,724	7,02,19,183
b) Provisions		4,26,03,772	3,71,27,236
		9,94,16,496	10,73,46,419
Net Current Assets		22,58,05,896	17,55,50,344
Miscellaneous expenditure (To the extent not written off)		17,34,353	18,78,882
TOTAL		48,92,35,129	44,21,30,782
Notes to accounts	19		

Schedules 1 to 11 and 19 form part of the Balance Sheet

As per our report of even date attached

For PANDEY & CO.

Chartered Accountants

AMIT PANDEY

Partner

Membership No. 402377

KANPUR

Dated : 28th May, 2009

For and on behalf of the Board of Directors

M. S. AGARWAL, Executive Chairman

MANOJ AGARWAL, Managing Director

P. K. GOENKA, Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Current Year 2008-2009 Rs.	Previous Year 2007-2008 Rs.
INCOME			
Sales of Products and other Income	12	1,02,38,96,631	80,43,27,200
Less : Excise Duty		3,96,01,328	4,93,77,429
TOTAL		98,42,95,303	75,49,49,771
EXPENDITURE			
Materials Consumed	13	66,46,23,394	49,83,29,885
Trade Tax		89,65,394	91,36,183
Manufacturing Expenses	14	11,48,71,852	8,88,70,163
Personnel Expenses	15	3,94,05,823	3,04,21,592
Administrative Expenses	16	3,28,86,362	2,66,50,030
Selling Expenses	17	5,52,12,516	4,00,52,034
TOTAL		91,59,65,341	69,34,59,887
Operating Profit		6,83,29,962	6,14,89,884
Financial Expenses	18	2,35,72,155	2,11,81,542
Profit Before Depreciation		4,47,57,807	4,03,08,342
Depreciation		1,62,81,233	1,21,72,187
Profit for the year		2,84,76,574	2,81,36,155
Adjustments relating to earlier Year.		15,480	5,661
Profit before Tax		2,84,61,094	2,81,41,816
Less : Provision for Income Tax - Current		82,00,000	32,00,000
- Deferred		10,51,093	63,07,794
- Earlier Year		2,99,020	-
Fringe Benefit Tax - Current		2,70,000	2,82,160
- Earlier Year		19,965	17,067
Net Profit after Tax		1,86,21,016	1,83,34,795
Balance brought forward from Previous Year		5,93,02,690	4,71,75,942
Profit available for appropriation		7,79,23,706	6,55,10,737
Appropriation :			
Dividend on Equity Shares			
(Re. @ 0.60 (previous year -Re. 1.00) per Equity share)		31,83,750	53,06,250
Tax on Dividend		5,41,078	9,01,797
Surplus carried over to Balance Sheet		7,41,98,878	5,93,02,690
Earning per Share (In Rs.)		3.51	3.45

Notes to Accounts 19
Schedules 12 to 18 and 19 form part of the Profit and Loss Account

As per our report of even date attached

For PANDEY & CO.

Chartered Accountants

AMIT PANDEY

Partner

Membership No. 402377

KANPUR

Dated : 28th May, 2009

For and on behalf of the Board of Directors

M. S. AGARWAL, Executive Chairman

MANOJ AGARWAL, Managing Director

P. K. GOENKA, Director

THIRTY EIGHTH ANNUAL REPORT

Schedules annexed to and forming part of the Balance Sheet

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE 1 : SHARE CAPITAL		
a) Authorised Capital		
1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
b) Issued, Subscribed, Called & Paid up Capital		
53,06,250 (53,06,250) Equity Shares of Rs.10/- each fully paid	<u>5,30,62,500</u>	<u>5,30,62,500</u>
	<u>5,30,62,500</u>	<u>5,30,62,500</u>
SCHEDULE 2 : RESERVES & SURPLUS		
a) Share Premium Account	2,06,87,500	2,06,87,500
b) General Reserve	1,12,76,504	1,12,76,504
c) Profit & Loss account	7,41,98,878	5,93,02,690
	<u>10,61,62,882</u>	<u>9,12,66,694</u>
SCHEDULE 3 : SECURED LOANS		
(1) Working Capital Loans from State Bank of India		
(a) Cash Credit (Hypo) & Cash Credit (Book Debts)	11,09,86,289	8,72,02,979
including Foreign Currency Demand Loan		
Rs. 2,07,31,900/- (Previous Year Rs.1,97,56,300/-)		
(Secured by Hypothecation of Raw Materials, Finished Goods, Goods in process, Spares, and Book Debts and mortgage of fixed assets)		
(b) Export Bills Purchase	5,11,92,465	4,13,03,179
(Secured by Export documents)		
(c) Term Loan from State Bank of India [including foreign currency term loan of Rs. 4,80,09,626/- (Previous year Rs. 4,96,25,744/-)]	12,90,76,821	13,09,57,694
(Secured by Mortgage of Fixed Assets)		
	<u>29,12,55,575</u>	<u>25,94,63,852</u>
SCHEDULE 4 : UNSECURED LOANS		
(1) (a) Deposits	1,90,23,493	1,09,97,626
(Including Interest accrued thereon)		
(b) Others (Intercorporates)	25,00,000	1,08,70,518
(2) Hire Purchase (for Vehicles)	-	2,90,006
(Secured by Hypothecation of Vehicle)		
	<u>2,15,23,493</u>	<u>2,21,58,150</u>

