



STANPACKS (INDIA) LTD

28th
2018-19

**ANNUAL
REPORT**



WE SHARE OUR JOY

ANNUAL REPORT

2018 - 19

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CORPORATE INFORMATION

BOARD OF DIRECTORS
 (As on 31st May 2019)

SRI G.P.N.GUPTA	Chairman
SRI G.V. GOPINATH	Managing Director
SRI G.S.SRIDHAR	Joint Managing Director & CFO
SRI G.S.RAJASEKAR	Director
SRI S.RAMAKRISHNAN	Director
MS. SHOBHA GUPTA	Director
SRI R SUKUMAR	Director

REGISTERED OFFICE

‘S.K. ENCLAVE’ New No. 4, (Old No. 47),
 Nowroji Road, Chetpet,
 Chennai – 600 031
 Phone: 26451722, 26461415, 26452325
 Fax: 91-44-26451720,
 E-Mail: info@blissgroup.com
 Website: www.blissgroup.com
 CIN: L36991TN1991PLC021888

WORKS

Sholiyapalayam Village, Sholavaram,
 Ponneri Taluk, Chennai 600 067, Tamil Nadu

REGISTRARS AND SHARE TRANSFER AGENT

Cameo Corporate Services Ltd.
 Subramaniam Building, No.1,
 Club House Road, Mount Road
 Chennai-600 002
 Phone: 044–28460390 Fax: 044-28460129

LISTING

Bombay Stock Exchange Limited

BANKERS

Karnataka Bank Limited

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. M. Uma Maheswari

STATUTORY AUDITORS

M/s. J.V. Ramanujam & Co,
 Chartered Accountants
 F-1, Lakshmi, Old No.28, New No.56,
 Third Main Road, Raja Annamalaipuram
 Chennai 600028

SECRETARIAL AUDITORS

M/S. Lakshmmi Subramanian & Associates,
 Practising Company Secretaries, Chennai

ANNUAL GENERAL MEETING

Date & Time	6 th August 2019, Tuesday @ 10.30 a.m.
Venue	Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018

IMPORTANT COMMUNICATION

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 through their concerned Depository Participants. Members who hold shares in physical form are requested to register their mail address with the Registrar and Share Transfer Agent viz. Cameo corporate Services Ltd, Chennai.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of the Members of the Stanpacks (India) Limited is scheduled to be held at 10.30 A.M on Tuesday, the 6th August 2019 at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018 to transact the following business:

ORDINARY BUSINESS:

Item No. 01: Adoption of Annual Accounts:

To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2019 and the Statement of Profit and Loss for the Financial Year ended on that date and the report of the Board of Directors' and Auditor's thereon.

Item No. 02: Reappointment of Director:

To appoint a director in place of Sri G.S. Rajasekar (DIN: 00086002) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 03:

To re-appoint Sri G.V. Gopinath (DIN: 02352806) as Managing Director and in this regard, consider and if thought fit, to pass with or without modification(s), the following resolution as Special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and rules made thereunder read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force of any amendments and / or modifications that may hereinafter be made thereto by the Central Government in that behalf from time to time, of any amendments thereto), consent of the members be and is hereby accorded for the re-appointment of Sri. G.V. Gopinath, as a Managing Director of the Company for a period of three years with effect from 1st April 2019 to 31st March 2022, on such terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and vary the terms and conditions, in accordance with the law in force from time to time and to take such steps and to perform all such actions, matters and things as may be considered necessary to give effect to this resolution."

Item No. 04:

To re-appoint Sri G.S. Sridhar (DIN: 01966264) as Joint Managing Director and in this regard, consider and if thought fit, to pass with or without modification(s), the following resolution as Special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and rules made thereunder read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force of any amendments and / or modifications that may hereinafter be made thereto by the Central Government in that behalf from time to time, of any amendments thereto), consent of the members be and is hereby accorded for the re-appointment of Sri G.S. Sridhar, as a Joint Managing Director of the Company for a period of three years with effect from 1st April 2019 to 31st March 2022, on such terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and vary the terms and conditions, in accordance with the law in force from time to time and to take such steps and to perform all such actions, matters and things as may be considered necessary to give effect to this resolution."

