

**BOARD OF DIRECTORS**

Mr. H. B. Patel - **Chairman**  
Mrs. Smita Patel - **Whole-Time Director**  
Mr. P. J. Patel - **Director**  
Mr. A. N. Nopany - **Director**

**COMPANY SECRETARY**

Mr. Vasant Goray

**AUDITORS**

Alladi Krishnan & Kumar  
4, Marshal Mogal Lane,  
Mahim, Mumbai - 400 016.

**BANKERS**

Canara Bank,  
Tamarind Lane Branch,  
Calcot House, Fort,  
Mumbai - 400 023.

**REGISTRAR AND TRANSFER AGENTS**

Adroit Corporate Services Pvt. Ltd.,  
19/20, Jaferbhoy Industrial Estate,  
1<sup>st</sup> Floor, Makwana Road,  
Marol Naka, Andheri (E),  
Mumbai – 400 059.

**REGISTERED OFFICE**

612, Veena Killedar Industrial Estate,  
10/14, Pais Street, Byculla (W),  
Mumbai – 400 011.

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**WORKS**

Survey No. 381, Causeway Road  
Village Kachigam, Taluka Daman  
Union Territory of Daman & Diu.

Plot No.277/3/3,  
Dadra Demni Road  
U.T. Of Dadra & Nagar Haveli



**NOTICE**

Notice is hereby given that the 26th Annual General Meeting of Rishi Packers Limited will be held on Tuesday, the 14th day of September, 2010 at 11.30 a.m. at Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai - 400020 to transact the following business:

**As ordinary Business**

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pranav Patel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**As Special Business**

4. To consider and if thought fit, to pass with or without modifications the following Resolution as a Special Resolution.

Resolved that pursuant to the Provisions of sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the Re-appointment of Mrs. Smita Patel as Whole - Time Director of the Company, for a period of Three Years from 1st of October, 2010, on remuneration and Perquisites and other terms and conditions not exceeding the maximum limits specified in Schedule XIII as set out in the Draft of the Agreement to be entered into between the Company and Mrs. Smita Patel, placed before this Meeting and initialed by the Chairman for identification and the Board of Directors be and is hereby authorised, with the acceptance of Mrs. Smita Patel and with the consent of Central Govt., or any other authorities, where necessary, to vary or increase or enhance the Scope of the Remuneration or Perquisites as and when deem fit.

Resolved Further that the Secretary be and is hereby authorised to do all such Acts, Deeds, Matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

Resolved Further that in the event of loss or inadequacy of profits Mrs.Smita Patel be paid Remuneration to the extend provided in Schedule XIII.

**Registered Office:**

612, Veena Killedar Industrial Estate,  
10-14, Pais Street, Byculla (W), Mumbai - 400011

**By Order of the Board**

**Vasant Goray**  
**Company Secretary**

Dated : 29th May, 2010

**NOTES**

- A. 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.
- B. Register of Members and Share Transfer Books of the Company will remain closed from 7th September to 14th September 2010 (both days inclusive).
- C. Re-appointment of Director  
Mr. Pranav Patel, aged 41 years is a commerce graduate with over 20 years business experience. He has been acting as Director since September, 2002. He retires by rotation and is eligible for reappointment. He is presently the Managing Director of M. P. Dychem Industries Pvt. Ltd. He holds 1767 shares in the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956**

**Item No. 4**

Mrs. Smita Patel Aged 47 years was appointed as Whole-Time Director of the Company with effect from 1st October, 2007. Mrs. Smita Patel is a graduate and has been associated with the development of Shade Nets. She has over Nine years experience in this field.

Rishi Packers is engaged in the manufacture of Woven Sacks and Shade Nets. The Manufacturing unit of the Company is situated at Union Territory of Daman. The performance of the Company in the last two years suffered due to the recessionary conditions. Besides, the cost of raw materials went up in the last year which affected profitability. However, the company has not suffered any cash Losses. Steps are being taken by the Directors to improve the working in the current year.

The terms and conditions of her appointment are set out in the Agreement to be entered into between the Company and the Whole-Time Director. The draft Agreement contains interalia, the following terms and conditions

1. Period	Three years with effect from 1 <sup>st</sup> October, 2010.
2. Remuneration	
salary per month	Not exceeding Rs.1,50,000/- to be decided by the Board.
Commission	Not exceeding 1% of Net profits.
Perquisites	Perquisites will be limited to an amount equal to salary.
Housing	House rent allowance up to 50% of salary. In case of rented accommodation, rent up to 50% of Salary will be paid to the Managerial Person.
Expenses on Gas Electricity, water and Furnishing	Not exceeding 10% of salary (valued as per Income Tax Rules).
Leave	One month for every eleven months of service. Leave accumulated and not availed can be encashed at the end of each year or at the end of tenure.
Medical Reimbursement	Reimbursement of expenses incurred for self and family.
Leave travel concession	Plane fare for self and family once in a year to any Place within the country.
Personal Accident Insurance	Personal Accident Insurance for an amount, the Annual premium of which does not exceed Rs.10000/-.
Provident Fund	a) Company's contribution towards PF-not exceeding 12% of salary b) Company's contribution towards Superannuation fund as per the rules of the Company.
Gratuity	One months' salary for each completed year of service.



## RISHI PACKERS LIMITED

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Car	Free use of Company maintained car with chauffeur
Telephone	Free Mobile phone and basic telephone facility at home.
Performance Bonus	As may be decided by the Board based on the performance but not exceeding an amount equal to salary.

Family means the Spouse, the dependent children and dependent parents of the Managerial person.

Contribution towards PF, Gratuity and Superannuation fund will not be included in the Computation of ceiling on perquisites to the extent these either singly or taken together are not taxable under the Income Tax Act.

- 3) The Special Resolutions contained in item no. 4 of the Notice seeks to approve the Re-appointment of Whole-Time Director on remuneration and terms set out in the draft of the proposed Agreement between the Company and the Whole - Time Director, a copy of which will be available for inspection at the registered office of the Company on any working day up to the date of Annual General Meeting between 11.00 a.m. and 1.00 p.m excluding Saturdays, Sundays and Holidays.
- 4) The above shall be treated as abstract of the draft Agreement between the Company and the Whole –Time Director pursuant to Section 302 of the Companies Act, 1956.
- 5) In case of absence or inadequacy of profits in any financial year, the remuneration stated above subject to limits specified in Schedule XIII will be paid as Minimum Remuneration to the Whole-Time Director.

The Board recommends her appointment. No Director other than Mr. Harshad Patel and Mrs. Smita Patel is interested in the Resolution.

**Registered Office :-**

612, Veena Killedar Industrial estate,  
10-14, Pais Street , Byculla (W),  
Mumbai 400011.

