

BOARD OF DIRECTORS

Shri U.C.Bhandari	:	Director
Shri Ramesh Chandra Singhi	:	Director
Shri Rajendra Kankaria	:	Director
Shri Suresh Chandra Bapna	:	Director
Shri V.S.N.Murthy	:	Director
Shri Prem Kankaria	:	Managing Director

24th ANNUAL GENERAL MEETING

Day	:	Monday
Date	:	26 th September, 2011
Time	:	11.30 A.M.
Venue	:	Hotel Inner Circle, Lane beside Saboo Motors, Raj Bhavan Road, Hyderabad. – 500 082

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REGISTERED OFFICE

6-3-1090/C-4,
Opp. Kapadia Lane
Raj Bhavan Road,
Hyderabad-500 082
Andhra Pradesh, India.
Ph.No. (040) - 23392024
Fax No.(040)- 23399033
Email : hyd2_rajpack@bsnl.in
Email : info@rajpack.com
Website: rajpack.com

WORKS

Survey No. 715, Kondamadugu,
Bibinagar, Nalgonda Dist.
Andhra Pradesh, India.

BANKERS

State Bank of India
Saifabad Branch, Hyderabad
Andhra Pradesh, India.

AUDITORS

C.P.RANKA & CO.
Chartered Accountants
Secunderabad,
Andhra Pradesh, India.

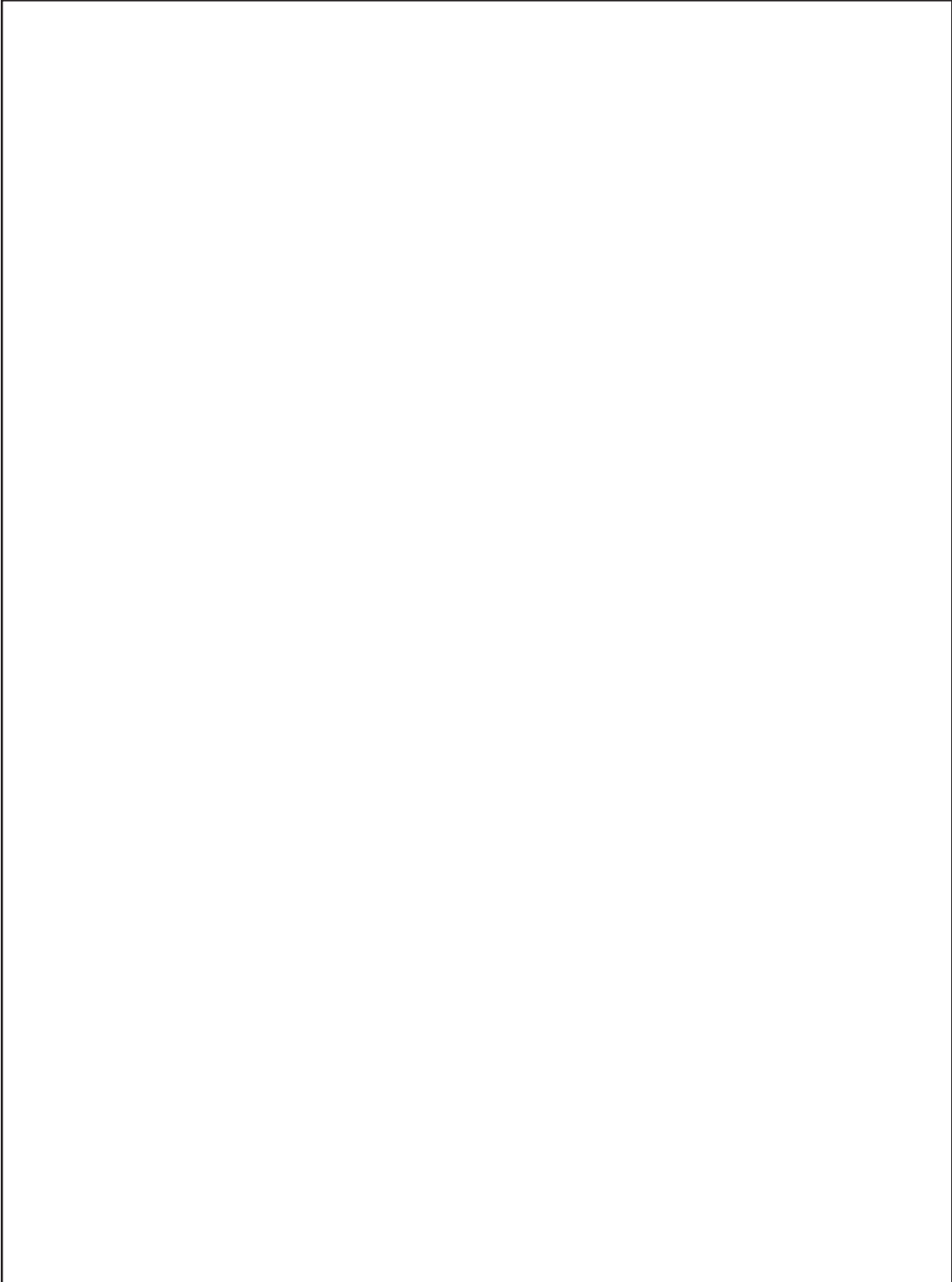
REGISTRAR & SHARE TRANSFER AGENT CIL Securities Ltd.

214, Raghavaratna Towers,
Chirag Ali Lane,
Hyderabad 500 001.
Ph.No. 23202465/66612093, Fax. 23203028



RAJ

packaging industries ltd.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of RAJ PACKAGING INDUSTRIES LIMITED will be held at Hotel Inner Circle, Lane Beside Saboo Motors, Raj Bhavan Road, Hyderabad on Monday, the 26th September, 2011 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011, Profit & Loss Account for the year ended on that date and the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri. Suresh Chandra Bapna, who retires by rotation in terms of Article 143 of the Articles of Association and is being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. Ramesh Chandra Singhi, who retires by rotation in terms of Article 143 of the Articles of Association and is being eligible, offers himself for re-appointment.
4. To reappoint M/s. C.P.Ranka & Co., Chartered Accountants, bearing ICAI Registration No. 119375W as auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

By the Order of the Board of Directors
For **RAJ PACKAGING INDUSTRIES LTD.**

Place : HYDERABAD

Date : 30th May, 2011

PREM KANKARIA
MANAGING DIRECTOR

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.



2. Members are requested to bring their copy of the Annual Report to the Meeting along with the attendance slip duly filled in for attending the meeting and sign at Registration counter at the venue of the meeting.
3. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance Slip for attending the meeting.
4. Members are requested to intimate to the Company at its registered office any change of Address quoting their Share Ledger Folio Number(s).
5. The Share Transfer Books and Register of Members will remain closed from 21st September 2011 to 26th September 2011 (both days inclusive).
6. No person other than Member/Duly registered proxy with the company with duly filled in attendance slip will be allowed to enter the venue of the meeting.
7. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the amount of dividends remaining unclaimed for a period of seven year are to be transferred to investor Education and Protection Fund (IEPF).
8. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company in Form 2B.

9. Important Communication to Members regarding registering e-mail address please refer page no 45 of this Annual Report.

ANNEXURE TO THE NOTICE
Item No. 2 & 3 INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed / re-appointed are given below:

Name of the Director	Suresh Chandra Bapna	Ramesh Chandra Singhi
Date of Birth	28-09-1941	11-12-1954
Nationality	Indian	Indian
Date of appointment on the Board	27-07-2004	18.06.1987
Qualifications	M. Pharma	B.Sc.
Expertise in functional Area	Vast experience in Manufacturing and Industrial activity	Engaged Marketing in Electrical Goods
Number of shares held in the Company	-	1,42,600
List of directorships held in other companies	None	Singhi Finvest Pvt. Ltd.
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.11	None	None

By the Order of the Board of Directors
 For **RAJ PACKAGING INDUSTRIES LTD.**

Place : HYDERABAD

Date : 30th May, 2011

PREM KANKARIA
 MANAGING DIRECTOR

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 24th Annual Report and Audited Accounts of the Company for the year ended 31st March 2011

FINANCIAL RESULTS

Your Company's performance during the year as compared to previous year is summarized below:

(Rs.in lakhs)

Particulars	2010-11	2009-10
Sales & Other Income	2638.86	1986.71
Operating Profit (PBIDT)	197.99	205.08
Interest & Finance Charges	119.78	53.89
Profit before Depreciation and Taxes (PBDT)	78.21	151.19
Depreciation	65.90	41.59
Profit Before Tax	12.31	109.60
Provision for Tax -		
Current Tax (Mat)	2.26	18.60
Deferred Tax	8.16	7.31
MAT Credit Entitlement	(2.26)	(7.55)
Profit After Tax	4.15	91.24
Profit after Prior Period Adjustments	4.15	91.24
Balance Brought forward	196.63	151.83
Amount Available for appropriations	200.78	243.07

APPROPRIATIONS

Your Directors recommended appropriations as under:		
Proposed Dividend Nil (Re.1/- per share)	-	39.70
Corporate Dividend Tax	(0.15)	6.75
Balance Carried forward	200.93	196.62
Total :	200.78	243.07

PERFORMANCE

During the year under review, your company has achieved a Turnover of Rs.2627.70 Lacs as compared to Rs.1971.69 Lacs in previous year in value and 2668 M.T as compared to 2051 M.T in volume. The PBIT for the year stood at Rs.197.99 Lacs as compared to Rs. 205.08 Lacs in previous year. The PBT of the company stood at Rs.12.31 Lacs as compared to Rs. 109.60 Lacs in previous year. There has been significant decline in the net profit due to enhanced interest and depreciation after expansion.