SCHEDULE 5 : FIXED ASSETS

Name of Assets	GROSS BLOCK Rs.				DEPRECIATION Rs.				NET BLOCK Rs.	
	Cost as on 01.04.2008	Adjustments/ sales during the year	Additions during the year	Total As at 31.03.2009	Till 31.03.2008	Adjustments during the Year	For the Year	Total up to 31.03.2009	As at 31.03.2009	As at 31.03.2008
	Land (Lease hold)	3,84,67,599	-	20,245	3,84,87,844	5,94,753	-	4,86,589	10,81,342	3,74,06,502
Building	9,38,72,615	-	18,75,692	9,57,48,307	92,58,074	-	30,93,219	1,23,51,293	8,33,97,014	8,46,14,541
Plant & Machinery	18,20,54,837	33,04,000	1,22,45,985	19,09,96,822	5,64,16,986	-	94,78,300	6,58,95,286	12,51,01,536	12,56,37,851
Electric installations	1,04,01,646	-	5,12,638	1,09,14,284	37,10,375	-	5,74,628	42,85,003	66,29,281	66,91,271
Furniture & fixtures	30,36,617	-	3,96,507	34,33,124	19,94,086	-	3,64,771	23,58,857	10,74,267	10,42,531
Office Equipment	79,07,422	23,75,918	9,95,853	65,27,357	40,42,087	12,73,241	16,74,047	44,42,893	20,84,464	38,65,335
Vehicles	54,46,797	5,82,405	17,45,951	66,10,343	33,31,685	4,70,768	6,09,679	34,70,596	31,39,747	21,15,112
TOTAL	34,11,87,533	62,62,323	1,77,92,871	35,27,18,081	7,93,48,046	17,44,009	1,62,81,233	9,38,85,270	25,88,32,811	26,18,39,487
Previous year figures	17,12,72,388	50,480	18,47,06,172	34,11,87,533	8,19,17,986	1,580	1,21,72,187	7,93,48,046	26,18,39,487	8,93,54,402

NOTES :

- 1- Depreciation on Building, Plant & Machinery, Electric Installation has been charged on straight line method, whereas the same has been charged on WDV method on Furniture & Fixtures, Office Equipments & Vehicles as per the rates of Schedule XIV of the Companies Act,1956.
- 2- Plant & Machinery are charged to Depreciation @ 5.28% (continuous process plant).
- 3- Gross Block of Plant & Machinery and Building Includes Rs.55,49,075/-and Rs.2,72,714/- worth of assets respectively,which has been fully depreciated.
- 4- The Company has received Capital Subsidy under Technological Upgradation Fund Scheme of Govt. of India amounting Rs.33,04,000/-.The same has been adjusted against gross value of fixed assets.