**By Order of the Board  
For Rishi Packers Ltd.**

**Vasant Goray  
Company Secretary**

Dated 29th May 2010

**DIRECTORS' REPORT****FINANCIAL RESULTS :**

	Rs. in Lacs	
	2009-10	2008-09
Total Income	2242.53	2123.31
Earning before Interest & Depreciation	264.48	265.59
Interest	151.52	160.71
Depreciation	141.95	142.36
Profit before Tax	(28.99)	(37.48)
Provision for Tax	--	1.37
Profit after Tax	(28.99)	(38.85)

**OPERATING RESULTS**

During the year the turnover of the Company went up from 2123.31 Lacs to Rs. 2242.53 Lacs, showing an increase of 5.6% over previous year. However, the EBIDT is lower than that in the previous year mainly on account of higher material consumption cost. After providing for Rs. 151.52 Lacs towards interest and Rs. 141.95 Lacs towards Depreciation, the operations of the Company resulted in a loss of Rs. 28.99 Lacs as compared to a Loss of Rs. 37.48 Lacs suffered in the previous year.

**DIVIDEND**

In view of inadequacy of profits, the Directors regret their inability to declare dividend.

**CURRENT YEAR**

The Sales during the period upto the date of this Report are Rs. 321 Lacs as compared to Rs. 367 Lacs in the same period in the previous year.

**INSURANCE**

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

**FIXED DEPOSITS**

During the period under report, the Company has Renewed Fixed Deposits amounting to Rs.11.84 Lacs. The total deposits outstanding at the end of the year amounts to Rs. 64.01 Lacs.

**DIRECTORS**

Mr. Pranav Patel retires by rotation and being eligible, offers himself for re-appointment.

**DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors hereby Report:

- A. That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.
- B. That the Directors have selected such Accounting policies and applied them Consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at March 31, 2010 and of Profit and Loss account for the year ended March 31, 2010.



- C. That the Directors have 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.
- D. That the Directors have prepared the Accounts on a going concern basis.

#### **PARTICULARS OF EMPLOYEES**

During the year under Report, no employee has drawn remuneration in excess of the limits laid down under Section 217 (2A) of the Companies Act, 1956.

#### **THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

The information required to be disclosed is set out in Annexure.

#### **AUDITORS**

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment. The Company has obtained the requisite certificate required under section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

#### **APPRECIATIONS**

The Directors place on record their appreciation of the efficient and loyal services rendered by the Staff and workmen as also help and guidance received from Canara Bank.

Place : Mumbai  
Date : 29.05.2010

**By Order of the Board**  
**Harshad B. Patel**  
**Chairman**

#### **ANNEXURE**

#### **THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1988)**

##### **(A) CONSERVATION OF ENERGY**

The Company has installed a Monolayer Blown Film Line which is operationally faster than the existing machines and consumes less power and generates less wastage. The form 'A' prescribed under the rules is not applicable to the Company.

##### **(B) TECHNOLOGY ABSORPTION**

The company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for R&D. The Company has installed new Machines as well as modified existing machines to improve the quality of its products.

##### **TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION**

The Company has not imported any Technology.

##### **(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The earning in foreign exchange on Export of bags and fabrics amounts to Rs.469.23 Lacs. Expenditure in foreign currency on account of Travelling Rs.1.74 Lacs and on account of import of Raw Materials Rs.6.53 Lacs.

## CORPORATE GOVERNANCE REPORT

### STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance aims at attaining the highest level of Professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders. The Company has fully complied with the requirements of Corporate Governance under the revised clause 49 of the listing agreement.

### BOARD OF DIRECTORS (As on 31.03.2010)

The Company has four Directors. There is no Nominee Director on the Board. There are two Promoter Directors and two independent Directors on the Board.

No Director of the Company is either member of more than ten committees and/ or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect has been received by the Company from all the Directors.

During the year, in all Six Board Meetings were held i.e. on 23rd April, 2009; on 4th May, 2009; 30th June, 2009; on 24th July, 2009; on 30th October, 2009 and on 28th January, 2010. The time gap between any two meetings was not more than 4 months.

The details of Directors and their attendance record at Board Meetings held during the year, at last Annual General Meeting & number of other directorships and chairmanships/memberships of committees is given below

Name	Category	Other director Ships in public Co's	Committee Memberships/ Chairmanships (including RPL)#	Attendance At Board Meetings	Attendance atAGM	Share holding of Non executive Directors
Mr. H.B.Patel	Promoter/ Executive	1	2	6	Yes	N.A.
Mr. A.N.Nopany	Non-Promoter/Independent	Nil	3	1	No	Nil
Mr. P.J.Patel	Non-Promoter/Independent	2	3	6	No	1767
Mrs. Smita Patel	Promoter/ Executive	1	Nil	6	Yes	N.A.

# While considering the memberships/chairmanships only Audit Committee and Shareholders and Investor Grievance Committee are considered.

### Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company [www.rishipac.com](http://www.rishipac.com).

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2010. Declaration to this effect signed by the Whole Time Director of the Company for the year ended on March 31, 2010 has been included elsewhere in this report.

### COMMITTEES

#### 1) Remuneration Committee

Remuneration Committee approves the remuneration payable to the Whole-Time Director and senior executives.

The Whole Time Director is paid remuneration. Other Directors are paid sitting fees of Rs. 500/ per Board Meeting.



**Whole Time Directors Remuneration**

Period	Three years from 1.10.2007
Salary	Not Exceeding Rs. 90,000 per month
HRA	50% of salary per month

Besides the above, the Whole-Time Director is entitled to perquisites such as PF, Gratuity, Medical, LTA, Telephone, Car, Accident Insurance.

Total Remuneration received by the Whole Time Director during the year 2009-10 amounts to Rs.11.51 lacs.

**2) Audit Committee**

The Audit Committee consists of three Directors, Mr.P.J.Patel, Mr. Arvind N. Nopany and Mr.Harshad Patel out of which two are independent Directors.

The terms of reference to the Committee broadly are as under

1. Reviewing the quarterly and annual financial statements before submission to the Board.
2. Recommending to the Board the appointment, reappointment of the statutory auditors and fixing their remuneration.
3. Reviewing the internal control system and internal audit function.
4. Discussing with internal auditors failure in internal control system and recommending measures for improvement.
5. Discussing with statutory auditors about the nature and scope of audit and post audit discussions on any area of concern.
6. To look into any defaults in payment to depositors, shareholders and creditors.

The Committee met on 30.6.2009 to consider the Annual Accounts for the year ended 31.3.2009, on 23.7.2009 to consider quarterly unaudited results for the quarter ended 30.6.2009, on 29.10.2009 to consider the half yearly results for the half year ended 30.9.2009 and on 28.1.2010 to consider the Nine months unaudited results for the period ended 31.12.2009.