**By Order of the Board
For Stanpacks (India) Limited**

Place : Chennai
Date : 3rd May 2019

**M. Uma Maheswari
Company Secretary**

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.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The proxy form duly stamped and executed should be deposited / lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting. Members are requested to bring their copy of the Annual Report. No additional copies will be provided at the venue.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. Additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking appointment/re-appointment as mentioned under item no. 2, 3 and 4 of this notice is appended. Further, the Company has received relevant disclosure/consent from the Director seeking appointment.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
8. Members are requested to intimate the Company, queries, if any, regarding the accounts/notice, not less than seven days before the meeting to enable the management to keep the required information readily available at the meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 31st July, 2019 to 6th August 2019 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015 entered into with the Stock Exchanges.
10. A route map along with prominent landmark for easy reach to the venue of annual general meeting is annexed with this notice.
11. Annual Report 2019 with Attendance Slip and Proxy form are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant (s) for communication purpose unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019 are being sent by the permitted mode.
12. Members may note that the Notice of the 28th Annual General Meeting and the Annual Report 2019 will also be available on the Company's website www.blissgroup.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection between working hours 11.00 A.M to 1.00 P.M. except on holidays. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cs-sl@blissgroup.com
13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Cameo Corporate Services Limited, the Registrar & Share Transfer Agent of the Company.
14. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.

15. **The Company is concerned about the environment and utilizing natural resources in a suitable way. We request you to update your email address with your Depository participant to enable us to send all the communications via email.**

16. E Voting & its procedures:

Voting through Electronic Means:

- In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 28th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional.
- The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. The remote e-voting period commences at 9.00 a.m. on Saturday, 3rd August 2019 and will end at 5.00 p.m. on Monday, 5th August 2019. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th July, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- The Company has appointed Smt. Lakshmmi Subramanian, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed. The Scrutinizer, after scrutinising the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.blissgroup.com and CDSL website. The results shall simultaneously be communicated to the Bombay Stock Exchange Limited.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case either of the details is not recorded with the depository please enter the <Default Value> in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc. are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

In case of members receiving the physical copy:

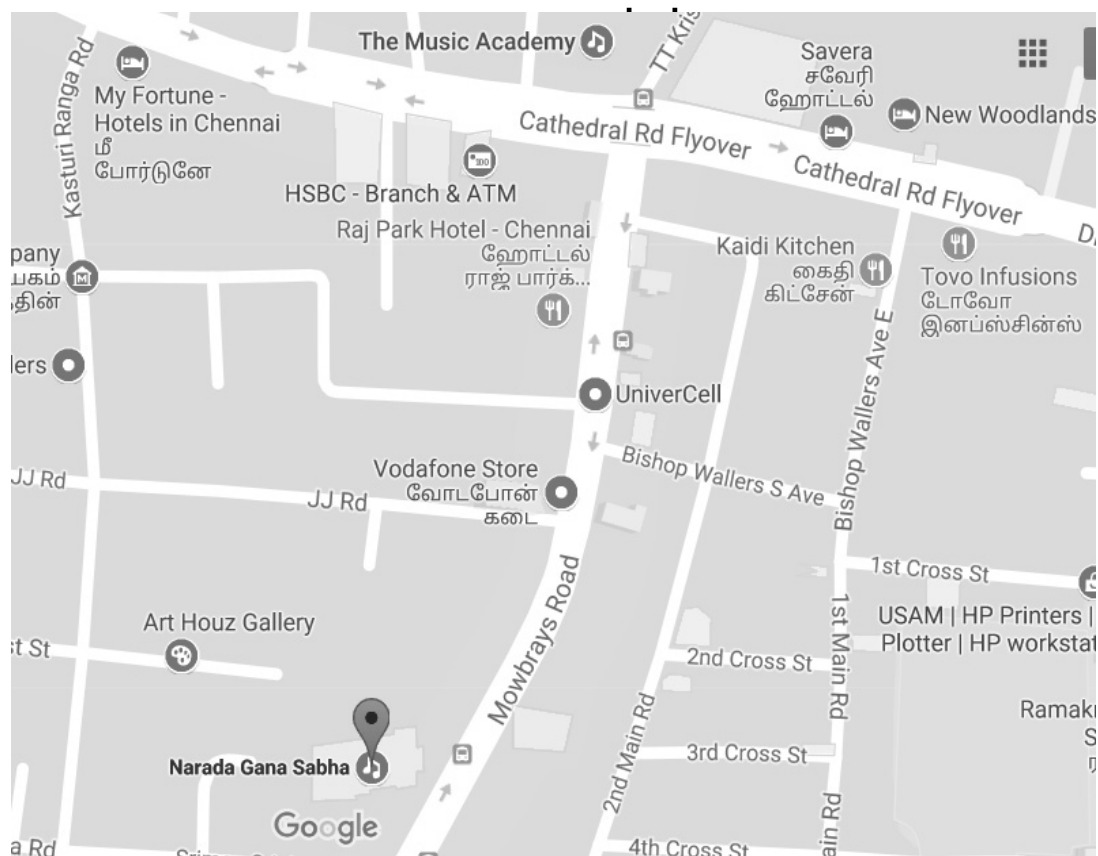
- (A) Please follow all steps from s. no. (i) to s. no. (xvii) above to cast vote.
- (B) The voting period begins on 03.08.2019 and ends on 05.08.2019. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30.07.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