Your management will continue their effort in improving the performance of the company to bring back on track by expanding market, developing various new structures of films, changing product mix and concentrating more in value added structure to maintain lead position in the market and to increase not only volume but also profit margins.

DIVIDENDS

The Board of Directors have not recommended any dividend for the financial year ended 31st March, 2011 (Re.1/- previous year)

FIXED DEPOSITS

During the year your company has not accepted any Deposits from Public / Members.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

Some of the amount sent by DD as Dividend has been returned back to the company due to change of address of share holders or non availability. Despite the reminder, the amount remain un claimed and lying in separate account in the bank. The amount of Rs. 48,111/- has been transferred to Investor Education and Protection Fund during the year.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information in accordance with the provisions of section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo is given as Annexure-'A' forming part of this report.

AUDITORS REPORT

With reference to the observations made by the Auditors in their report, the notes forming part of Accounts are self explanatory and hence do not require any further clarification.

PARTCULARS OF EMPLOYEEES

None of the employees is drawing remuneration in excess of the limits specified in section 217(2A) of the Companies Act, 1956.

DIRECTORS

In accordance with the Companies Act, 1956 and Clause 102 of the Articles of association of the company, Shri Suresh Chandra Bapna, and Shri Ramesh Chandra Singhi retire by rotation and being eligible, offers him-self for reappointment.

AUDITORS

The auditors of the company M/s. C.P. Ranka & Co., Chartered Accountants, Secunderabad retires at conclusion of this Annual General Meeting and being eligible, offer them-selves for re-appointment. The company has received a letter from the auditors to this effect u/s 224 (1-B) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with Stock Exchanges, a Management Discussion and Analysis Report and a Report on Corporate Governance are given as Annexure 'B' and 'C' respectively, to this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the companies Act, 1956 the Directors to the best of knowledge and believe hereby 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 have selected such accounting polices 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 at the end of financial year and of the profit of the company for that period;
- iii) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to all staff members for their contribution towards growth of the company and Banker viz. State Bank Of India for their support and also place on record their appreciation for the continuing support extended by the Shareholders.

For and on behalf of the Board

Place : HYDERABAD

Date : 30th May, 2011

PREM KANKARIA
MANAGING DIRECTOR

ANNEXURE – ‘A’

Particulars required under the companies (disclosures of particulars in the report of Board of Directors) Rules, 1988.

A. Conservation of Energy

a. Energy Conservation measures taken

- i) Company has put capacitors at various points to regulate / maintain power factor.

FORM - A

(Form for disclosure of particulars with respect to conservation of Energy)

A. Power & Fuel Consumption

(Amount in Rupees)

		2010-11	2009-10
1.	Electricity		
	a. Purchased		
	Units - KWH	1450916	1016352
	Total Cost - Rs.	6432290	3577434
	Average Rate/ Unit - Rs.	4.43	3.52
	b. Own Generation		
	Through Diesel Generator		
	Units - KWH	106343	203077
	Total Cost - Rs.	1549605	2687297
	Units per Unit of Fuel	2.90	2.84
	Cost / Unit - Rs.	14.57	13.23

B. Consumption of electricity Per Unit of Production i.e. for finished product

Electricity (KWH) per K.G of Finished Product.	0.58	0.60
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C. Research & Development.

- i). The Company has constantly changing input mix to produce superior product.
- ii) Changed equipments to optimize use of costly inputs whereby reducing cost of production and increasing profitability.

FORM – B

(Form of Disclosure of particulars with respect to Technology Absorption & Foreign Exchange Earnings & Outgo)

	2010-11	2009-10
Research & Development (R & D)	Nil	Nil
Technology absorption, adoption and innovation	Nil	Nil
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo (Rs. in Lakhs)	1490.71	1273.35

ANNEXURE – ‘B’

MANAGEMENT’S DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis report covering the performance and outlook of the company is given here below;

a) FORWARD LOOKING STATEMENT

This report contains Management's perception of business activities of the company and also analysis of financial condition, performance and operation of the company describing its objectives, expectations and predictions which may be forward looking within the meaning of applicable laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events.

Important factors that could influence the company's operations include various internal as well as external factors such as government's policy changes which may not be in the hands of the management and company. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position and financial results, are forward-looking statements. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

b) INDUSTRY STRUCTURE AND DEVELOPMENTS

RPIL is engaged in manufacture of multilayer co-extruded plastic film and flexible packaging material. It is a part of the plastic packaging material industry. In India, packaging industry has operated mainly as small and medium scale industry. The packaging material is important to several products. So this industry is growing very rapidly not only at its own but also because of growth of several industries which are using packing material.

The plastic packaging industry is known as the sunrise industry as it is growing very rapidly. The industry has seen changes in several areas. There are structural changes in the industry - units growing and migrating from small to medium. More and more numbers are being added to the organized sector.

There has been technological up gradation both in the machines and processes, there has been advent of new generation of raw materials, there have been changes in the consumers asking for better quality and sophisticated products. This has resulted into several new players coming into industry, existing players expanding and creating new capacities thus opening new horizons but increasing competition. This industry has subjected to cut throat competition among players and the fittest will survive.

c) REVIEW OF THE ECONOMIC SCENARIO :

The Global Economy after seen the financial crisis during the year 2008-09 and marked slowdown in the economic growth is gradually showing sign of recovery albeit with a few minor setbacks and uneven growth. The growth is largely driven by developing economies across Asia, Africa and Latin America.

The world's largest economy US is yet to come out of the slow down and is a cause of concern.

The Indian economy despite witnessing challenging times experienced much balanced and positive growth as compared to global economies in the year 2010-11. The Indian economy was not affected much as compared to some of the matured and advanced economies owing to a robust regulatory system and domestic demand driven economy. The economic growth in India is resultant of solid recovery in agriculture and continued good performance of industry and services. The GDP growth rate has been around 8% in the year 2009-10 and around 8.6% in the year 2010-11 while services sector has been growing at a rate of over 8%, the industrial growth accelerated sharply to 11.6% over the last four quarters.

Though India's growth story is intact, the major cause of concern has been increasing rate of inflation particularly increasing prices of food articles. The rate of inflation has been around 8 to 10%. This has had tremendous impact, reducing the disposable income in the hands of a majority of the people.

The price of crude oil was hovering over USD 100 per barrel. This has resulted in all around price increase in major sectors.

All efforts of the Government are directed towards containing the inflation by all means. The country's central bank, the RBI adopted tight monetary policy. The RBI's action has resulted in increase in rate of interest as many as eight times in the last year. Now bank's fund are not only scarce but getting more and more costly. It is affecting badly profitability of many of industrial units.

d) BUSINESS PERFORMANCE AND OVEVIEW 2010-11:

Your company has completed expansion by putting new three layer line and started commercial production in the last quarter of the financial year 2009-10. We have also installed a new printing machine with auto control systems to add value to the product and also reduce wastages.

There has been marked improvement in the product with which the company with the new equipment, is capable of delivery to the customers whether it is oil film or lamination film.

Your company has developed and expanded its market for lamination film supplying to various converters. As a matter of fact the share of lamination film to the total volume has steadily been increasing. The flexible packaging industry particularly converting industry is

increasing by nearly 20% on year to year basis. This is the niche area providing tremendous support and opportunity for increasing the volume.

The company has been putting sustained efforts to develop market for nylon based five layer film added by the market situation has resulted into increased orders for five layer film for oil packaging during the current financial year.

Though company has been able to increase volume and turnover but due to volatility in raw material prices which because of severe competition could not be passed on customers has lead to lower profits.

The company's profitability got reduced due to quantum jump in interest outgo on debt increased due to capital expenditure on expansion.

The year has been very disappointing after several years of good performance.

(e) FINANCIAL REVIEW AND WORKING CAPITAL MANAGEMENT

RPIL has shown total income of Rs.2628 lakhs as compared to Rs.1972 lakhs (both are net of excise) for the year. The company's operating profit stood at Rs. 197.99 lakhs and net profit at Rs. 4.15 lakhs for current year as against Rs.205.08 lakhs and Rs.91.24 lakhs for previous year.

The company after uninterrupted track record of paying dividend for several years has to skip dividend in view of poor performance.