**3) Shareholders/ Investors Grievance Committee**

The Committee consists of two independent Directors, Mr.Arvind N. Nopany and Mr. Pranav Patel. The Committee has been constituted to look into redressal of shareholders complaints and correspondence with SEBI and the Stock Exchange.

There are no complaints pending with the company.

**General Meetings**

23rd AGM - Tuesday, 25.9.07 at 1.00 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

24th AGM - Tuesday, 29.9.08 at 1.00 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

25th AGM - Wednesday, 23.9.09 at 4.30 p.m. - Killachand Conference Room, IMC, Churchgate, Mumbai 400020

26th AGM - Tuesday, 14.9.10 at 11.30 a.m. Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai 400020.

**Special Resolutions**

In the 23rd Annual General Meeting, no special Resolutions were passed.

In the 24th Annual General Meeting Special Resolution was passed for Appointment and Payment of Remuneration to Whole –Time Director.

In the 25th Annual General Meeting, no Special Resolutions were passed.

**Postal Ballot**

No Resolution was put through postal ballot last year.



**Disclosures**

There are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or relatives, etc. that had any potential conflict with the interest of the Company at large.

There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Finance Officer have certified to the Board in accordance with clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31.3.2010.

A certificate from the Auditors of the Company regarding compliance of Corporate Governance clause 49 of listing Agreement is annexed herewith.

**Means of Communication**

The Company has been publishing the Unaudited Quarterly and Audited Annual results in Free Press Journal and Navshakti.

**General Shareholder Information**

26th Annual General Meeting

Date : 14.09.10

Time : 11.30 a.m.

Venue : Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg,  
Churchgate, Mumbai - 400020

**Financial Calendar**

Publication of Unaudited Results.

Quarter Ending

June, 30th 2010 45 days from the end of quarter

September, 30th 2010 45 days from the end of quarter

December, 31st 2010 45 days from the end of quarter

March, 31st 2011 45 days from the end of quarter or 60 days from the  
end of quarter in case of Audited Results.

**Book Closure Date**

07.09.2010 to 14.09.2010 (both days inclusive)

**Factory Visit**

In the month of January 2010 the Company arranged for factory visit (at Daman) for Shareholders who had attended the last AGM.

**Listing on Stock Exchange**

The shares of the Company are listed on the Mumbai Stock Exchange  
CDSL/NSDL ISIN NO. : INE989D01010

**Stock Market Data**

The High and Low of share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai and performance in comparison to BSE sensex.

<b>BSE SENSEX</b>				
<b>Month</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>
April 09	8.24	5.40	11403.25	9901.99
May 09	7.70	5.76	14625.25	11682.99
June 09	8.99	7.25	15466.81	14265.53
July 09	7.23	5.17	15670.31	13400.32
August 09	7.48	5.19	15924.23	14784.92
September 09	8.80	7.15	17126.84	15398.33
October 09	7.57	5.17	17326.01	15896.28
November 09	7.75	5.12	17198.95	15404.94
December 09	8.95	7.26	17464.81	16601.20
January 10	9.43	7.48	17711.35	16289.82
February 10	9.40	7.91	16496.05	15790.93
March 10	8.16	7.16	17711.35	16772.56

**Compliance Officer**

Mr. Vasant Goray, the Company Secretary is the Compliance officer of the Company.

**Registrar and Transfer Agents**

Adroit Corporate Services Private Limited

19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai 400059.

Phone No. 28596060/4060 Fax No. 28590942

**Share Transfer System**

The Share Transfers are handled by Transfer Committee.

The Company's equity shares are compulsorily traded on in dematerialised form as per the SEBI guidelines.

Physical share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are correct and valid in all respects. A letter is sent to the shareholder giving him an option to receive shares in the physical mode or in the dematerialised mode. A period of 30 days is given to the shareholder for sending his intimation. The shareholder then receives the shares in the form he exercises his option.

Pursuant to clause 47 (c) of the listing Agreement, certificates, on half yearly basis have been issued by a company secretary in practice for due compliance of share transfer formalities by the Company. Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

As on 31st March 2010, 4011195 equity shares out of 4922000 representing 81.49% of the total paid-up Capital of the Company are held in dematerialised form.

**Shareholding Pattern as at March 31, 2010.**

Category	No. of Shares Held	% to Paid up Capital
Promoters	1270897	25.82
Banks / Financial Institutions	342500	6.96
Bodies Corporate	626493	12.72
Non Resident Indians	24824	0.51
Public	2657286	53.99
<b>Total</b>	<b>4922000</b>	<b>100.00</b>

**Distribution of Shareholdings**

No. of Shares	Nos. of Shareholders	% to Total	No. of Shares	% to Total
Up to 500	3439	88.36	494316	10.04
501-1000	237	6.09	193672	3.93
1001-2000	85	2.18	128732	2.62
2001-3000	29	0.75	74345	1.51
3001-4000	14	0.36	48360	0.98
4001-5000	16	0.41	75030	1.52
5001-10000	29	0.75	223349	4.54
Above 10000	43	1.10	3684196	74.85
<b>Total</b>	<b>3892</b>	<b>100.00</b>	<b>4922000</b>	<b>100.00</b>

**Plant Location**

- 1) Survey No. 381, Causeway Road, Village Kachigam, Taluka Daman, Union Territory of Daman & Diu.
- 2) Plot No. 277/3/3, Dadra Demni Road, Union Territory of Dadra & Nagar Haveli

**Address for Correspondence**

The Compliance Officer,  
Rishi Packers Ltd.,  
612, Veena Killedar Industrial Estate,  
10-14, Pais Street, Byculla (W), Mumbai 400011.

**DECLARATION OF THE WHOLE TIME DIRECTOR**

This is to certify that the Company has laid down Code of Conduct for all Board members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2010.

Place: Mumbai  
Date: 29.05.2010

**By Order of the Board**

**Smita Patel**  
**Whole-Time Director**



**AUDITORS CERTIFICATE**

The Shareholders of  
Rishi Packers Ltd.,  
Mumbai 400011

We have reviewed the records and documents concerning implementation of corporate governance procedure set by the Company during the financial year ended 31st March 2010 and furnished to us for our review.

Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into with the Stock Exchange.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

Mumbai  
Date 29.05.2010

**For ALLADI KRISHNAN & KUMAR**  
**Chartered Accountants**

**AJIT DATAR**  
**Partner**

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Business Overview

The Company is engaged in the manufacturing and exports of HDPE/PP Woven Sacks and Shade Nets. The Company has two manufacturing units one at Union Territory of Daman and the other at Union Territory of Dadra.