- (i) The manner of voting for the members being present in the General Meeting will be on “proportion principle’ i.e. one share – one vote unlike one person one vote principle, further provision of the Companies Act, 2013 relating to demand for poll will not be relevant.

- (ii) The option of voting by show of hands will not be available for members present in the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, i.e. voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.

For your immediate reference, we also give below the location / route map to reach the venue of the Annual General Meeting of the Company.



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:
Item No. 3:

Sri G.V. Gopinath is a Post Graduate in Commerce with Advanced Diploma in Computer Applications taking care of Finance and Marketing of the Company. He has 24 years of successful career behind him. His array of exposure has extended to areas like Finance, Costing and Cost Control, Project planning and execution, Management Quality System, etc. He is taking care of both Finance and Marketing and plays an important role in the Company. Sri G.V. Gopinath was born on 24.07.1972 and aged about 46 years. He is holding 4,967 (0.08%) Equity Shares in the Company as on 31st March 2019.

He is holding Directorship in Magic Land Ventures Private Limited. Sri G.V. Gopinath has been associated with Stanpacks (India) Limited from the year 2008. Sri G.V. Gopinath, was appointed as Managing Director for a period of three years from 1st April 2016. His term of three years expires on 31st March 2019. Considering his rich experience and achievements for the benefit of the Company, the Nomination and Remuneration Committee recommended to the Board for re-appointment of Sri G V Gopinath as Managing Director of the Company with the remuneration and terms and conditions as detailed below with effect from 1st April 2019 for a period of three years. The Board of Directors in their Meeting held on 13th February 2019 has approved the re-appointment of Sri G.V. Gopinath as Managing Director and recommend the said resolution for the approval of the Shareholders.

SALARY:- Rs.1,00,000/- per month

PERQUISITES:-

- a. Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof.
- b. The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income tax rules, 1962.
- c. Medical reimbursement: Expenses incurred for director and his family as per company's rules.
- d. Leave travel concession: For director and his family, once a year, incurred in accordance with the company's rules.
- e. Club fees: Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.
- f. Personal accident insurance: Premium as per the company's rules.
- g. Contribution to superannuation fund, annuity funds and gratuity / contribution to gratuity fund under Company's rules.
- h. Eligible for leave as per Company's policy.
- i. Encashment of leave not availed by Director as per the Company's rules.
- j. Provision of car and telephone at his residence for his use and such other benefits, amenities and facilities as per the Company's rules.
- k. The Director will not be entitled to sitting fee for meetings of the Board/Committee attended by them.

The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule V of the Companies Act, 2013. Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Directors since the same is within the limits prescribed under Part II of Schedule V of the Companies Act, 2013.

The Board recommends the said resolution for approval by the shareholders as a Special resolution. Shareholders are requested to treat this as an abstract under Section 190 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel or their relatives except Sri G.V. Gopinath is interested in this resolution.

The Agreement entered into by the Company with Sri. G V Gopinath is available for inspection to the Members of the Company between 11.00 a.m. to 1.00 p.m. from Monday to Friday up to 6th August 2019 at the Registered Office of the Company.

The Board recommends the passing of the Special Resolution as set out in the Item no.3 of the Notice for re-appointment Sri G.V. Gopinath as Managing Director.

Item No. 4:

Sri G.S. Sridhar is a Graduate in B.E. Electronics. He has more than 27 years of successful career behind him and has served as Director (Operations) for a period of more than 10 years in the Company. His array of exposure has extended to areas like Finance & Production Planning, Operational techniques, Legal Matters, Management Quality Systems etc. He is taking care of Finance, Production and Operations of the Company. Sri G.S. Sridhar was born on 04.12.1966 and aged about 52 years. He

is holding 26,568 (0.44%) Equity Shares in the Company as on 31st March 2019. He is holding Directorship in Balaji Trading Enterprises Private Limited. Sri G.S. Sridhar has been associated with Stanpacks (India) Limited as Director from the year 2008.