Since increased activities need increased funds there were stresses on working capital and to overcome this company arranged unsecured loans to augment medium term resources.

The management feels it is temporary phase and company will soon be generating enough to fund its requirements.

During the year company got its Bank facilities rated through CRISIL. The CRISIL has awarded BB+/Stable rating to company's Cash Credit and Term Loan facilities with the Bank.

(f) OUR OPPORTUNITY

Our Indian economy is demand and consumption based not impacted by slow down and seeing continuous growth particularly food articles and retails. This presents several attractive opportunities especially for packaging sector. Though the per capita plastic consumption in India as compared to leading developed countries is lower than the world average the growth in the retail sector will provide immense support to our industry. The domestic polymer consumption has shown healthy growth of more than 15%. The largest sector contributing nearly half of the value is flexible packaging of which your company is part. This provides ample opportunities to grow.

Raj Packaging will always look forward to grabbing the opportunity and will continue its efforts to maintain its leadership not just in the present market but across the country and further look to areas where it can enhance its profitability with new product or new market.

g) OUR CHALLENGES

Where there are opportunities and prospects for growth, there are challenges too in the form of growing competition. There are challenges to maintain quality standards and customer satisfaction. To maintain its leadership, the company has to invest money in upgrading technology and put new facilities. These challenges are further overcome by developing new products, developing new markets, concentrating on niche and premium markets, cutting cost by better efficiency and using improved and better raw materials and procuring them at right time and right price.

h) INTERNAL CONTROL SYSTEMS -THEIR ADEQUACY

Your company has adequate internal control systems, commensurate with its size and complexity of operation. The company maintains an adequate and effective internal control systems and suitable monitoring procedures with regard to purchase of raw material, stores, plant and machinery, equipment and other assets as well as for sale of goods. The financial and commercial activities have been structured to provide adequate support and controls for the business of the country.

The challenge is to ensure proper controls and monitoring system with reasonable cost keeping in view that the company is small. The company believes that these internal control systems provide a reasonable assurance that transactions are executed properly and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and the assets of the company are adequately safe-guarded.

i) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

The company values its relationship with employees and ensures to create an environment and culture where employee is enthused to put his best efforts and maximize his contribution. Overall the relationship with the employees is cordial.

ANNEXURE – ‘C’

CORPORATE GOVERNANCE

i) Corporate Governance

The company's goal is to maximize long-term shareholders value by selling its goods. Therefore, it has established business practices based on transparency, accountability and integrity to achieve the above goal. It enables the Board to monitor the state of affairs of the Company and effectively discharging its responsibilities to the various stakeholders of the Company. The company also respects the inalienable rights of its investors and other stakeholders to inform on the performance of the company based on the highest professional ethics and financial reporting standards.

As a listed company, the Company has ensured compliance with the Listing Agreements with the Stock Exchanges.

ii) Board of Directors

a) Composition and Size of the Board

As on the year ended 31st March' 2011 the Board of Directors had six members comprising of an executive and five Non-Executive Directors out of which two director's are independent and others are non-independent Directors. The board meetings are being chaired by Independent Director. Even the Non-Executive Directors, who are them-selves financial professionals, have enough freedom; bring in independent judgment in the Board's deliberations and decisions.

b) Board Meetings and Attendance

Four Board meetings were held in the financial year 2010-2011 and the gap between any two successive Board meetings did not exceed four months.

The information as required under clause 49 of the Listing Agreement is made available to the Board. The agenda and the related papers for consideration at the Board meeting are circulated well in advance prior to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

i) The dates on which Board meetings were held and the attendance of directors during the financial year are as follows:

Sl.No.	Date of Meeting	Board Strength	No.of Directors present
1	31-05-2010	6	5
2	06-08-2010	6	6
3	12-11-2010	6	6
4	14-02-2011	6	4

Out of Six directors who were the directors on the Board as on 25th September' 2010, Five of them have attended the Annual General Meeting held on the said date.

Attendance of each director at the Board Meetings and last Annual General Meeting (AGM)

Name of the Director	Category of Directorship	Number of Board Meetings Attended	Attendance at the Last AGM held on 25 th September, 2010
Sri U C Bhandari	Non-executive & Non independent	2	Yes.
Sri Ramesh Chandra Singhi	Non-executive & Non independent	4	No
Sri Rajendra Kankaria	Non-executive & Non independent	4	Yes
Sri Suresh Chandra Bapna	Non-executive & Independent	4	Yes
Sri V.S.N.Murthy	Non-executive & Independent	3	Yes
Sri Prem Kankaria	Executive & Non-Independent	4	Yes

c) Directors with materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions, pecuniary transactions or relationships between the company and its Directors that may have potential conflict with the interests of the company.

d) Remuneration to Directors

The company has set up a Remuneration Committee. The Company pays remuneration by way of salary, perquisites and allowances to the Managing Director as per the agreement entered into and subsequently approved by shareholders. The agreement with the Managing Director is for a period of 5 years. Salary is paid within range approved by the shareholders and the Board fixes the perquisites and allowances. The non-executive Directors are paid sitting fees of Rs.10,000/- per meeting.

The details of the remuneration/sitting fees paid to the Directors during the financial year 2010-2011 are given hereunder:

(Amounts are In Rupees)

Directors	Salary	Perquisites	Sitting Fees	Total
Sri U C Bhandari	—	—	20,000	20,000
Sri Ramesh Chandra Singhi	—	—	40,000	40,000
Sri Rajendra Kankaria	—	—	40,000	40,000
Sri Suresh Chandra Bapna	—	—	40,000	40,000
Sri V.S.N.Murthy	—	—	30,000	30,000
Sri Prem Kankaria	23,80,000	97,267	—	24,77,267

e) Audit Committee

The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Sections 292A of the companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

- i) To review compliance with internal control systems;
- ii) To review the Quarterly, Half-Yearly and Annual Financial Results of the Company before submission to the Board;
- iii) To make recommendations to the Board on any matter relating to the Financial Management of the Company, including Statutory & Internal Audit Reports;

The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Name of the Director	Category of Directorship	Number of Board Meetings Attended
Sri U C Bhandari	Non-executive & Non independent	1
Sri Suresh Chandra Bapna	Non-executive & Independent	4
Sri V.S.N.Murthy	Non-executive & Independent	3

Four Meetings of Audit Committee were held during 2010-11. The dates on which the said meeting were held were as follows:

31st May, 2010, 06th August, 2010, 12th November, 2010, 14th February, 2011. The necessary quorum was present at the meetings.

f) Remuneration Committee

The broad terms of reference of the Remuneration Committee are as follows:

- i) Review the performance of the Managing Director.
- ii) Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director
- iii) Finalise the perquisites package of the Managing Director within the overall ceiling fixed by the Board.
- iv) Recommend to the Board, retirement benefits to be paid to the Managing Director under the Retirement Benefit Guidelines adopted by the Board.

The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below:

Name of the Director	Category of Directorship	Number of Board Meetings Attended
Sri U C Bhandari	Non-executive & Non independent	-
Sri Suresh Chandra Bapna	Non-executive & Independent	1
Sri V.S.N.Murthy	Non-executive & Independent	1

One meeting of the Remuneration committee were held on 31st May, 2010.

g) Investors / Share Holders Grievances

During the year the company has sorted out the Complaints received from the Shareholders and there were no complaints pending left unresolved as on 31st March, 2011. The company had no transfers pending for more than 15 days as on 31st March' 2011.

h) General Body Meetings held during the last three years

Date	Time	Venue	No. of Special Resolutions passed/ required to be passed through postal ballot
25-09-2010	11.30 A.M	Hotel Inner Circle, Lane beside Saboo Motors, Rajbhavan Road, Hyderabad	Nil
19-09-2009	11.30 A.M	Hotel Inner Circle, Lane beside Saboo Motors, Rajbhavan Road, Hyderabad	Nil
27-09-2008	11.30 A.M.	Hotel Inner Circle, Lane beside Saboo Motors, Rajbhavan Road, Hyderabad.	Nil

i) Notes on Directors seeking appointment/re-appointment as required under Clause 49VI(A) of the Listing Agreement entered into with the Stock exchanges
a) Sri. Suresh Chandra Bapna:

Shri. Suresh Chandra Bapna is Graduate from BITS, Pilani and did his Masters in Pharmacy from Punjab University.

He carries with him vast experience in the line of manufacturing and industry. He worked in very senior positions in various multi national pharmaceutical companies like M/s. Hoechst Pharmaceutical, M/s. Roche Products, M/s Geoferry Manners, M/s. Rhone Poulenc and last with M/s. Lupin Laboratories Ltd. as Associated Director (works). He has attended several international technology conferences and seminars and presented technical papers.

He was also actively Associated with industrial bodies and was President of Marathwada Industries Association and Marathwada Pharmaceuticals Manufactures Associations.

He was also very active in social services through lions club and served as President of Lions Club of Aurangabad, chikalhana.