THIRTY EIGHTH ANNUAL REPORT

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE 6 : INVESTMENTS		
A. Investment in Shares/Mutual Fund Quoted - Trade - current (Market Value of Quoted Investment Rs. 14,57,673/-)	27,87,264	27,87,264
B. Investment in Property Unquoted		
a) Share in Dalmia Resorts Ltd.	17,250	17,250
b) Share in Shivgarh Resorts Ltd.	57,555	57,555
	<u>28,62,069</u>	<u>28,62,069</u>
SCHEDULE 7 : INVENTORIES		
a) 1. Raw Materials (in hand) (at cost)	4,89,81,360	3,85,53,458
2. Raw Materials (in Transit) (at cost)	1,16,73,412	-
b) Finished Goods and Goods in process (Finished Goods at Lower of cost or realisable value and Goods in Process at Cost)	5,51,26,166	6,04,52,203
c) Jigs and Fixtures	28,96,832	27,57,546
d) Stores, Spares & others (at cost)	83,29,320	71,33,071
	<u>12,70,07,090</u>	<u>10,88,96,278</u>
SCHEDULE 8 : RECEIVABLES		
a) Debts outstanding for a period exceeding 6 months (considered good, Unsecured)	-	-
b) Other debts (considered good, Unsecured) [Including Rs. 1,32,60,513/- of Consignment Stockist Division (previous year Rs. 2,74,98,849)]	13,91,33,212	11,61,94,479
	<u>13,91,33,212</u>	<u>11,61,94,479</u>
SCHEDULE 9 : CASH AND BANK BALANCES		
a) Cash in Hand	4,19,236	70,190
b) Balances with Scheduled Banks :-		
1) In Current Accounts	48,54,465	10,47,968
2) In Margin Money Account	29,35,200	26,05,200
	<u>82,08,901</u>	<u>37,23,358</u>
SCHEDULE 10 : LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
a) Security Deposits with Government & others	54,88,793	72,41,783
b) Advance Income tax paid	2,56,56,554	2,66,93,564
c) Staff Advance	5,34,930	6,99,997
d) Pre-paid Expenses	24,04,428	19,34,812
e) Interest accrued on FDRs & others	8,72,714	7,16,863
f) Advances to Suppliers & Others	1,25,18,184	95,07,286
g) Excise Duty /Service Tax Recoverable	33,97,586	72,88,343
	<u>5,08,73,189</u>	<u>5,40,82,648</u>
SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
a) Sundry Creditors [including Rs. 85,73,469/- of Consignment Stockist Division (previous year Rs. 1,63,92,737)]	4,49,67,342	6,14,77,236
b) Outstanding Liabilities	1,18,45,382	87,41,947
Provisions		
a) Provision for Gratuity	1,50,63,406	1,27,28,411
b) Provision for Leave wages	11,82,103	7,12,834
c) Provision for Excise Duty	2,08,435	5,27,944
d) Provision for Taxation	2,24,25,000	1,69,50,000
e) Provision for Dividend	31,83,750	53,06,250
f) Provision for Tax on Dividend	5,41,078	9,01,797
	<u>9,94,16,496</u>	<u>10,73,46,419</u>

Schedules annexed to and forming part of the Profit & Loss Account

	Current Year 2008-2009 Rs.	Previous Year 2007-2008 Rs.
SCHEDULE 12		
(A) SALES		
Plastic Products (Indigenous)	32,29,37,830	27,26,11,393
Plastic Products (Export)	70,98,42,446	49,02,58,866
Others	1,46,43,433	1,27,46,170
Trade Tax /VAT Collected on Sales	89,65,394	91,36,183
Export Incentive	4,50,702	1,13,62,914
Profit/Loss on forward foreign exchange export contracts	- 3,90,73,305	5,08,656
	1,01,77,66,500	79,66,24,182
(B) OTHER INCOME		
Miscellaneous Receipts	5,40,665	17,90,213
Sale of Scraps	19,14,423	16,35,861
Profit on sale of assets	-	1,81,100
Processing Charges	4,32,000	-
Commission (on Consignment Stock Sales)	32,43,043	40,95,844
	61,30,131	77,03,018
	1,02,38,96,631	80,43,27,200
SCHEDULE 13 : CONSUMPTION OF MATERIALS		
Opening Stock :		
Raw Materials	3,85,53,458	4,70,74,170
Goods in Process & Finished Goods	6,04,52,203	3,23,12,748
Add : Purchase of Raw Materials	66,97,25,259	51,79,48,628
	76,87,30,920	59,73,35,546
Less : Closing Stock :		
Raw Materials	4,89,81,360	3,85,53,458
Goods in Process & Finished Goods	5,51,26,166	6,04,52,203
Materials Consumed	66,46,23,394	49,83,29,885
SCHEDULE 14 : MANUFACTURING EXPENSES		
Stores & Spare parts Consumed	1,62,87,538	1,24,99,170
Jigs and Fixtures	7,24,208	6,89,386
Machinery Repairs	14,69,887	10,61,202
Manufacturing Expenses	4,56,82,017	3,74,60,669
Power & Fuel Consumed	4,85,26,830	3,57,21,174
Carriage Inward	21,81,372	14,38,562
	11,48,71,852	8,88,70,163
SCHEDULE 15 : PERSONNEL EXPENSES		
Wages, Salary & Bonus	3,02,52,396	2,42,26,203
Labour & Staff Welfare	22,83,798	12,55,241
Contribution to PF, ESI	37,71,051	31,19,689
Gratuity	30,98,578	18,20,459
	3,94,05,823	3,04,21,592