Sri G.S. Sridhar, was appointed as Joint Managing Director for a period of three years from 1st April 2016. His term of three years expires on 31st March 2019. Considering his rich experience and achievements for the benefit of the Company, the Nomination and Remuneration Committee recommended to the Board for re-appointment of Sri GS Sridhar as Joint Managing Director of the Company with the remuneration and terms and conditions as detailed below with effect from 1st April 2019 for a period of three years. The Board of Directors in their Meeting held on 13th February 2019 has approved the re-appointment of Sri G.S. Sridhar as Joint Managing Director and recommend the said resolution for the approval of the Shareholders.

SALARY:- Rs.1,00,000/- per month

PERQUISITES:-

- a. Housing: Furnished/ unfurnished residential accommodation or house rent allowance of 60% of salary in lieu thereof.
- b. The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per Income tax rules, 1962.
- c. Medical reimbursement: Expenses incurred for director and his family as per company's rules.
- d. Leave travel concession: For director and his family, once a year, incurred in accordance with the company's rules.
- e. Club fees: Fees of clubs, subject to maximum of two clubs. This will not include admission and life membership fees.
- f. Personal accident insurance: Premium as per the company's rules.
- g. Contribution to superannuation fund, annuity funds and gratuity / contribution to gratuity fund under Company's rules.
- h. Eligible for leave as per Company's policy.
- i. Encashment of leave not availed of by Director as per the Company's rules.
- j. Provision of car and telephone at his residence for his use and such other benefits, amenities and facilities as per the Company's rules.
- k. The Director will not be entitled to sitting fee for meetings of the Board/Committee attended by them.

The above salary and perquisites shall be subject to the limits specified in Part II of the Schedule V of the Companies Act, 2013. Provided that in case of loss or inadequacy of profit in any financial year, the above remuneration will be treated as the minimum remuneration payable to the Directors since the same is within the limits prescribed under Part II of Schedule V of the Companies Act, 2013.

The Board recommends the said resolution for approval by the shareholders as Special resolution. Shareholders are requested to treat this as an abstract under Section 190 of the Companies Act, 2013.

Except Sri G.S. Sridhar, being an appointee, and Sri. G.S. Rajasekar Director of the Company and relative of the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

The Agreement entered into by the Company with Sri. G.S. Sridhar is available for inspection to the Members of the Company between 11.00 a.m. to 1.00 p.m. from Monday to Friday up to 6th August 2019 at the Registered Office of the Company.

The Board recommends the passing of the Special Resolution as set out in the Item no.4 of the Notice for re-appointment of Sri. G.S. Sridhar as Joint Managing Director.

Additional Disclosure for Item No: 3 and 4:

As required under Part II, Section II of Schedule V of the Companies Act, 2013, the following information is furnished:

I. General Information about the Company and Appointee:

- **Nature of Industry:** Manufacturing – Polypropylene Bags
- **Date or expected date of commencement of commercial production:**

The Company commenced business from the date of its incorporation on 20th December, 1991.

➤ **Financial Performance:**

During the year 2018-19, the Company's gross revenue from operations was Rs. 3658.39 lakhs. The Net profit after depreciation, interest and tax stood at Rs. 13.40 lakhs and your Company's accumulated loss got reduced to that extent.

II. General Information about the Appointees:

➤ Background details, Job Profile and Recognition or awards:

• **Sri. G.V. Gopinath**, aged about 46 years is a Post Graduate in Commerce with Advanced Diploma in Computer Applications taking care of Finance and Marketing of the Company. He has 24 years of successful career behind him. His job profile and responsibility has extended to areas like Finance, Costing and Cost Control, Project planning and Execution, Management Quality System, etc. He is taking care of both Finance and Marketing and plays an important role in the Company.

Sri. G.V. Gopinath, Managing Director of the company required to devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company including performing duties as assigned by the Board from time to time by serving on the Board or any other executive body or any Committee of the company. Sri. G.V. Gopinath is well recognized for his entrepreneur skills in managing finance, cost control and has been efficiently managing overall affairs of the Company.

• **Sri. G.S. Sridhar**, aged about 52 years is a Graduate in B.E. Electronics. He has more than 27 years of successful career behind him and has served as Director (Operation) for a period of more than 10 years in the Company. His job profile and responsibility has extended to areas like Finance & Production Planning, Operational techniques, Legal Matters, Management Quality Systems etc.