### 2. Industry Structure & Development

Agriculture is increasingly being looked upon as an Industry and it is therefore essential to put the available Land to optimum use. The Land mass all over the World is decreasing on account of Industrialization and use of Land for other than Agriculture. It is therefore essential to increase the productivity from the available Land with better process and technique. Agrinet has an important role to play in sustaining and increasing the Agricultural production all over the world. Shade nets can be classified in four categories according to their specific utilization:

- 1) Plant protection nets                      against penetration of different insects.
- 2) Protection against natural                against wind, birds, hail and frost.  
weather Disturbances
- 3) Shading nets for reduction of          avoid damage to animals and plants.  
solar radiation
- 4) Thermal reflective nets                    for creation of an adequate microclimate within greenhouses.

Shade Nets have other general applications as Scaffolding Nets, Garden Nets, Car parking Nets, Decoration Nets, Knitted Geo Textiles etc. In Chile and Europe, shade nets are now being tested as a practical means of reducing sunburn damage to fruit crops. India being among the largest producer of Fruits and vegetables, huge potential exists for shade nets. Net cultivated land in India is around 1420 Lac hectares. Even if we assume 0.1% market penetration, the demand for Agrishade Nets in India will be around 2,94,000 TPA. The shade Net consumption today is between 3000 – 3500 TPA.

**RISHI PACKERS LTD.** is the largest producer of shade nets in India. The Company is also largest exporter of HDPE Knitted Nets and exports to countries like Gulf, Australia, New Zealand, Europe, U.K., Central America, Sri Lanka, Bhutan and Africa.

In Woven Sacks sector, **Rishi Packers Ltd.** is an established player supplying bags to Cement, Petrochemical, Fertilizer and Tarpaulin industry and enjoys a good reputation with its customers. These sacks are stronger, lighter, have minimal seepage, moisture proof and are cheaper compared to other bags.

### 3. Opportunities & Threats

#### a) Opportunities

##### Woven Division

Rishi Packers manufacturers woven sacks mainly for use by cement industry. The Company has two units, one at Union Territory of Daman and the other at Union Territory of Dadra & Nagar Haveli. The total installed capacity of this division is 4200 MTPA. During the year the production was 2464 MT. as Compared to 2457 MT in the previous year.

##### Knitted Division

The total installed capacity of this division is 1200 MTPA. During the year the production was 898 MT. as Compared to 939 MT in the previous year. The company expects increase in business both on Domestic and Export front from this division during the current year. The Exports during the year were Rs. 469.23 Lacs as compared to Rs. 515 Lacs in the previous year.



**b) Threats**

The raw material prices and their availability is a serious threat. The high cost of raw materials are likely to push up the cost of production and may affect demand which in turn may affect the Profitability. Non availability of certain grades of raw material is also a cause of concern. Any increase in interest rates will have an adverse affect on profitability.

**4. Operational Performance**

The sales during the year were Rs. 2242.53 Lacs as compared to Rs. 2123.31 Lacs in the previous year. The operations during the year resulted in a loss of Rs. 28.99 Lacs. as compared to a Loss of Rs. 37.48 Lacs suffered in the previous year. The material consumption in the year was Rs.1322.60 Lacs as Compared to Rs. 1132.47 Lacs in the previous. During the year the material consumption was higher due to increase in cost of raw materials. However, the Company was able to control all other costs. The Export earnings during the year were Rs. 469.23 Lacs as compared to Rs.515.15 Lacs achieved in the previous year.

**5. Risks & Concerns**

Fluctuation in oil prices (which has a direct bearing on cost of raw materials) and irregular supply of raw materials are a worrying factor which may push up cost of production which in turn may affect sales and profits. Constant power cuts and high cost of energy are a cause of concern. Any increase in interest rates will have an adverse effect on earnings.

**6. Human Resources**

A cordial industrial relations environment prevailed in the manufacturing units of the Company during the year.

**7. Internal Control Systems and their adequacy**

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

## AUDITOR'S REPORT

We have audited the attached Balance sheet of Rishi Packers Limited as at 31st March 2010, and also the Profit and Loss Account and the cash flow statement of the Company 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.

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 disclosure 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 of our opinion.

As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India 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 to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 3 above, we state that :

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, the Profit and Loss Account and the Cash Flow Statement referred to in this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956.
- e) On the basis of the written representation received from the Directors, and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and as per the information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account, read together with the notes thereon, 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 Balance Sheet, of the state of affairs of the Company as on 31st March 2010.
  - (ii) In the case of Profit and Loss Account, of the Loss 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 **ALLADI KRISHNAN AND KUMAR**  
(Chartered Accountant)

**AJIT S.DATAR**  
(PARTNER)  
Membership No.036274

Date: 29th May, 2010  
Place: Mumbai



**ANNEXURE TO AUDITOR'S REPORT**

Annexure Referred to in paragraph 3 of the Auditor's Report to the members of Rishi Packers Limited for the year ended 31 March, 2010.

1. [a] The Company has maintained proper records showing full particulars including quantitative details and location of the Fixed Assets.  
  
[b] There is a regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.  
  
[c] The Company has not disposed off substantial part of fixed assets during the year.
2. [a] Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
  
[b] The procedures of physical verification of stocks followed by the management are adequate in relation to the size of the Company and the nature of its business.  
  
[c] The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt in the books of account.
3. According to the information and explanations given to us the Company has not taken/granted unsecured loans, from/to companies, firms or other listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion, and according to the information and explanations 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 stores, raw material including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods. There is no major weakness in the internal control procedures.
5. In our opinion, and according to the information and explanations given to us, there were no transactions in pursuance of contracts or arrangements that needed to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. 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 shareholders, friend, relatives of directors and business associates.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956. for the Company.