THIRTY EIGHTH ANNUAL REPORT

	Current Year 2008-2009 Rs.	Previous Year 2007-2008 Rs.
SCHEDULE 16 : ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	15,47,511	13,80,468
Directors' Travelling (Incl. Foreign Travel)	16,34,984	13,87,782
Printing and Stationery	7,64,271	7,06,241
Directors' Remuneration	91,17,955	73,41,500
Vehicle Maintenance	10,48,322	8,22,724
Rent	7,45,169	13,81,660
Rates & Taxes	11,93,153	7,26,811
Communication Expenses	19,54,885	17,27,016
Auditors' Remuneration		
Audit Fees	60,000	40,000
Tax Audit Fees	20,000	20,000
Out of Pocket Expenses	8,000	8,000
Subscription and Memberships	2,07,989	2,03,667
Insurance Expenses	38,59,493	30,70,791
Miscellaneous Expenses	8,55,128	4,72,109
Legal & Professional Expenses	23,37,533	14,43,885
Repairs and Maintenance (Building)	6,96,862	16,88,369
Sundry Repairs	12,39,957	5,63,317
Directors' Sitting Fees	43,000	22,000
Bank charges	45,36,741	34,90,111
Foreign Exchange fluctuation	8,22,587	-
Right Issue Expenses written off	1,44,529	1,44,529
Loss on sale of assets	26,539	-
Wealth tax	18,554	-
Banking Transaction Tax	3,200	9,050
	<u>3,28,86,362</u>	<u>2,66,50,030</u>
SCHEDULE 17: SELLING EXPENSES		
Advertisement	3,83,559	4,42,227
Sales Promotion	3,26,121	2,96,044
Carriage Outward (Incl. Sea Freight)	5,06,88,412	3,63,99,899
Commission on Sales	15,11,767	16,12,441
Loading & Unloading	14,23,227	7,93,853
Rejection & Shortage on Sales	8,79,430	5,07,570
	<u>5,52,12,516</u>	<u>4,00,52,034</u>
SCHEDULE 18 : FINANCIAL EXPENSES		
Interest to Bank & others	2,18,41,502	1,88,02,638
Interest on Deposits	17,30,653	23,78,904
	<u>2,35,72,155</u>	<u>2,11,81,542</u>

SCHEDULE 19 : NOTES TO ACCOUNTS

Annexure to and forming part of the Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date :

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES**

The accounts are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by The Institute of Chartered Accountants of India. The significant accounting policies are as follows :

1. Fixed Assets :

Fixed Assets are valued at cost.

2. Depreciation has been provided on straight line method on building, plant & machinery, electric installations and on written down value method on other assets, as per Schedule XIV of the Companies Act, 1956. Further, depreciation on assets, whose actual cost does not exceed Rs. 5000/- has been provided @ 100%.
3. The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction, if any, is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

4. Valuation of Inventory :

The raw materials, stores and spares and goods-in-process are valued at cost net of Cenvat credit, and finished goods are valued at cost or net realizable value, whichever is lower. The cost is computed on FIFO basis and comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

5. Research & Development :

The Company does not have separate research & development department. The Company has not made any specific expenditure on this head.

6. Foreign Currency Transactions :

Current assets and current liabilities relating to foreign currency transactions are normally recorded at the exchange rate prevailing at the time of transaction. Profit or Loss on outstanding foreign currency contracts has been accounted for at the exchange rate prevailing at the close of the year.

7. Contingent Liabilities :

Contingent Liabilities as shown in the notes to accounts, may affect the future profitability to the extent it materialises for payment.

8. Investments :

All investments are valued at cost price.

9. Recognition of Income / Expenditure :

All revenues / income are accounted for on accrual basis.

10. Borrowing Cost :

Borrowing cost directly attributable to the acquisition, construction or production of a fixed assets has been capitalized as part of the cost of that asset. Funds borrowed generally and used for the purpose of obtaining of fixed assets, the amount of borrowing cost eligible for capitalization has been determined by applying capitalization ratio to the total cost incurred on fixed assets.