At present he is Associated with Seth Nandlal Dhoot Memorial Hospital as Administrator.

b) Sri. Ramesh Chandra Singhi

Shri. Ramesh Chandra Singhi is a first generation entrepreneur with about 30 years of experience in Marketing and he started his career in the marketing of electrical goods in the year 1977 with M/s. Ratan Electricals. He is associated with the company since inception as promoter.

ii) Disclosures

There are no materially significant disclosures on related party transactions entered into by the company with its Directors or Management. The register of contracts is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed in Note 10 of Schedule 18 to the financial statements in the Annual Report.

During the last three years, there were no penalties imposed either by the SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

iii) Means of Communication

As the results of the Company are published in the News Papers, the company did not prepare any half yearly report and therefore none was sent to the shareholders.

As per the requirements of clause 41 of the Listing Agreement, quarterly financial results have been published with in the time frame prescribed in this regard.

Newspapers normally published in : English - Times of India / Business

Standard/Economic Times / Business Line

Vernacular - Andhra Bhoomi / Andhra Prabha.

There are no presentations made to the Institutional Investors or Analysts.

The management discussion and analysis report forms part of this Annual Report.

iv) Share Transfer System

Trading in Equity Shares of the Company is permitted in dematerialised form from 1st January 2001 for all classes of investors as per notification issued by the Securities & Exchange Board of India (SEBI).

All matters pertaining to both physical and electronic Share Registry are handled by the registrar and Share Transfer agent, M/s. CIL Securities Ltd, 214, Raghava Ratna Towers Chirag-Ali Lane, Abids, Hyderabad. The requests relating both transfers and demat, received at company's end will be sent to the Registrar & Transfer Agent for giving effect at regular intervals.

v) General Shareholder information

AGM:

Date, Time and Venue : 26th September, 2011.
 At 11.30 A.M at Hotel Inner Circle,
 Lane beside Saboo Motrs , Raj Bhavan Road,
 Hyderabad.

Financial Year : April,2010 to March,2011

Date of Book Closure : 21st September' 2011 to
 26th September' 2011 (Both days inclusive)

Dividend : Nil

Listing on Stock Exchanges : The Stock Exchange, Mumbai

Stock Code : BSE - 530111

Demat ISIN Number for

NSDL & CDSL : INE 639C01013

Share Registrar & Transfer Agent : CIL Securities Ltd. 214,
 Ragahvaratna Towers,
 Chirag Ali Lane,
 Hyderabad – 500 001

vi) Share Price Data

The Company's yearly high and low quotations of shares traded on the Stock Exchange, Mumbai are as follows:

Month	High	Low	Month	High	Low
April,10	19.90	16.00	October,10	203.90	133.60
May,10	17.45	15.05	November,10	180.90	105.30
June,10	17.90	15.75	December,10	105.05	57.75
July,10	20.00	16.30	January,11	72.80	34.55
August,10	66.00	18.65	February,11	37.35	20.45
September,10	169.25	62.50	March,11	45.65	23.00

vii) Distribution of share holding as on 31st March, 2011:

Shares Held	No. of Share Holders	% of Share Holders	No of Share Held	% of Share Holding
Up to 5000	3413	96.69	1441320	36.31
5001 - 10000	55	1.56	401490	10.11
10001 - 20000	34	0.96	492247	12.40
20001 - 30000	09	0.25	226069	5.70
30001 - 40000	05	0.14	179020	4.51
40001 - 50000	02	0.06	89456	2.25
50001 - 100000	08	0.23	548532	13.82
100000 above	4	0.11	591616	14.90
T O T A L	3530	100.00	3969750	100.00
Physical Mode	720	20.40	374915	9.45
Electronic Mode	2810	79.60	3594835	90.55
T O T A L	3530	100.00	3969750	100.00

Sl.No.	Category	No. of Shares	% of Holding
A.	Promoter's holding	932500	23.49
B.	<u>Non-Promoter's Holding</u>		
	Institutional Investors	1000	0.02
	Private Corporate Bodies	1037947	26.15
	Non-resident Indians	62622	1.58
	Indian Public	1935681	48.76
		3969750	100.00

viii) Dematerialization of Shares:

The Company holds 35,94,835 shares representing 90.55 %of the total Equity shares of the Company in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March' 2011.

Plant Location

The Company's plant is located at: Survey No. 715, Kondamadugu, Bibinagar, Dist. Nalgonda, Andhra Pradesh, India.

Address for Correspondence

The share holders' correspondence should be addressed to:

Raj packaging Industries Limited,
6-3-1090/C-4, opp: Kapadia Lane Raj Bhavan
Road, Hyderabad – 500 082 Andhra Pradesh.

DECLARATION REGARDING CODE OF CONDUCT

To the Shareholders

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company

Place : HYDERABAD

Date :30th May, 2011

PREM KANKARIA

MANAGING DIRECTOR

CEO/CFO CERTIFICATION

To

The Board of Directors,
Raj Packaging Industries Ltd.

I have reviewed the financial statements, read with the cash flow statement of Raj Packaging Industries Ltd. for the year ended 31st March 2011 and that to the best of our knowledge and belief, we state that:

- a. (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) These statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee;
 - (i) Significant changes, if any, in the internal control over financial reporting during the year
 - (ii) Significant changes, if any in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : HYDERABAD

Date :30th May, 2011

PREM KANKARIA

MANAGING DIRECTOR

AUDITORS' REPORT

TO
THE MEMBERS
RAJ PACKAGING INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of RAJ PACKAGING INDUSTRIES LIMITED as at 31st March, 2011, 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 mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating 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, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the "Act"), we annex hereto 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 in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books subject to what is stated in paragraph 4(e) below;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit 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 Act, to the extent applicable subject to what is stated in paragraph 4(e) below;
 - (e) In accordance with the practice being followed by the Company, no provision has been made in respect of estimated total liability for future payment of Gratuity and Leave Encashment, the amount whereof is presently not determined. The accounting method of providing Gratuity and Leave Encashment liability as and when due is not in accordance with the accounting method prescribed in Accounting Standard 15 - "Employee Benefits" issued by the Institute of Chartered Accountants of India (refer note no. 6 of Schedule 18);

**RAJ****packaging industries Ltd.**

- (f) On the basis of written representations received from directors as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to what is stated in paragraph 4(e) above, the effect of which could not be determined and read together with note no. 5 regarding non-deposit of due amount of Rs. 77,736 with Investor Education and Protection Fund as required to be deposited on completion of 7 years under Section 205C of the Companies Act, 1956 in Schedule 18 of Significant Accounting Policies and Notes to Accounts and other notes appearing elsewhere in the said accounts, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **C P RANKA & CO.**
Chartered Accountants
Registration No. 119375W

C P Ranka
Partner
Membership No. 106823

Place : Secunderabad
Date : 30th May, 2011

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2011.

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The assets have been physically verified by the management in accordance with the phased programme of verification adopted by the Company, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no discrepancy between the book records and physical inventory was noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets has been disposed off by the Company during the year.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures for 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 inventories. The discrepancies noticed on verification between the physical stock and book records were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Consequently, paragraphs iii(b), iii(c) and iii(d) of the said Order are not applicable.
- (b) The Company has taken unsecured loans from three companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balances of such loans were Rs. 2,94,32,832 and Rs. 2,91,26,434, respectively.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which such loans have been taken by the Company are, prima facie, not prejudicial to the interest of the Company.
- (d) As per the records examined by us, repayment of the principal amount is as stipulated and payment of interest has been regular.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered into the register required to be maintained under Section 301 of the Act have been so entered.

- (vi) The Company has not accepted any deposits from public during the year within the meaning of Section 58A and 58AA of the Act and rules framed thereunder.
- (vii) The Company does not have an internal audit system.
- (viii) In our opinion and as explained by the Management, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act in respect of the product dealt by the Company. Accordingly, paragraph 4(v) of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess which have not been deposited on account of any dispute except dues on account of the following:

Name of the Statute	Period to which the amount relates	Amount (Rs.)	Forum where the dispute is pending
Sales Tax	2003-04 & 2004-05	2,74,527	Joint / Additional Commissioner (CT) (Legal) Hyderabad.

- (x) The Company does not have accumulated losses as at 31st March, 2011 and has not incurred cash loss in the financial year ended on that date and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
- (xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to the chit fund and nidhi / mutual benefit fund / societies.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not raised any term loan during the year. According to the information and explanations given to us, and in our opinion, the term loans outstanding at the beginning of the year were applied for the purpose for which they were obtained.

**RAJ****packaging industries Ltd.**

- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, as at March 31, 2011, in our opinion, the funds raised on short-term basis have, prima facie, not, been used for long term investment.
- (xviii) During the year or in the recent past, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debentures during the year or in the recent past.
- (xx) The Company has not raised any money by way of public issue during the year or in the recent past.
- (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 instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management

For **C P RANKA & CO.**
Chartered Accountants
Registration No. 119375W

Place : Secunderabad
Date : 30th May, 2011

C P Ranka
Partner
Membership No. 106823

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members of
Raj Packaging Industries Limited
Hyderabad.