- 9 [a] The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities.
- [b] There are no disputed statutory dues pending at any forums.
10. The Company has accumulated losses at the end of the financial year but it has not incurred any cash losses in the current year.
11. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to the financial institutions.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 [xiii] of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4[xiv] of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
15. According to the information and explanation given to us ,the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. The Company has not taken any new term loan during the year.
17. According to the information and explanations received, the Company has not applied short term borrowings for long term use and vice versa.
18. No Preferential issue or Allotment has been made during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **ALLADI KRISHNAN AND KUMAR**  
(Chartered Accountant)

Date: 29<sup>th</sup> May, 2010  
Place: Mumbai

**AJIT S. DATAR**  
(PARTNER)  
Membership No.036274

**BALANCE SHEET AS AT 31ST MARCH 2010**

		Rs.in Lacs	
	Schedule	31.03.2010	31.03.2009
<b>SOURCES OF FUNDS:</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	492.20	492.20
b) Reserves & Surplus	2	<u>467.24</u>	<u>496.23</u>
		959.44	988.43
<b>2. LOAN FUNDS</b>			
a) Secured Loans	3	1053.62	961.70
b) Unsecured Loans	4	<u>195.01</u>	<u>174.15</u>
		1248.63	1135.85
		<u>2208.07</u>	<u>2124.28</u>
<b>APPLICATION OF FUNDS</b>			
<b>3. FIXED ASSETS</b>	5		
a) Gross Block		2927.46	2909.25
b) Less : Depreciation		<u>1730.35</u>	<u>1690.25</u>
		1197.11	1219.00
<b>4. INVESTMENTS</b>	6		
		69.42	59.42
<b>5. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	7		
a) Inventories		850.09	821.20
b) Sundry Debtors		503.87	479.57
c) Cash & Bank Balances		82.56	44.73
d) Loans & Advances		<u>91.77</u>	<u>127.64</u>
		1528.29	1473.14
Less :			
<b>6. CURRENT LIABILITIES &amp; PROVISIONS</b>	8	<u>586.75</u>	<u>627.28</u>
<b>NET CURRENT ASSETS</b>		941.54	845.86
		<u>2208.07</u>	<u>2124.28</u>
<b>NOTES TO ACCOUNTS</b>	14		

As per our attached report of even date.  
**FOR ALLADI KRISHNAN & KUMAR**  
 Chartered Accountants.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**(AJIT S. DATAR)**  
 Partner  
 Membership No. 036274

**HARSHAD B. PATEL**  
 CHAIRMAN

**VASANT GORAY**  
 SECRETARY

PLACE : MUMBAI  
 DATED : 29th May, 2010

**SMITA PATEL**  
 WHOLE TIME DIRECTOR

**PRANAV PATEL**  
**ARVIND NOPANY**  
 DIRECTOR

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010**

		Rs. in Lacs		
	Schedule	31.03.2010		31.03.2009
<b>INCOME :</b>				
Sales		2242.53		2123.31
Less : Excise Duty		<u>125.89</u>		<u>159.17</u>
			2116.64	1964.14
Other Income	9	40.74		75.25
Add : Increase/(Decrease) in Closing Stock	10	<u>32.41</u>	<u>73.15</u>	<u>(54.33)</u>
			2189.79	1985.06
<b>EXPENDITURE :</b>				
Manufacturing Expenses	11	1575.86		1355.41
Personnel Expenses	12	201.45		209.07
Other Expenses	13	148.00		154.99
Financial Charges		151.52		160.71
Depreciation	5	<u>141.95</u>		<u>142.36</u>
			2218.78	2022.54
Profit for the year			(28.99)	(37.48)
Provision for Tax				
Fringe Benefit Tax		0.00		1.37
Income Tax		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Profit after tax			(28.99)	(38.85)
Add:Brought forward from Previous years			(349.25)	(310.40)
Balance carried forward to Balance Sheet			(378.24)	(349.25)
Earning per shares			--	--

**NOTES TO ACCOUNTS**

14

As per our attached report of even date.  
**FOR ALLADI KRISHNAN & KUMAR**  
Chartered Accountants.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**(AJIT S. DATAR)**  
Partner  
Membership No. 036274

**HARSHAD B. PATEL**  
CHAIRMAN

**VASANT GORAY**  
SECRETARY

PLACE : MUMBAI  
DATED : 29th May, 2010

**SMITA PATEL**  
WHOLE TIME DIRECTOR

**PRANAV PATEL**  
**ARVIND NOPANY**  
DIRECTOR

**RISHI PACKERS LIMITED****CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010**

	Rs. in Lacs	
	31.03.2010	31.03.2009
<b>NET PROFIT BEFORE TAX &amp; EXTRAORDINARY ITEMS</b>	(28.99)	(37.48)
Adjusted for:		
Depreciation	141.95	142.36
Interest & Other finance charges	151.62	160.71
Interest Received	(2.34)	(5.61)
Dividend received	(0.22)	(9.60)
Profit on sale of Assets	(3.68)	0.00
Profit on sale of Investment	0.00	(47.20)
	<u>287.23</u>	<u>240.66</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>		
<b>CAPITAL CHANGE</b>	258.24	203.18
Sundry Debtors	(24.30)	0.84
Inventories	(28.89)	41.29
Loans & Advances	35.87	(0.50)
Trade Liabilities & Provisions	(40.53)	(73.73)
	<u>(57.85)</u>	<u>(32.10)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	200.39	171.08
Less: Taxes Paid	0.00	1.37
	<u>200.39</u>	<u>169.71</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets (including Capital Work in Progress)	(128.50)	(8.81)
Purchase of Investments	(10.00)	0.00
Interest Received	2.34	5.61
Sale of Fixed Assets	12.12	0.00
Sale of Investment	0.00	63.09
Dividend received	0.22	9.60
	<u>(123.82)</u>	<u>69.49</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of Share Capital	0.00	0.00
Proceeds from Borrowings	62.95	(112.80)
Interest of earlier years written back	0.00	0.00
Interest and other finance charges	(151.52)	(160.71)
	<u>(88.57)</u>	<u>(273.51)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS:</b>	(A+B+C)	<u>(34.31)</u>
CASH & CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR	<u>(618.44)</u>	<u>(584.13)</u>
CASH & CASH EQUIVALENT AT THE END OF THE YEAR	<u>(630.44)</u>	<u>(618.44)</u>
<b>NET INCREASE AS DISCLOSED ABOVE</b>	<u>(12.00)</u>	<u>(34.31)</u>

As per our attached report of even date.  
**FOR ALLADI KRISHNAN & KUMAR**  
Chartered Accountants.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**(AJIT S. DATAR)**  
Partner  
Membership No. 036274

**HARSHAD B. PATEL**  
CHAIRMAN

**VASANT GORAY**  
SECRETARY

PLACE : MUMBAI  
DATED : 29th May, 2010

**SMITA PATEL**  
WHOLE TIME DIRECTOR

**PRANAV PATEL**  
**ARVIND NOPANY**  
DIRECTOR

**SCHEDULE : 1**

	Rs. in Lacs	
	31.03.2010	31.03.2009
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of Rs.10/- each	500.00	500.00
2,00,000 Redeemable Preference Shares of Rs.100/- each	<u>200.00</u>	<u>200.00</u>
	700.00	700.00
<b>Issued, Subscribed and Paid Up</b>		
49,22,000 equity shares of Rs.10/- each fully paid up	<u>492.00</u>	<u>492.20</u>
	<u>492.00</u>	<u>492.20</u>