THIRTY EIGHTH ANNUAL REPORT

NOTES TO ACCOUNTS

	2008-09	Increase/ Decrease during the year	(Rs. in Lacs) 2007-08
1. Contingent Liabilities in respect of :			
a) Counter Guarantees given to Bank for issue of performance guarantees by Bank	286.88	49.76	237.12
b) Foreign bills discounted by the bank under Letter of Credit	136.62	(51.86)	188.48
c) Legal Undertakings submitted to Customs & DGFT under Duty Exemption Scheme for import of raw materials against which all exports have been completed and Advance Licences are under redemption.	3579.48	2134.74	1444.74
d) Labour cases pending with Labour Courts/High Court.	1.90	-	1.90
2. Remuneration to Whole-time Directors :			(Rs. in Lacs)
a) Salaries	66.59		55.65
b) Contribution to P.F.	6.58		4.96
c) Value of perquisites	18.01		12.81
	<u>91.18</u>		<u>73.42</u>
3. In respect of the Company's claim with Central Excise Authorities regarding wrong classification of product, which was partially settled and the Company was allowed consequential relief in November 1998, the appeal of the Department against the same was rejected by the CEGAT and contention of the Company was accepted. The Departmental reference filed with Hon'ble Allahabad High Court is still pending.			
4. Regarding Income Tax matters :			
a) For Assessment Years 1995-96 to 2000-01, the department reopened the cases and made Arbitrary additions in respective years. The Company went into Appeal in all the cases and they were decided at Income Tax Appellate Tribunal, Lucknow in favour of the Company, where the revised assessment orders were quashed and demand raised annulled. Department granted refund and simultaneously has filed appeals with Hon'ble High Court, Allahabad in respective cases, which have not yet been admitted for any of the Assessment years.			
b) For the assessment years 2001-02, a demand of Rs 39,40,390/- was raised which was fully adjusted with brought forward losses. On certain counts, the Company went into appeal, which was decided in favour of the Department. However, now the Company has appealed with Hon'ble Allahabad High Court, Lucknow Bench, which has been admitted and is pending for disposal.			
c) For Assessment year 2005-06, Arbitrary additions were made and demand of Rs 22,84,990/- was raised, which was paid and now the Company's appeal is pending at ITAT Lucknow for disposal.			
d) For assessment year 2006-07, arbitrary additions were made and demand of Rs 14,25,701/- was raised. The Company has filed an appeal against the same before Commissioner of Income Tax (Appeals), Kanpur.			
In view of above facts, the Management feels that there shall not be any additional financial liabilities on the Company in all the above cases.			
5. The previous year's figures have been regrouped / rearranged, wherever necessary to make them comparable with those of the current year. Figures in bracket indicate previous year's figures.			
6. Depreciation includes an impairment loss of computer software of Rs 3,49,200/- as required under Accounting Standard - 28.			
7. The provision for gratuity has been calculated in accordance with the provisions of the Payment of Gratuity Act, 1972. The provision has been made only for those employees, who have completed five years of service with the Company.			
8. The amount of foreign exchange fluctuation amounting to Rs.8,22,587/- (debit) has been included in Administrative Expenses.			
9. Sundry Creditors includes Rs. 2.43 Lacs (Previous year Rs. 1.05 lacs) due to Small Scale Industrial Undertakings and Rs. 447.24 Lacs (previous year Rs. 613.72 lacs) due to other creditors. The disclosure is based on the information available with the Company regarding the status of the suppliers. There are no sundry creditors, whose dues are outstanding for more than 30 days and exceeding Rs. 1.00 lac.			

KANPUR PLASTIPACK LIMITED

10. Excise duty includes excise rebate on export sales amounting to Rs. 28.41 Lacs (Previous Year Rs. 93.29 Lacs).
 11. The assets and liabilities as mentioned in the Balance Sheet includes the following amount as related to Consignment Stockist Division of the Company:

	31.03.2009	31.03.2008
	Rs.	Rs.
(i) Fixed assets	43,007	43,007
Less: depreciation	26,309	23,393
Net block	16,698	19,614
(ii) Receivables	1,32,60,513	2,74,98,849
(iii) Cash & Bank Balances	38,09,212	4,30,110
(iv) Loans & Advances	16,33,094	19,11,538
(v) Reserves & Surplus	1,00,82,412	92,13,090
(vi) Current Liabilities		
(a) Sundry Creditors	85,73,469	1,63,92,737
(b) Outstanding Liabilities	63,636	70,798