We have examined the compliance of conditions of Corporate Governance procedures implemented by **Raj Packaging Industries Limited**, for the year ended 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of 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 generally complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We further state 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 **C P RANKA & CO.**
Chartered Accountants
Registration No. 119375W

C P Ranka
Partner
Membership No. 106823

Place : Secunderabad
Date : 30th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011
 (All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	Schedule	As at 31.03.2011	As at 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	39,697,500	39,697,500
Reserves and Surplus	2	21,928,947	21,498,918
LOAN FUNDS			
Secured Loans	3	67,046,205	75,888,247
Unsecured Loans	4	30,592,689	3,399,118
Deferred Tax Liability (Net)		9,393,257	8,576,938
Total		168,658,598	149,060,721
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	140,743,921	140,132,438
Less: Accumulated Depreciation		54,296,967	47,706,566
Net Block		86,446,954	92,425,872
INVESTMENTS	6	392,337	618,541
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	30,738,161	19,587,325
Sundry Debtors		54,911,086	45,850,722
Cash and Bank Balances		2,229,443	2,217,855
Loans and Advances		16,009,419	8,696,873
LESS: CURRENT LIABILITIES AND PROVISIONS	8	103,888,109	76,352,775
Current Liabilities		22,068,802	15,692,058
Provisions		-	4,644,409
NET CURRENT ASSETS		22,068,802	20,336,467
		81,819,307	56,016,308
Total		168,658,598	149,060,721
Significant Accounting Policies and Notes to Accounts	18		

The Schedules referred to above form an integral part of the Balance Sheet.
 This is the Balance Sheet referred to in our report of even date

For and on behalf of the board

For C.P.Ranka & Co.
 Chartered Accountants
 Registration Number: 119375W

Ramesh Chandra Singhi
 Director

Suresh Chandra Bapna
 Director

C.P.Ranka
Partner
 Membership No: 106823
 Place: Secunderabad
 Date : 30th May, 2011

Prem Kankaria
 Mananging Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	Schedule	For the Year ended 31.03.2011	For the Year ended 31.03.2010
INCOME			
Sales	9	288,829,029	213,292,396
Less: Excise Duty		26,058,881	16,123,784
		262,770,148	197,168,612
Other Income	10	1,115,422	1,501,804
Increase / (Decrease) in Stocks	11	2,096,211	2,718,291
Total		265,981,781	201,388,707
EXPENSES			
Cost of Materials	12	203,681,701	148,237,035
Manufacturing Expenses	13	21,925,864	14,888,630
Personnel Expenses	14	5,937,413	5,448,782
Sales & Distribution Expenses	15	12,491,414	10,232,411
Interest and Finance Charges	16	11,977,978	5,388,841
Other Expenses	17	2,145,992	2,073,578
Depreciation		6,590,403	4,159,382
Total		264,750,765	190,428,659
Profit before Taxation		1,231,016	10,960,048
Provision for Taxation :			
Current Tax (Mat)		226,226	1,859,561
Deferred Tax		816,319	731,168
MAT Credit Entitlement		(226,226)	(755,089)
Profit after Taxation		414,697	9,124,408
Balance brought forward from previous year		19,662,947	15,182,948
Profit available for appropriation		20,077,644	24,307,356
Appropriations :			
Proposed Dividend on Equity Shares		-	3,969,750
Corporate Dividend Tax		-	674,659
Excess Provision for CDT in an earlier year Written Back		(15,332)	-
Surplus carried forward to Balance Sheet		20,092,976	19,662,947
Basic and Diluted Earnings per Share (Face value of Rs. 10 each)		0.10	2.30
Significant Accounting Policies and Notes to Accounts	18		

The Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date

For and on behalf of the board
For C.P.Ranka & Co.

Chartered Accountants

Registration Number: 119375W

Ramesh Chandra Singhi

Director

Suresh Chandra Bapna

Director

C.P.Ranka
Partner

Membership No: 106823

Place : Secunderabad

Date : 30th May, 2011

Prem Kankaria

Mananging Director

SCHEDULES TO BALANCE SHEET

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	As at 31.03.2011	As at 31.03.2010
SCHEDULE 1 SHARE CAPITAL		
Authorised		
50,00,000 (March 31, 2010: 50,00,000) Equity Shares of Rs. 10 each	50,000,000	50,000,000
Issued, Subscribed and Paid up		
39,69,750 (March 31, 2010: 39,69,750) Equity Shares of Rs. 10 each fully paid up	39,697,500	39,697,500
Total	39,697,500	39,697,500
SCHEDULE 2:		
RESERVES AND SURPLUS		
General Reserve		
Balance as per last Balance Sheet	335,971	335,971
Securities Premium Account		
Balance as per last Balance Sheet	1,500,000	1,500,000
Surplus as per Profit & Loss Account		
	20,092,976	19,662,947
Total	21,928,947	21,498,918
Schedule 3:		
Secured Loans		
Term Loans from a Bank		
[Secured by way of hypothecation of all the fixed assets of the Company and by way of equitable mortgage of the factory Land & Building situated in Nalgonda District. Further, these loans are personally guaranteed by the Managing Director of the Company]	30,367,325	40,103,244
Working Capital Loan from a Bank		
- In Indian Currency	36,678,880	16,428,775
- In Foreign Currency	-	19,356,228
[Secured by way of hypothecation of all the current assets of the Company and by way of equitable mortgage of the factory Land & Building situated in Nalgonda District and hypothecation of Plant & Machinery of the Company. Further, these loans are personally guaranteed by the Managing Director of the Company]		
Total	67,046,205	75,888,247
SCHEDULE 4:		
UNSECURED LOANS		
LONG TERM		
- From a Bank	1,466,255	2,855,252
- From Bodies Corporate	29,126,434	543,866
Total	30,592,689	3,399,118



SCHEDULES TO BALANCE SHEET

All amounts in Indian Rupees, except otherwise stated)

SCHEDULE - 5 : FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at April 1, 2010	Additions during th year	As at March 31, 2011	Upto April 1, 2010	For the Year	upto March 31, 2011	As at March 31, 2011	As at March 31, 2010
Land - Freehold	144,660	-	144,660	-	-	-	144,660	144,660
Buildings	13,769,860	49,198	13,819,058	2,681,438	443,114	3,124,552	10,694,506	11,088,422
Plant and Machinery	119,162,066	510,295	119,672,361	41,508,121	5,666,295	47,174,416	72,497,945	77,653,945
Computers & Peripherals	294,798	-	294,798	174,898	47,786	222,684	72,114	119,900
Electrical Installations	3,550,829	28,000	3,578,829	1,018,388	169,663	1,188,051	2,390,778	2,532,441
Furniture and Office Equipments	1,029,894	23,990	1,053,884	897,307	62,816	960,123	93,761	132,587
Vehicles	2,180,331	-	2,180,331	1,426,413	200,728	1,627,141	553,190	753,918
Total	140,132,438	611,483	140,743,921	47,706,565	6,590,402	54,296,967	86,446,954	92,425,872
March 31, 2010	75,271,676	64,860,762	140,132,438	43,547,184	4,159,382	47,706,566	92,425,872	

SCHEDULES TO BALANCE SHEET

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	As at 31.03.2011	As at 31.03.2010
SCHEDULE 6:		
INVESTMENTS		
Long Term		
Trade Investments - Quoted		
(Cost or market value whichever is lower)		
Nil Shares (100) of NTPC of Rs. 10 each	-	20,779
Nil Shares (500) of ITC Ltd of Rs. 1 each	-	94,209
300 Shares (450) of Hindalco Industries of Rs. 1 each	43,691	65,536
1700 Shares (2200) of Gujarat Ambuja Cements of Rs. 2 each	248,646	321,777
Nil Shares (400) of Ispat India of Rs. 10 each	-	16,240
Non-trade Investment - Unquoted		
10000 Units of SBI Infra Fund	100,000	100,000
Total	392,337	618,541
Aggregate amount of quoted investments	292,337	518,541
Aggregate market value of quoted investments	312,580	608,430
Aggregate amount of unquoted investments	100,000	100,000
SCHEDULE 7:		
Current Assets, Loans and Advances		
Current Assets		
Inventories		
(As taken, valued and certified by the Management)		
Raw Materials	22,028,730	13,378,869
Finished Goods	6,682,601	4,586,390
Packing Materials	224,367	166,498
Printing Inks & Chemicals	1,148,463	836,568
Printing Cylinders	654,000	619,000
Total	30,738,161	19,587,325
Sundry Debtors		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	4,622,515	4,030,384
Other Debts	50,975,439	42,507,206
	55,597,954	46,537,590
Less: Provision for Doubtful Debts	686,868	686,868
Total	54,911,086	45,850,722
Cash and Bank Balances		
Cash on Hand	24,836	24,340
Balances with Scheduled Banks:		
- In Current Accounts	108,690	56,248
- In Margin Money Accounts	1,617,590	1,667,590
- In Other Deposit Accounts	478,327	469,677
Total	2,229,443	2,217,855