**SCHEDULE : 2****RESERVES & SURPLUS**

<b>Capital Reserve</b>		
Balance as per last Balance Sheet	27.85	27.85
Securities Premium Account	415.75	415.75
<b>General Reserve</b>		
Balance as per last Balance Sheet	401.88	401.88
Profit & Loss Account	<u>(378.24)</u>	<u>(349.25)</u>
	<u>467.24</u>	<u>496.23</u>

**SCHEDULE : 3****SECURED LOANS**

1. Term Loan from Canara Bank: Secured by First Charge On Company's Specific Plant and Machinery at Daman. Includes Interest accrued and due Rs. 4.08 Lacs (Pr. Yr. Rs.1.40 Lacs).	119.08	181.40
2. Term Loan from The North Kanara GSB Co-op. Bank Ltd.: Secured by First Charge on Companies Movable & Immovable Property at Dadra. Includes Interest accrued and due Rs.1.99 Lacs (Pr. Yr. Rs. 1.49 Lacs).	85.40	117.13
3. Working Capital Loan : Secured by Hypothecation of inventories and receivables. Second Charge on Company's Immovable Property at Daman and Dadra.	713.00	663.17
4. Working Capital Term Loan From Canara Bank : Secured by Hypothecation of inventories and receivables Includes Interest of Rs.1.09 Lacs (Pr.Yr. Rs.Nil)	98.59	0.00
5. Loan form L&T Finance Ltd. : Secured by Hypothecation of Specific Plant and Machinery	34.21	0.00
6. Hire Purchase Loan against hypothication of Vehicles	3.34	0.00
	<u>1053.62</u>	<u>961.70</u>

**SCHEDULE 4****UNSECURED LOANS**

<b>Fixed Deposits from Public</b>		
Includes Interest Accrued and Due <b>Rs.0.71 Lacs</b> (Pr. Yr. Rs. 2.28 Lacs)	64.72	66.29
<b>Inter-Corporate Deposits</b>		
Includes Interest Accrued and Due <b>Rs.4.67 Lacs</b> (Pr. Yr. Rs.3.50 Lacs)	32.26	39.69
Trade Deposits and Advances	96.88	57.56
Unsecured loan from Kotak Mahindra Bank Ltd.	1.15	10.61
	<u>195.01</u>	<u>174.15</u>


**RISHI PACKERS LIMITED**
**SCHEDULE : 5**
**FIXED ASSETS**
**Rs.in Lacs**

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	01.04.2009	ADDI TIONS	DEDUC TIONS	TOTAL	01.04.2009	FOR THE YEAR	DEDUC TIONS	TOTAL	ASAT 31/03/2010	ASAT 31/03/2009
LAND	5.87	0.00	0.00	5.87	0.00	0.00	0.00	0.00	5.87	5.87
BUILDING	335.39	0.00	0.00	335.39	138.03	11.05	0.00	149.08	186.31	197.36
PLANT & MACHINERY	2383.48	122.14	110.29	2395.33	1400.04	122.65	101.85	1420.84	974.49	983.44
ELECT. INSTALLATIONS	109.08	0.00	0.00	109.08	92.23	4.57	0.00	96.80	12.28	16.85
FURNITURE & FIXTURES	19.67	0.00	0.00	19.67	7.36	0.66	0.00	8.02	11.65	12.31
OFFICE & OTHER EQUIP.	27.23	0.13	0.00	27.36	27.21	0.13	0.00	27.34	0.02	0.02
VEHICLES	17.43	6.23	0.00	23.66	15.89	2.34	0.00	18.23	5.43	1.54
TOOLS & DIES	11.10	0.00	0.00	11.10	9.49	0.55	0.00	10.04	1.06	1.61
<b>TOTAL</b>	<b>2909.25</b>	<b>128.50</b>	<b>110.29</b>	<b>2927.46</b>	<b>1690.25</b>	<b>141.95</b>	<b>107.85</b>	<b>1730.35</b>	<b>1197.11</b>	<b>1219.00</b>
PREVIOUS YEAR	2900.44	8.81	0.00	2909.25	1547.89	142.36	0.00	1690.25	1219.00	

	<b>31.03.2010</b>	<b>31.03.2009</b>
		<b>Rs. in Lacs</b>
<b>SCHEDULE : 6</b>		
<b>INVESTMENTS:</b>		
<b>LONG TERM INVESTMENT :</b>		
UNQUOTED: (AT COST)		
Six years National Savings Certificate.	0.02	0.02
138000 fully paid equity shares of Rs.10/- each of Centennial Finance Ltd. (Pr. Yr. 38000)	13.80	3.80
10 equity shares of Veena	0.01	0.01
Killedar Ind.Premises Society Ltd. of Rs. 50/-each		
10,000 equity shares of The North	<u>1.00</u>	<u>1.00</u>
Kanara GSB Co-op.Bank Ltd.of of Rs. 10/-each		
	14.81	4.81
<b>QUOTED:</b>		
467700 Shares in Rishi Laser Ltd. fully paid at cost. (Pr. Yr. 546700)	44.59	44.59
28000 Shares in Adarsh chemical & Fertiliser Ltd. fully paid at cost.	8.59	8.59
1722 Shares in Standard Industries Ltd. fully paid at cost.	<u>1.41</u>	<u>1.41</u>
	54.59	54.59
	<u>69.42</u>	<u>59.42</u>

Note: Market value of quoted investments : Rs. 250.20 Lacs

	Rs. in Lacs	
	31.03.2010	31.03.2009
<b>SCHEDULE : 7</b>		
<b>CURRENT ASSETS - LOANS &amp; ADVANCES</b>		
a) Inventories (as valued and certified by Management)		
i) Stores & Spares	75.46	78.37
ii) Raw materials	185.32	185.93
iii) Work in Process	580.19	545.54
iv) Finished Goods	<u>9.12</u>	<u>11.36</u>
	850.09	821.20
b) Sundry Debtors (Unsecured)		
Over six months (Good)	28.97	33.11
Other debts (Good)	<u>474.90</u>	<u>446.46</u>
	503.87	479.57
c) Cash and Bank Balances		
Cash on hand	5.51	5.98
Balance with Scheduled Banks :		
i) In Current Account	21.94	1.43
ii) In Margin & Deposits a/c	<u>55.11</u>	<u>37.32</u>
	82.56	44.73
d) Loans & Advances		
(Unsecured considered good)		
Advances Recoverable	34.83	42.73
Income tax deducted at source	23.51	30.41
Balances with Central Excise	<u>33.43</u>	<u>54.50</u>
and other Govt. Authorities	<u>91.77</u>	<u>127.64</u>
	1528.29	1473.14
<b>SCHEDULE : 8</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Liabilities</b>		
i) Sundry Creditors	516.89	529.28
ii) Outstanding Liabilities	<u>66.61</u>	<u>77.62</u>
	583.50	606.90
<b>Provisions</b>		
i) Provison for Tax	0.00	13.80
ii) Provison for FBT	<u>3.25</u>	<u>6.58</u>
	<u>586.75</u>	<u>627.28</u>
<b>SCHEDULE : 9</b>		
<b>OTHER INCOME</b>		
Miscellaneous Income	36.84	18.45
Dividend received	0.22	9.60
Profit/(Loss) on sale of InvestmentsAssets	0.00	47.20
Profit/(Loss) on sale of Fixed Assets	<u>3.68</u>	<u>0.00</u>
	40.74	75.25