12. Lease hold land has been amortised as per requirement of Accounting Standard-19.
 13. 1/5th Provision (2nd Instalment) for leave encashment has been made.
 14. Intangible assets as per Accounting Standard – 26 include computer software depreciated @ 40%. The gross value and accumulated depreciation thereon are Rs 4.75 lacs and Rs 4.14 lacs respectively.
 15. A sum of Rs. 3,90,73,305/- on account of losses in foreign exchange transactions made for export sales has been debited to sales account and thus the overall sales have been reduced by that amount.
 16. The Company has taken a Foreign Currency Demand loan of USD 4,90,000 against working capital limits, wherein as per accounting Standard 11, there is a negative exchange difference resulting into a notional loss of Rs 42.58 lacs as on 31.03.2009, which has not been provided for in the Profit & Loss Account. Further, as against outstanding Foreign Currency Term Loan of USD 10,94,048 taken for fixed assets, there is a negative exchange difference of Rs 74.18 lacs resulting into notional increase in the term liability of the company by the similar amount.
 17. The Company has been registered as a 'Technical Textile Unit' by Ministry of Textiles vide registration no 19101004. Consequently, interest reimbursement and capital subsidy under Technology Upgradation Fund Scheme of Government of India has been availed.

18. Deferred Tax :

In accordance with Accounting Standard (AS – 22) on Accounting for Taxes on Income as issued by The Institute of Chartered Accountants of India, the Company has provided for deferred tax liability resulting from timing differences between book and taxable profit using the rates and the laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable/virtual certainty that the asset will be realised in future. The details are given hereunder :

Nature of Timing Difference	Deferred Tax Asset/(Liability) As on 01.04.2008	Current year (Charges)/Credit	Deferred Tax Asset/(Liability) as on 31.03.2009
	Rs.	Rs.	Rs.
Depreciation	(2,07,87,056)	(27,11,032)	(2,34,98,088)
Disallowances u/s 43B	46,07,470	16,59,939	62,67,409
Others	-	-	-
	(1,61,79,586)	(10,51,093)	(1,72,30,679)

19. Earning per Share :

Net Profit after Tax Rs. 186.21 Lacs (Previous Year Rs. 183.35 lacs) (as per Profit/Loss account)	
Weighted Average number of fully Paid up Equity Shares of Rs. 10/- Each	53,06,250 Equity shares (Previous Year 53,06,250 Equity Shares)
Earning per Share	Rs. 3.51 (Previous Year Rs. 3.45)

THIRTY EIGHTH ANNUAL REPORT

20. Licenced & Installed Capacity, Production & Sales :

	Unit	Licenced	Installed	Production	Sales
Fabric & Sacks	MT	Not Applicable	10,000* (10,000)	8677.2** (7222.1)	8691.6*** (6,877.0)

* The capacity is for producing un laminated fabric.

** Includes LDPE & others for finished goods.

*** It does not include Trading Sales 24.75 MT (Previous year NIL)

21. (a) Opening Stock of GIP & Finished Goods :

	As at 01.04.2008	As at 01.04.2007
i) Plastic products Qty. (MT)	753.40	408.30
Value (Rs. in lacs)	598.04	318.07
ii) Others (Rs. in Lacs)	6.48	5.06

(b) Closing Stock of GIP & Finished Goods :

	As at 31.3.2009	As at 31.3.2008
i) Plastic products Qty. (MT)	739.00	753.40
Value (Rs. in Lacs)	546.01	598.04
ii) Others (Rs. in Lacs)	5.25	6.48

22. Raw Material Consumed :

	2008-09			2007-08	
	Unit	Qty.	Value Rs. in Lacs	Qty.	Value Rs. in Lacs
Plastic Granules	MT	8948.5	5667.64	7522.00	4442.71
Others		695.5	925.33	654.00	821.98
		<u>9644.0</u>	<u>6592.97</u>	<u>8176.00</u>	<u>5264.69</u>