SCHEDULES TO BALANCE SHEET

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	As at 31.03.2011	As at 31.03.2010
Interest accrued on Deposits	284,825	157,300
Total	284,825	157,300
Loans and Advances (Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received		
- Capital Advance	540,000	-
- Other Advances	3,720,883	3,230,321
Balances with Central Excise and Sales Tax authorities	7,688,982	3,368,091
Deposits	1,424,742	1,144,742
Advance Income Tax & Tax Deducted at Source (Net of Provisions Rs. 20,96,532; Previous Year Rs. 1,73,52,974)	1,368,672	41,331
MAT Credit Entitlement	981,315	755,089
Total	15,724,594	8,539,574
Grand Total	103,888,109	76,352,776
Schedule 8: Current Liabilities and Provisions		
Current Liabilities		
Sundry Creditors		
- Dues to Micro, Medium and Small Enterprises+	-	-
- Dues to Others	18,871,053	12,707,811
Advances received from customers	47,121	293,583
Other Liabilities	2,790,897	2,282,823
Unpaid Dividend on Equity Share Capital (Investor Education and Protection Fund)*	359,731	407,841
+ Refer Note No. 4 in Schedule 18		
* Refer Note No. 5 in Schedule 18		
Total	22,068,802	15,692,058
Provisions		
Proposed Dividend	-	3,969,750
Corporate Dividend Tax	-	674,659
Provision for Income Tax (Net of Advances Rs.34,65,204; Previous Year Rs.1,72,28,556)	-	-
Total	-	4,644,409
Grand Total	22,068,802	20,336,467

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	For the year ended 31.03.2011	For the year ended 31.03.2010
Schedule 9 : Income from Operations		
Sales (Net of Returns)	251,771,602	188,558,758
Excise Duty	26,058,881	16,123,784
Sales Tax	10,998,546	8,609,854
Total	288,829,029	213,292,396
Schedule 10 : Other Income		
Interest [Tax Deducted at Source of Rs. 20,675; (Previous Year Rs. 19,074)]	196,725	207,174
Dividend Income	10,809	18,236
Profit on Sale of Investments	50,713	81,551
Sales Tax Reimbursement	630,335	1,194,843
Gain on Foreign Exchange Fluctuations (Net)	96,505	-
Sundry Balances Written Back (Net)	130,335	-
Total	1,115,422	1,501,804
Schedule 11 : Increase / (Decrease) in Stocks*		
Closing Stock of Finished Goods	6,682,601	4,586,390
Less :		
Opening Stock of Finished Goods	4,586,390	1,868,099
*Including Semi-finished goods		
Total	2,096,211	2,718,291
Schedule 12 : Cost of Materials		
Opening Stock	13,378,869	10,409,866
Add : Purchases	212,331,562	151,206,038
	225,710,431	161,615,904
Less : Closing Stock	22,028,730	13,378,869
Raw Materials Consumed	203,681,701	148,237,035
Total	203,681,701	148,237,035
Schedule 13 : Manufacturing Expenses		
Packing Material Consumed	2,080,710	1,349,989
Inks & Chemicals Consumed	9,232,672	5,308,282
Stores & Spares Consumed	550,765	258,661
Power & Fuel	7,889,677	6,264,732
Repairs & Maintenance		
-Plant & Machinery	811,972	1,350,491
-Others	139,449	46,072
Printing Cylinder Charges	1,148,968	353,648
Excise Duty on Closing Stock	71,651	(43,245)
Total	21,925,864	14,888,630

**RAJ****packaging industries Ltd.****SCHEDULES TO THE PROFIT AND LOSS ACCOUNT**

(All amounts in Indian Rupees, except otherwise stated)

PARTICULARS	For the year ended 31.03.2011	For the year ended 31.03.2010
Schedule 14 : Personnel Expenses		
Salaries, Wages and Bonus	2,866,147	2,836,099
Managerial Remuneration	2,477,267	2,129,374
Contribution to Provident and Other Funds	230,560	216,749
Workmen & Staff Welfare Expenses	363,439	266,560
Total	5,937,413	5,448,782
Schedule 15 : Selling and Distribution Expenses		
Sales Promotion & Advertisement Expenses	102,283	103,247
Freight & Forwarding Expenses	1,317,972	950,923
Discounts, Rebate & Rejections	61,352	193,217
Sales Tax Paid	10,998,546	8,609,854
CST Paid 2005-06	-	9,134
APGST 2003-04 & 2004-05	-	366,036
CST Paid 2007-08 & 2008-09	11,261	-
Total	12,491,414	10,232,411
Schedule 16 : Finance Charges		
Interest on :		
- Term Loans	4,314,380	1,034,702
- Cash Credit	4,510,522	3,455,088
- Others	2,194,430	95,313
Bank Charges	958,646	803,738
Total	11,977,978	5,388,841
Schedule 17 : Other Expenses		
Auditors' Remuneration	50,000	50,000
Directors' Sitting Fees	170,000	150,000
Insurance	246,572	161,456
Printing & Stationery	111,787	87,542
Office Rent	207,000	180,000
Rates & Taxes	110,412	169,719
Telephone, Postage & Telegram	248,711	180,388
Travelling Expenses	288,275	244,286
Vehicle Maintenance	314,623	344,941
Miscellaneous Expenses	398,612	505,246
Total	2,145,992	2,073,578

SCHEDULE 18**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31ST MARCH, 2011****A. SIGNIFICANT ACCOUNTING POLICIES****1) GENERAL**

- a) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accounting principles of a going concern and the Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India ("ICAI"), the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.
- b) The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. Any revision to accounting estimates is recognized prospectively.

2) FIXED ASSETS

- a) All fixed assets are stated at cost (net of CENVAT / Value Added Tax) less accumulated depreciation and impairment loss, if any. Expenditure during construction period in respect of new project/ expansion is allocated to the respective fixed assets on their being ready for intended use.
- b) In accordance with AS 28 on 'Impairment of Assets' issued by The Institute of Chartered Accountants of India, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized is recognized in the Profit & Loss Accounts whenever the carrying amount of such assets exceeds its recoverable amount.

3) INVESTMENTS

Investments are either classified as current or long-term based on the management's intention at the time of purchase. Long-term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investments. Current investments are valued at the lower of the cost and fair value and provision is made to recognize any decline in the carrying value.

4) INVENTORIES

Inventories are valued at lower of cost and estimated net realizable value except scrap which is valued at net realizable value. Cost is determined on "First-in-First Out" basis.

The cost in case of finished goods and semi-finished goods includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

5) REVENUE RECOGNITION

Revenue is recognized when the property and all the significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration. Local sales are inclusive of excise duty and sales tax.

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income is recognized using time proportion method.

6) BORROWING COST

Borrowing Costs directly attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.

7) DEPRECIATION

Depreciation is provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 read with relevant circulars issued from time to time by the Department of Company Affairs.

Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

Depreciation on additions / deletions of assets during the year is provided on pro-rata basis.

8) EMPLOYEE BENEFITS

a) Provident Fund Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account as incurred.

b) Gratuity Gratuity is a defined benefit retirement plan and being accounted for on cash basis.

c) Liability for leave encashment is accounted for on cash basis.

9) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are recorded at the rate of exchange in force at the date of transactions. Gain and losses resulting from settlement of such transactions and from the transaction of monetary assets and liabilities denominated in foreign currencies are recognised in Profit and Loss Account.

Premium in respect of forward foreign exchange contract is recognised over the life of the contracts. With respect to foreign exchange contracts entered into for highly probable future transactions or firm commitments, mark to market losses, if any, is recognized at the Balance Sheet date in view of the principle of prudence enunciated in AS - 1.

10) TAXATION

Income tax expenses comprise current tax (i.e., amount of tax for the year determined in accordance with the income tax law) and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income of the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax on assets are recognized and carried forward only if there is a virtual / reasonable certainty of realization of such assets in near future and are reviewed for their appropriateness of their respective carrying value at each balance sheet date.

Tax credit is recognized in respect of Minimum Alternate Tax (MAT) paid in terms of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal tax within the statutory time frame and the same is reviewed at each Balance Sheet date.

11) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if any are disclosed in the notes to accounts and are determined based on the management perception that these liabilities are not likely to materialize. Contingent assets are not recognized or disclosed in the financial statements.