	Rs.in Lacs	
	31.03.2010	31.03.2009
<b>SCHEDULE : 10</b>		
<b>(DECREASE)/INCREASE IN STOCKS</b>		
Finished Goods and Work in Progress		
Closing Stock :		
Finished Goods	9.12	11.36
Work in Process	580.19	545.54
	<u>589.31</u>	<u>556.90</u>
Opening Stock :		
Finished Goods	11.36	10.37
Work in process	545.54	600.86
	<u>556.90</u>	<u>611.23</u>
	<u>32.41</u>	<u>(54.33)</u>
<b>SCHEDULE : 11</b>		
<b>MANUFACTURING EXPENSES</b>		
i) Materials consumed :		
Opening Stock	185.93	180.93
Add: Purchases	1321.99	1137.47
	<u>1507.92</u>	<u>1318.40</u>
Less: Closing Stock	185.32	185.93
	<u>1322.60</u>	<u>1132.47</u>
ii) Trading purchase	15.25	7.64
iii) Consumable Stores & Spares	68.51	52.72
iv) Processing charges	17.52	14.31
v) Power	145.45	141.46
vi) Repairs to Machinery	6.53	6.81
	<u>1575.86</u>	<u>1355.41</u>
<b>SCHEDULE : 12</b>		
<b>PERSONNEL</b>		
Salaries Wages & Bonus	185.87	193.17
Staff Welfare	3.10	3.32
Contribution to Provident Fund & Other funds.	12.48	12.58
	<u>201.45</u>	<u>209.07</u>
<b>SCHEDULE : 13</b>		
<b>OTHER EXPENSES</b>		
Rent	3.89	5.40
Rates & Taxes	2.43	3.02
Insurance	3.33	4.14
Travelling & Conveyance	5.48	10.12
Postage/Telephone & Telex Expenses	7.22	7.67
Remuneration to Auditors		
i) As Audit fees	0.80	0.50
ii) Tax Audit	0.40	0.20
iii) Other Matters	0.30	0.20
	<u>1.50</u>	<u>0.90</u>
Selling & Distribution Expenses	86.97	86.45
Miscellaneous Expenses	37.18	37.29
	<u>148.00</u>	<u>154.99</u>



## STATEMENT ON ACCOUNTING POLICIES

**1.0** The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards specified by the Institute of Chartered Accountants of India under section 211(3C) of the companies Act, 1956.

### **2.0 FIXED ASSETS**

2.1 Land is valued at cost of purchase to the company.

2.2 Interest on borrowings for fixed asset acquisitions & revenue expenses incurred prior to commencement of commercial production are capitalised as part of asset cost.

### **3.0 DEPRECIATION**

Depreciation on fixed assets has been provided on straight line method, in accordance with Section 205(2)(b) of the Companies Act 1956, at rates prescribed in Schedule XIV of the Companies Act, 1956.

### **4.0 INVENTORIES**

4.1 Raw Material, Stores and Spares are valued at cost based on Weighted average. Work in Progress is valued at cost representing materials, Labour, and apportioned overheads. Finished Stocks are valued at cost or net realisable value which ever is lower. Cost represents material, Labour, apportioned overheads related to production.

Stock of Scrap is taken at Nil value. However sold is accounted for on realisation.

Material in transit is valued at cost including the charges incurred upto the stage at which the goods are in transit.

### **5.0 INVESTMENT**

5.1 Long Term Investments, quoted and unquoted, are considered at cost unless there is a permanent decline in value thereof, in which case adequate provision is made in the accounts.

### **6.0 DEFERRED TAXATION**

6.1 Deferred Taxation is provided on the liability method for all material timing differences except where no tax liability is expected to arise in the foreseeable future. Deferred Taxation benefits are recognised where there is virtual certainty of sufficient future taxable Income.

### **7.0 TRANSACTION IN FOREIGN EXCHANGE**

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except in cases where they relate to acquisition of fixed assets in which they are adjusted to the carrying cost of such assets.

### **8.0 TURNOVER**

Sale of Goods is recognised on despatch to customers, inclusive of excise duty.

## **SCHEDULE 14**

### **NOTES TO ACCOUNTS**

	Rs. in Lacs	
	31.03.2010	31.03.2009
1. Contingent Liabilities :		
i) Foreign Bills Discounted	0.00	0.00
ii) Guarantees given by bank on behalf of the Company	30.30	34.80
2. Managerial Remuneration paid under section 198 of the Companies Act, 1956.		
Salaries	10.80	6.00
Contribution to Provident Fund	0.71	0.00
	11.51	6.00



## RISHI PACKERS LIMITED

### 3. Stock and Turnover

Rs.in Lacs

	Opening Stock.		Closing Stock		Turnover	
	Qty	Rs. in Lacs	Qty	Rs in .Lacs	Qty	Rs.in Lacs
Sacks & Fabrics	9	11.36	1	9.12	820	837.18
(Tons)	(8)	(10.37)	(9)	(11.36)	(769)	(799.86)
Plastic knitted	0	0.00	0	0.00	885	1172.78
Fabrics (Tons)	(0)	(0.00)	(0)	(0.00)	(897)	(1081.26)
Plastic granules	0	0.00	0	0.00	22	16.49
(Tons)	(0)	(0.00)	(0)	(0.00)	(10)	(8.72)
Conversion Sales	0	0.00	0	0.00	1.581	216.08
	(0)	(0.00)	(0)	(0.00)	(1637)	(233.47)
<b>Total</b>		<b>11.36</b>		<b>9.12</b>		<b>2242.53</b>
		<b>(10.37)</b>		<b>(11.36)</b>		<b>(2123.31)</b>

### 4. Raw Materials Consumed :

Plastics raw material  
(HDPE/PP/LDPE)(TONS)  
Others

	31.03.2010		31.03.2009	
	Qty.	Rs. in Lacs	Qty.	Rs.in Lacs
Plastics raw material	1976	1264.31	1887	1087.28
(HDPE/PP/LDPE)(TONS)				
Others	--	58.29	-	45.19
5. Traded goods purchased				
Plastic granules (tons)	22.01	15.25	10	7.64

### 6. Licensed and Installed Capacity and Production for Sale :

	Licensed Capacity		Installed Capacity		Production	
	2010	2009	2010	2009	2010	2009
Sacks & Fabrics.	5000	5000	4200	4200	2464	2457**
(Tons)						
Plastic Knitted Bags	1800	1800	1200	1200	898	939
(Tons)						

\*\*Note : Includes fabric internally consumed.