23. Value of Imported & Indigenous Raw Materials, Stores & Spares consumed :

	2008-09		2007-08	
	Value Rs. in Lacs	% of Total Consumption	Value Rs. in Lacs	% of Total Consumption
a) Stores & Spares – Imported	1.43	0.88	0.00	0.00
– Indigenous	161.45	99.12	124.99	100.00
	<u>162.88</u>	<u>100.00</u>	<u>124.99</u>	<u>100.00</u>
b) Raw Materials – Imported	1107.02	16.79	877.46	16.67
– Indigenous*	5485.95	83.21	4387.23	83.33
	<u>6592.97</u>	<u>100.00</u>	<u>5264.69</u>	<u>100.00</u>

*(includes materials purchased under Advance Authorization Scheme)

24. Value of Imports on CIF Basis :

	2008-09 Rs. in Lacs	2007-08 Rs. in Lacs
a) Raw Material	1134.93	866.98
b) Stores & Spares	1.13	0.00

25. Expenditure in Foreign Currency on :

a) Travel	5.03	6.01
b) Others	51.32	30.20

26. Earnings in Foreign Currency on FOB basis :

Export of Goods	6857.78	4692.67
-----------------	---------	---------

27. Related Party Disclosures :

The Company's related party transactions during the year and outstanding balances as on 31.03.2009 are as under :

Details of Associate Companies

1. KSM Exports Ltd.	— Associate Company
2. MSA Investment & Trading Co. Pvt. Ltd.	— Associate Company
3. KPL Packaging Pvt. Ltd.	— Associate Company

Details of Transactions

Nature	Associate Companies	Key Management Personnel & their relatives
Remuneration	—	91.18
Interest on Deposits	3.12	13.06
Sale/Purchase to KSM Exports Ltd.	19.22	—
Outstanding Deposits	25.00	178.00
Rent paid	4.00	0.96
Rent received	0.36	—

28. Segment Information :

A. Information about Primary Segments :

(Rs. in Lacs)

Particulars	Manufacturing Operations	Consignment Stockist Operations	Total
1. Segment Revenue	10205.39	33.58	10238.97
<i>Less</i> : Inter Segment Revenue	—	—	—
Net Sales/Income from Operations	10205.39	33.58	10238.97
2. Segment Results (Profit Before Tax and Interest)	511.15	9.34	520.49
<i>Less</i> : Unallocated Interest & Finance Charges	—	—	235.73
<i>Add</i> : Other Unallocable income	—	—	0.15
Net of unallocable expenditure	—	—	—
Total Profit before tax	—	—	284.61
3. Capital Employed	1663.74	100.82	1764.56
(Segment Assets - Segment Liabilities)			

B. Information about Secondary Segments :

1. Revenue from Geographical Markets	
India	3526.77
Overseas	6712.20
Total	10238.97

Note : The Company has common fixed assets for producing goods for Domestic market and Export market. Hence separate figures for capital employed are not possible to be furnished.

THIRTY EIGHTH ANNUAL REPORT

29. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No.	20-03444
State Code	20
Balance Sheet Date	31 st March, 2009

II. Capital raised during the year :

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Rs. in Lacs) :

Total Liabilities	4892.35	Total Assets	4892.35
Sources of Funds		Application of Funds	
Paid up Capital	530.62	Net Fixed Assets	2588.33
Reserves & Surplus	1061.63	Net Current Assets	2258.06
Deferred Tax Liability	172.31	Investment	28.62
Secured Loans	2912.56	Miscellaneous Exp.	17.34
Unsecured Loans	215.23	(Not Written Off)	

IV. Performance of the Company :

	<i>(Rs. in lacs)</i>
Turnover (including other Income)	10238.97
Total Expenditure	10017.40
Adjustment relating to earlier year	63.04
Profit before Tax	284.61
Profit after Tax (for the year)	186.21
Earning Per Share	3.51
Dividend Rate	6%

V. Generic Names of Three Principal products of the Company (As per monetary terms) :

Item Code No. (I.T.C. Code)	(392690.09)
Product Description	Woven Fabric of Ethylene (Laminated/Coated)
Item Code No. (I.T.C. Code)	(392321.00)
Product Description	Sacks & Bags of Ethylene (Laminated/Coated and/or printed)
Item Code No. (I.T.C. Code)	(392329.00)
Product Description	Sacks & Bags of polypropylene (Laminated/Coated and /or Printed)
Item Code No. (I.T.C. Code)	(630532.00)
Product Description	Flexible Intermediate Bulk Containers (FIBCs)

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

(Pursuant to Clause 32 of the Listing Agreement with the Stock Exchange)