B. NOTES FORMING PART OF THE ACCOUNTS

1. Estimated amount of contract remaining to be executed on capital account and not provided for Rs. 13,81,000 (Previous Year Rs. Nil), Net of Advances Rs. 5,40,000 (Previous Year Rs. Nil).
2. In the opinion of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which those are stated in the Balance Sheet. The provision for depreciation and all the known liabilities is adequate and not in excess of what is required.
3. Accounts of certain debtors, creditors, loans and advances and unsecured loans given are subject to confirmation and reconciliation/adjustments, if any. However, in the opinion of management, there would not be any material impact on the financial statements.
4. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
5. A sum of Rs.77,736 (Previous Year Rs.48,111) on account of unclaimed dividend has not been deposited in the Investor Education and Protection Fund as required to be deposited on completion of 7 years under Section 205C of the Companies Act, 1956. However, the process for the remittance of the same has already been initiated.
6. In accordance with the practice being followed by the Company, no provision has been made in respect of estimated total liability for future payment of Gratuity and Leave Encashment and the same is being accounted for as and when paid which is not in accordance with the accounting method prescribed in Accounting Standard 15 - "Employee Benefits" issued by the Institute of Chartered Accountants of India. However, in the opinion of management, it will not have any material financial impact on the results of the company.
7. In terms of Accounting Standard 17, the Company operates materially only in one business Segment viz., Plastic Films and has its production facilities and all other assets located in India.
8. **Deferred Tax Liability/(Asset) for the year and at the year end comprises timing differences on account of:**

(Rupees)

Particulars	Up to 31.03.2010	Current Year	Total as on 31.03.2011
Depreciation	84,24,478	8,16,319	92,40,797
Others	1,52,460	-	1,52,460
Total	85,76,938	8,16,319	93,93,257

9. Earnings per share:
(Rupees)

Particulars		2010-11	2009-10
Numerator :			
Net Profit as disclosed in Profit & Loss Account attributable to the Equity Shareholders	Rs.	4,14,697	91,24,408
Denominator:			
Weighted average No. of Equity Shares	Nos.	39,69,750	39,69,750
Basic and Diluted Earnings Per Share (Face Value of Rs.10 each)	Rs.	0.10	2.30

10. Disclosure in respect of related parties pursuant to Accounting Standard 18:

(A) List of related parties:

Related parties with whom company entered into transactions during the year:

i) Companies in which directors are interested:

Kankaria Leasing & Finance Private Limited
 Chaitanya Securities Private Limited
 Peekay Securities Private Limited

ii) Key Management Personnel

Shri Prem Kankaria, Managing Director

Relative of Key Management Personnel

Shri Rajendra Kankaria, Brother

(B) During the year following transactions were carried out with related parties in the ordinary course of business and at arms length: (Rupees)

S.No.	Nature of Transactions	Companies in which directors are interested	Key Management Personnel	Total
1	Unsecured Loan taken			
	Kankaria Leasing & Finance Private Limited	12,00,000 (10,00,000)	- -	12,00,000 (10,00,000)
	Chetanya Securities Private Limited	2,96,10,000 (--)	- -	2,96,10,000 (--)
	Peekay Securities Private Limited.	24,00,000 (--)	- -	24,00,000 (--)
2.	Interest on Loan Taken			
	Kankaria Leasing & Finance Private Limited	1,67,742 (60,840)	- -	1,67,742 (60,840)
	Chetanya Securities Private Limited	9,34,981 (2,595)	- -	9,34,981 (2,595)
	Peekay Securities Private Limited	1,03,858 (--)	- -	1,03,858 (--)
3.	Managerial Remuneration	-- --	24,77,267 (21,29,374)	-- --
4.	Outstanding Balances as on 31.03.2011			
	Kankaria Leasing & Finance Private Limited	15,43,866 (5,43,866)	- -	15,43,866 (5,43,866)
	Chetanya Securities Private Limited	2,50,89,096 (--)	- -	2,50,89,096 (--)
	Peekay Securities Private Limited	24,93,472 (--)	- -	24,93,472 (--)

NOTES:

1. No amounts in respect of related parties have been written off / written back during the year.
2. Figures in bracket represent previous year's figures.
3. Related parties are as identified by the management and relied upon by the auditors.
11. a) Foreign exchange difference (net) credited to Profit and Loss Account Rs.5,83,518 (Previous Year Rs. 5,96,910).
- b) The Company uses Forward Exchange Contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company does not enter into any such instruments for trading or speculative purposes.

The following are the contracts entered into by the Company and outstanding at the year-end:

	31.03.2011	31.03.2010
Forward Exchange Contracts:		
No. of Contracts	-	1
Type	-	Sell
US \$ Equivalent	-	4,25,000
INR Equivalent	-	19,356,228

- c) The year end foreign currency exposures that have not been hedged are given below :
 Amounts payable in foreign currency on account of the following :

	Currency	31.03.2011		31.03.2010		
		FC Amount	Rupee Equivalent	Currency	FC Amount	Rupee Equivalent
Purchase of Goods/ Services	USD	99,209.05	44,57,671	USD	68,500	30,92,090
Purchase of Fixed Assets	EURO	28,500	18,25,995	EURO	28,500	19,22,500

12. Additional information pursuant to the provisions of Schedule VI of the Companies Act,1956

- A) Installed Capacity:** (As certified by the Management and relied upon by the Auditors being a technical matter)

Description of the Item	Qty	Year ended 31.03.2011	Year ended 31.03.2010
Licensed/Registered Capacity	In MT	4560	4560
Installed Capacity	In MT	4560	4560
Actual Production of Finished Goods	In MT	2671	2040

B) Sales of Finished Goods:

(MT/Rupees)

Particulars	For the year ended 31.03.2011		For the year ended 31.03.2010	
	Qty	Rs.	Qty	Rs.
Co-Extruded Multi-layer Plastic Film*	2668	26,27,70,148	2051	19,71,68,612

*Including sale of Raw Materials 0.8 MTS (Previous Year 5 MTS)

C) Opening and Closing Stock of Finished Goods:

(MT/Rupees)

Co-Extruded Multi-layer Plastic Film*	Year ended 31.03.2011		Year ended 31.03.2010	
	Qty	Rs.	Qty	Rs.
Opening Stock	53.40	45,86,390	33.17	18,68,099
Closing Stock	67.23	66,82,601	53.40	45,86,390

* Including Semi Finished Goods

D) Raw Materials consumed
(MT/Rupees)

Particulars	Year ended 31.03.2011			Year ended 31.03.2010		
	MT	Rs.	% of	MT	Rs.	% of
Raw Material (Imported)	1941.10	14,40,51,062	70.72	1196.13	8,37,09,913	56.47
Raw Material (Indigenous)*	735.10	5,96,30,639	29.28	865.29	6,45,27,122	43.53
Total	2676.20	20,36,81,701	100.00	2061.42	14,82,37,035	100.00

* Includes sale of Raw Material 0.8 MTS. (Previous Year 5.00 MTS)

E) Value of Imports on CIF basis in respect of:
(Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Raw Materials	14,89,57,646	8,63,29,659
Capital Goods	--	4,09,86,054
Stores	1,12,836	19,544

F) Expenditure in Foreign Currency
(Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Interest (FCNRB-DL)	16,20,511	29,354
Travelling Expenses	1,42,575	--

13. Remuneration to Managing Director:
(Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Salaries	23,80,000	20,50,000
Perquisites*	97,267	79,374
Total	24,77,267	21,29,374

* evaluated as per Income Tax Rules, wherever applicable

14. Auditors' Remuneration :
(Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Statutory Auditors' Remuneration :		
Audit Fees	30,000	30,000
Tax Audit Fees	15,000	15,000
Taxation / Other Services	5,000	5,000
Service Tax	5,150	5,150
Total	55,150	55,150

15. Previous year's figures have been regrouped and rearranged wherever necessary so as to conform to the current year's presentation.

**RAJ****packaging industries Ltd.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

(All amounts in Indian Rupees, except otherwise stated)

	March 31, 2011	March 31, 2010
A) Cash Flow from Operating Activities :		
Net Profit before Tax as per Profit and Loss Account	1,231,016	10,960,048
Adjustment for :		
Depreciation	6,590,403	4,159,382
Interest Income	(196,725)	(207,174)
Dividend Income	(10,809)	(18,236)
Profit on sale of Investment	(50,713)	(81,551)
Sundry Balances Written Back (Net)	(130,335)	-
Interest Charged	11,019,332	4,585,103
Operating Profit / (Loss) before Working Capital changes	18,452,169	19,397,572
Adjustments for :		
Trade and other receivables	(14,852,237)	(2,586,025)
Inventories	(11,150,836)	(5,632,974)
Trade and other Payables	6,507,079	9,231,450
Cash generated from Operations	(1,043,825)	20,410,023
Direct Taxes Paid	1,500,000	2,940,728
Net Cash (used in) / from Operating Activities	(2,543,825)	17,469,295
B) Cash Flow from Investing Activities :		
Purchase of Fixed Assets (Net)	(611,483)	(64,860,762)
Sale of Investments	276,917	993,795
Interest Received	176,050	207,174
Dividend Received	10,809	18,236
Net Cash used in Investing Activities	(147,707)	(63,641,557)
C) Cash Flow from Financing Activities :		
Proceeds from Short Term Borrowings (Net)	29,476,445	15,048,531
Proceeds from Long Term Borrowings (Net)	(11,124,916)	40,883,823
Dividends paid	(3,969,750)	(3,969,750)
Corporate Dividend Tax paid	(659,327)	(674,659)
Interest Paid	(11,019,332)	(4,585,103)
Net Cash from Financing Activities	2,703,120	46,702,842
Net Increase in cash and cash equivalents	11,588	530,580
Cash and Cash equivalents as at 01.04.2010	2,217,855	1,687,275
Cash and Cash equivalents as at 31.03.2011	2,229,443	2,217,855

- 1 The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3 - Cash Flow Statement, issued by the Institute of Chartered Accountants of India.
- 2 Previous year's figures have been regrouped wherever necessary.

The Schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date

For C.P.Ranka & Co.

Chartered Accountants

Registration Number: 119375W

Ramesh Chandra Singhi

Director

Suresh Chandra Bapna

Director

C.P.Ranka**Partner**

Membership No: 106823

Place: Secunderabad

Date : 30th May, 2011

Prem Kankaria

Mananging Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
I. Registration Details

Registration No.	7	5	5	0
State Code	0	1		
Balance Sheet Date	31	03	2011	

II. Capital raised during the year (Amount in Rs.Thousands)

Public Issue	N	I	L
Rights Issue	N	I	L
Bonus Issue	N	I	L
Private Placement	N	I	L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	1	6	8	6	5	8	.	6
Total Assets	1	6	8	6	5	8	.	6

Source of Funds

Paid - up Capital	3	9	6	9	7	.	5	0
Secured Loans	6	7	0	4	6	.	2	1

Application of Funds

Net Fixed Assets	8	6	4	4	6	.	9	5
Net Current Assets	8	1	8	1	9	.	3	1
Accumulated Losses	N	I	L					

Reserves & Surplus	2	1	9	2	8	.	9	5
Unsecured Loans	3	0	5	9	2	.	6	9

Investments			3	9	2	.	3	4
Misc. Expenditure	N	I	L					

IV. Performance of Company (Amount In Rs.Thousands)

Turnover (Total Income)	2	6	5	9	8	1	.	7	8
+ / (-) Profit / (Loss) before tax			1	2	3	1	.	0	2
Earning per Share (In Rs.)	0	.	1	0					
Total Expenditure	2	6	4	7	5	0	.	7	6
+ / (-) Profit / (Loss) after tax				4	1	4	.	7	0
Dividend Recommended Rate %	N	I	L						

Generic Names of Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC CODE)	3	9	2	0	1	0	1	2			
Product Description	C	O	-	E	X	T	R	U	D	E	D
	M	U	L	T	I	L	A	Y	E	R	
	P	L	A	S	T	I	C	F	I	L	M

For and on behalf of the board

Ramesh Chandra Singhi
 Director

Suresh Chandra Bapna
 Director

Prem Kankaria
 Mananging Director

ELECTRONIC CLEARING SERVICE (ECS) FOR PAYMENT OF DIVIDEND

To the Shareholders

The Company is planning to introduce Electronic Clearing Service (ECS) for payment of dividend. This would facilitate shareholders to obtain the dividend electronically and the payment would consequently be faster and loss of dividend instrument in postal transit would be eliminated.

Under this method, the Company would issue payment instructions to the Clearing House of Reserve Bank of India through the bankers of the Company. The Clearing House would furnish to the service branches of the destination banks branch wise credit reports indicating the beneficiary details such as names of the branches where the accounts are maintained, the names of the beneficiaries, account type, account numbers and the respective amounts. The service branch would in turn pass on the advices to the concerned branches of their bank, which would credit the beneficiary's accounts on the appointed date. An advise of remittance would be sent by the Company to the shareholders opting for electronic transfer.

Considering the benefits derived in ECS for payment of dividend, shareholders are advised to avail this facility. Securities and Exchange Board of India and the Department of Company Affairs, Government of India, have made it mandatory on the part of the Companies to offer ECS facility, wherever the said facility is available.

Presently, ECS facility is available at Fifteen centers of the Reserve Bank of India viz., Ahmedabad, Bangalore, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Pune and Thiruvananthapuram. This facility is available only for payment upto a maximum amount of Rs.5 Lacs.

If shareholder holding shares in physical form wish to participate in this scheme, please fill in the ECS Mandate Form printed overleaf in legible and readable form in English preferably in capital letters, sign and return the same to the Registrar and Transfer Agents of the Company immediately. Please note that the information provided by you should be accurate and complete in all respects and duly certified by your bankers. In lieu of Bank certification, you may attach a cancelled cheque or a photocopy of a cheque for verification of the particulars provided by you in the ECS Mandate Form.

In case you require any clarification/assistance, please feel free to contact the Company.

Prem Kankaria
Managing Director

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) MANDATE FORM

Shareholder's authorization to receive dividends through Electronic Credit Clearing Mechanism

1. Name of the first/sole shareholder : _____
2. Folio No./ Client ID No. : _____
3. Particulars of Bank account of first/sole shareholder : _____
 - a) Name of the Bank : _____
 - b) Branch, Address, Telephone No. of the Branch : _____
 - c) 9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank :
 - d) Account Number: (as appearing on the cheque book/passbook)
 - e) Account type : _____
(S.B. account/current account or cash credit)
with codc 10/11/13
 - f) Ledger No./Ledger folio no. : _____
(If appearing on the cheque book/pass book)

(In lieu of the bank certificate to be obtained as under, please attach a blank cancelled cheque, or photocopy of a cheque or the front page of the savings bank passbook issued by your bank, for verification of the above particulars). I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold Raj Packaging Industries Ltd., responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

Place: Date: _____ Signature of the Shareholder

Certified that the particulars furnished above are correct as per our records

Banks Stamp

Date: _____ Signature of Authorized Official of the Bank

Note:

1. Please fill in the attached Mandate Form and send it to:
 - i) The Depository Participant who is maintaining your Oemat account in case your shares are held in electronic form.
 - ii) The Address of our Registrar & Transfer Agent, CIL Securities Ltd., 214, Raghavaratna Towel'S, Chirag Ali Lane, Hyderabad - 500 001 in case your shares are held in physical form.
2. Kindly note that the information provided by you should be accurate and complete in all respects and duly certified by your bank. In lieu of the bank certificate, you may attach a blank cancelled cheque or photocopy of a cheque or the front page of the savings bank pass book issued to you by your bank. for verification of the above particulars.
3. In case of more than one folio please complete details on separate sheets
4. The information provided by you will be treated confidential and would be utilized only for the purpose of effecting the payments meant for you. You also have the right to withdraw from this mode of payment by providing the company with an advance notice of 3 weeks.

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository Participants.

Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form attached bellow and register the same with the company or registrar at following address or through e-mail

Raj Packaging Industries Limited
6-3-1090/C-4, Opp. Kapadia Lane,
Raj Bhavan Road,
Hyderabad – 500082.
e-mail : info@rajpack.com

CIL Securities Limited
214, Chirag Ali Lane
Abids, Hyderabad - 500 001
Ph : 040 - 66661267
e-mail : rta@cilsecurities.com

The shareholders can also register their e-mail with the concerned depository.

You can also visit our Website www.rajpack.com and register your details by clicking on the Investor Relations section , in the URL <http://121.246.146.252/gogreen/>

Name:..... e-mail id:

Address:

DP ID:.....

Client ID. :.....

Folio No. :.....

(in case of physical holding)

Signature of member

No. of equity shares held:

(the period for which held)

Signature of member

ATTENDANCE SLIP



RAJ PACKAGING INDUSTRIES LIMITED

6-3-1090/C-4, Opp. Kapadia Lane,
Raj Bhavan Road, Hyderabad - 500 082.

TO BE HANDED OVER AT THE ENTRANCE OF THE VENUE OF THE MEETING

DP. Id

Folio No.

Client Id

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company held at 11.30 A.M. on Monday, the 26th September, 2011 at Hotel Inner Circle, Lane beside Saboo Motors, Rajbhavan Road, Hyderabad, A.P.

If Signed by Proxy, his name should be written herein Block Letters

Member's/Proxy's Signature
(to be signed at the time of handing over this slip)

PROXY FORM



RAJ PACKAGING INDUSTRIES LIMITED

6-3-1090/C-4, Opp. Kapadia Lane,
Raj Bhavan Road, Hyderabad - 500 082.

TO BE HANDED OVER AT THE ENTRANCE OF THE VENUE OF THE MEETING

DP. Id

Folio No.

Client Id

I _____ /
We _____

in this District of _____ being a Member / Members of RAJ PACKAGING INDUSTRIES LIMITED hereby appoint _____ of _____

as my/our, Proxy to vote for me/us on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held at 11.30 A.M. on Monday, the 26th September, 2011 at Hotel Inner Circle, Lane beside Saboo Motors, Rajbhavan Road, Hyderabad, A.P. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Signature _____

Re 1/-
Revenue
Stamp

Note : The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the commencement of the meeting, otherwise Proxy wil not be allowed to attend the meeting.