### 7. Value of Imports (CIF basis) accounted for during the year.

- Raw Materials
- Components & Spares
- Capital Goods

	Rs. in Lacs.	
	31.03.2010	31.03.2009
i) Raw Materials	6.53	0.00
ii) Components & Spares	0.00	3.87
iii) Capital Goods	0.00	0.00
8. Expenditure in Foreign Currency		
Traveling expenses:	1.74	0.85

9. There are no Employees who are in receipt of remuneration in the aggregate of Rs. 24,00,000/-, where employed throughout the year or Rs.2,00,000/- per month where employed for part of the year.

10. Value of Imported and Indigenous Raw Materials, Spare Parts and Components consumed.

	31.03.2010		31.03.2009	
	Rs. in Lacs	%	Rs. in Lacs	%
Raw Materials :				
a) Imported	6.53	0.50	0.00	0.00
b) Indigenous	1316.07	100.69	1132.47	100.00
Spare & Components :				
a) Imported	0.00	0.00	4.63	8.78
b) Indigenous	68.51	100.00	48.09	91.22

11. Earnings in Foreign Exchange  
(F.O.B value of exports realised)

	Rs. in Lacs	
	31.03.2010	31.03.2009
	469.23	515.15

12. The Liability in respect of future payments of gratuity to retiring employees is provided on the basis of actuarial valuation.

13. There are no dues outstanding for more than Rs.1.00 Lac to Small scale undertaking which are outstanding for more than 30 days to the extent such parties have been identified from available information.

14. Balances of Debtors and Creditors are subject to confirmation.

15. Deferred Taxation

	Rs. in Lacs.		
	Dep.As Per Cos. Act.	Dep.As Per I.T. Act.	Diff.
Timing difference in depreciable assets	141.95	117.52	24.43
Total Timing Difference			24.43
Tax Expense (Saving)			9.59
Net Deferred Tax Saving			9.59

In view of the carried forward losses the Deferred Tax Savings of Rs. 9.59 lacs will be taken credit for in the year of taxable profits.

16. (A) Related Party Disclosure :

List of Related Parties with Controlling Interest	: None
Others	: Rishi Laser Ltd.

(B) Transaction with related Party :

Nature of Transaction	Rs. in Lacs	
	31.03.2010	31.03.2009
1. Loans/Advances/Deposits received during the year	40.00	0.00
2. Loans/Advances/Deposits repaid during the year	38.00	60.00
3. Interest during the year	1.30	3.31
4. Purchases	0.00	0.62
5. Sales	0.01	0.58
6. Sale of Fixed Assets	0.00	0.00
7. Rent Paid	2.40	2.40

17. The operation of the Company are confined to manufacture and sale of plastic woven and Knitted fabrics. There is no separately reportable segment as far as dominant source of risks and returns is concerned.

18. Previous year's figures have been regrouped wherever necessary.



## RISHI PACKERS LIMITED

Additional Information as required Under Part IV of Schedule VI to the Companies Act.1956.

### BALANCE SHEET ASBTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

#### I) Registration Details

Registration No.	:	U28129MH1984PLC032008
Balance sheet Date	:	31.03.2010
State Code	:	11

#### II) Capital Raised during the Year (Amount in Rs. Thousand)

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

#### III) Position of Mobilisation and Development of Fund (Amount in Rs.Thousand)

Total Liabilities	:	220807
Total Assets	:	220807
Source of Fund		
Paid up Capital	:	49220
Secured Loans	:	105362
Reserves and Surplus	:	46724
Unsecured Loans	:	19501
Application of Funds		
Net Fixed Assets	:	119711
Investments	:	6942
Net Current Assets	:	94154
Accumulated Losses	:	NIL
Misc.Expenditure	:	NIL

#### IV) Performance of Company (Amount in Rs. Thousand)

Turnover	:	211664
Total Expenditure	:	221878
+Profit/Loss Before Tax	:	(2899)
+Profit/Loss After Tax	:	(2899)
Earning Per Share in Rs.	:	NIL
Dividend Rate %	:	NIL

#### V) Generic names of Three Principal Products of Company

	:	Plastic Woven Sacks
Product Discription	:	Plastic Knitted bags / fabrics/ shade net

As per our attached report of even date.  
FOR ALLADI KRISHNAN & KUMAR  
Chartered Accountants.

ON BEHALF OF THE BOARD OF DIRECTORS

(AJIT S. DATAR)  
Partner  
Membership No. 036274

HARSHAD B. PATEL  
CHAIRMAN

VASANT GORAY  
SECRETARY

PLACE : MUMBAI  
DATED : 29th May, 2010

SMITA PATEL  
WHOLE TIME DIRECTOR

PRANAV PATEL  
ARVIND NOPANY  
DIRECTOR

**ATTENDANCE SLIP**

**RISHI PACKERS LIMITED**

Registered Office :

612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011

Regd. Folio ----- .

26th Annual General Meeting

To be handed over at the entrance of the meeting venue.

.....  
Name of the attending member (in block letters)

.....  
Name of Proxy (in block letter to be filled in by the proxy attending instead of the members.

No. of Shares held. ....

I hereby record my presence at the 26th Annual General Meeting Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai 400 020 on 14th day of September 2010 at 11.30 a.m.

.....  
Member's / Proxy's Signature

**Notes :**

1. Interested joint shareholders may obtain attendance slip from the Registered Office of the Company.
2. Shareholders/joint shareholders proxies are requested to bring the attendance slip with them. Duplicate slip will not be issued at the entrance of the venue.

**RISHI PACKERS LIMITED**

**PROXY FORM**

612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011

Registered. Folio No.

I/We .....

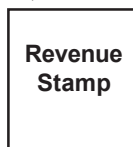
of .....

Being a member/members of the above named Company hereby appoint .....

failing him. ....

of .....

as my/our proxy to attend vote for me/us on my behalf at the 26th Annual General Meeting of the Company to be held at Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai 400 020 on 14th day of September 2010 at 11.30 a.m.



Signed.

Dated

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the meeting.



**BOOK - POST**

To,

*If undelivered, please return to :*

**RISHI PACKERS LIMITED**

612, Veena Killedar Industrial Estate,

10-14, Pais Street,

Byculla (W),

Mumbai - 400 011