	For the year ended 31 st March, 2009 Rs. in Lacs	For the year ended 31 st March, 2008 Rs. in Lacs
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extraordinary items but after earlier year expenses	284.61	281.36
Adjustments for :		
Depreciation	162.81	121.72
Miscellaneous Expenditure	1.45	-18.79
Investments	-	-
Interest	235.73	211.82
Operating Profit before working capital changes	684.60	596.11
Adjustments for :		
Trade and Other Receivables	-197.29	-485.44
Inventories	-181.11	-222.72
Trade Payables	-79.30	453.77
Cash Generated from operations	226.90	341.72
Interest	-235.73	-211.82
Income Tax (excl. Deferred Tax)	-87.89	-34.99
Cash Flow before extraordinary items	-96.72	94.91
Extraordinary Items		
Net cash from operating activities	-96.72	94.91
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-177.92	-1847.06
Capital Work-in-progress	-	686.08
Sale of / Capital Subsidy on Fixed Assets	45.18	0.48
Acquisition of Companies	-	-
Purchase of Investments	-	-27.44
Sale of Investments	-	-
Interest Received	-	-
Dividend Received	-	0.03
Net Cash used in Investing activities	-132.74	-1187.91

THIRTY EIGHTH ANNUAL REPORT

	For the year ended 31 st March, 2009 Rs. in Lacs	For the year ended 31 st March, 2008 Rs. in Lacs
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital	—	353.76
Proceeds from Long Term Borrowings	—	—
a) Secured (Bank / Institutions)	317.91	924.86
b) Unsecured	-6.35	-151.40
Dividend Paid / Proposed (incl. Dividend Tax)	-37.25	-62.08
Net Cash used in Financing Activities	274.31	1065.14
NET INCREASE IN CASH AND CASH EQUIVALENTS	44.85	-27.86
Cash and Cash Equivalents as at 31.03.2008 (Opening Balance)	37.23	65.09
Cash and Cash Equivalents as at 31.03.2009 (Closing Balance)	82.08	37.23

As per our report of even date attached

For PANDEY & CO.

Chartered Accountants

AMIT PANDEY

Partner

Membership No. 402377

KANPUR

Dated : 28th May, 2009

For and on behalf of the Board of Directors

M. S. AGARWAL, *Executive Chairman*

MANOJ AGARWAL, *Managing Director*

P. K. GOENKA, *Director*

AUDITORS' CERTIFICATE

The Board of Directors,
Kanpur Plastipack Limited,
D-19-20, Panki Industrial Area,
KANPUR-208 022.

We have examined the attached Cash Flow Statement of Kanpur Plastipack Limited for the year ended 31st March, 2009. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchanges and is based on an agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 28th May, 2009 to the Members of the Company.

Kanpur
28th May, 2009

For PANDEY & CO.
Chartered Accountants
AMIT PANDEY
Partner
Membership No. 402377

KANPUR PLASTIPACK LIMITED

ATTENDANCE SLIP

Regd. Office :

D-19-20, Panki Industrial Area, Kanpur-208 022

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

(Joint Shareholders may obtain additional Attendance Slip on request)

I hereby record my presence at the 38th Annual General Meeting of the Company at 12:00 Noon held on Monday, the 7th day of September, 2009

NAME OF THE SHAREHOLDER : (IN BLOCK LETTERS)	NO. OF SHARES HELD
SIGNATURE OF THE SHAREHOLDER :	Folio No.
NAME OF THE PROXY : (IN BLOCK LETTERS)	DP ID
SIGNATURE OF THE PROXY	Client ID

(TEAR HERE)

FORM OF PROXY

KANPUR PLASTIPACK LIMITED

Regd. Office :

D-19-20, Panki Industrial Area, Kanpur-208 022

I/We
of being a member/members of KANPUR PLASTIPACK LIMITED
hereby appoint
of or failing him
of as my/our proxy to attend and vote for me/us and on my/our behalf
at the 38th Annual General Meeting of the Company to be held on Monday, the 7th day of September, 2009 at 12:00 Noon
and at any adjournment thereof.

Signed this day of 2009

Signed by the said

Please
affix
Re. 1/-
Revenue
Stamp

DP ID	Folio No.
Client ID	No. of Shares held :

Note : The form of proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

BOOK - POST

If undelivered, please return to :

KANPUR PLASTIPACK LTD.

D-19-20, Panki Industrial Area,

P. O. Udyog Nagar,

Kanpur-208 022

INDIA

SOLAR PRESS ☎ 0512-2534799