Sri. G.S. Sridhar is responsible for the overall performance of the Company. He has been instrumental in giving direction to the entire team of the Company and has been responsible for monitoring their performance on regular basis. Sri. G.S. Sridhar plays a major role in providing thought leadership and strategic inputs to the Company in addition to helping shape business and driving the strategic operations in the Company. Having spent a long time in the Company and been the moving spirit of the Company, he is best suited for the job. Sri. G.S. Sridhar is well recognized for his leadership, visionary and entrepreneur skills.

➤ **Past remuneration:** Sri G V Gopinath and Sri G S Sridhar was drawing Rs. 11,52,000/- each per annum in the year 2018-19

➤ **Remuneration proposed to the Appointees and comparative remuneration payable with respect to Industry, size of the Company, profile of the position and person:**

The details of remuneration proposed for the appointees are set out in Item no.3 & 4 in Explanatory Statement in respect of Special Business which forms part of Notice.

Taking into consideration the size and level of operations of the Company, the invaluable experience of the appointee, difficult scenario faced by the Company and tight market situation, the industrial norms on remuneration package to Managing Director and Joint Managing Director, is considered very reasonable.

➤ **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Sri. G.V. Gopinath and Sri. G.S. Sridhar belongs to promoters of the Company and holding 0.08% and 0.44% of shares respectively in the paid up capital of the Company.

III. Other Information:

Reason for loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms:

There are no losses in the Company but the profits generated are inadequate. The main reason for inadequacy of profit is low turnover of the Company due to stiff competition. Another reason is high manpower turnover, which is generally seen in most of the Industries at present. Further, due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability. The situation has aggravated further due to short-term downtrend in the packaging industry. Further, due to the increase in the interest burden because of charge of interest to revenue account. Consequently, the profitability of the Company has also been affected. However, the company has shown profits for the past three years and the current year.

Till the Financial Year 2013-14, your Company had faced a tough situation and had incurred huge losses. This is due to various factors such as global economic crisis, volatility in material price, labour resources resulting in net realizations, shortage of power etc. However, your Company has recovered from major crisis by implementing multiple strategies in the year 2014-15. The financial year 2015-16, 2016-17 and 2017-18 ended up with an increasing positive top line and bottom line. On growth pace, your Company is targeting with innovating techniques which will further improve the results in the coming years. Considering the improved performances, upcoming market and major orders, your Company firmly believes that it will come out of the existing situation of inadequate profit in the near future.

Focus has been placed on promotion and marketing of products so as to increase the sales turnover of the Company and efforts are being made to reduce overheads and fixed costs as compared to variable costs and this will result into increase in profits of the Company. All economical measures are being adopted to maintain profitability. The Company has initiated certain steps such as better product mix, cost control, borrowing at cheaper rates, and improving efficiency etc. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.

With its existing product portfolio coupled with expected new product launches, the Company has bright prospects to achieve significant growth with attractive returns. The key focus areas for the Company would be increasing productivity level, improving operational efficiencies and profit maximization. These initiatives are expected to improve the productivity and profitability. The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

Sri G V Gopinath and Sri G S Sridhar, aided by the top managerial personnel, have worked out strategies to meet the challenges ahead and improve the company's financial position. The Company has implemented modern management initiatives aimed at exercising tighter controls on costs and overhead expenses.

The Company seeks the permission of the shareholders for making payment to the appointee, remuneration in any of the three years of his appointment as laid down in Part II of Section II to Schedule V of the Companies Act, 2013, only in the event the Company has no profits or inadequate profits in any such financial year.

The resolution set out in item no. 3 & 4 of the accompanying notice is intended to obtain the consent of the shareholders in respect of the re-appointment and remuneration payable to Sri G V Gopinath and Sri G S Sridhar.

DETAILS OF THE DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 28th ANNUAL GENERAL MEETING

{In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)}

Item No.	2	3	4
Name of Director	Sri G.S. Rajasekar	Sri G.V. Gopinath	Sri. G.S. Sridhar
Age	48 Years	46 years	52 years
Qualification	B.Com, ASM, AICWA, MBA (University of Mississippi, Oxford, USA.), CISA (Information Systems Audit and Control Association, USA)	Post Graduate in Commerce with Advanced Diploma in Computer Applications	Graduate in B.E. Electronics
Brief profile including expertise	Sri G.S. Rajasekar has over 24 years of rich and exhaustive experience in the areas of Accounting, BPO, Finance, Taxation, Audit, Consulting, Information Technology, Operations, Banking, Corporate Planning Investment Advisory and has held senior management positions during his career. He started his career in year 1994 with Hello World Inc., in New York, USA as Accounting and System Analyst. During the year 1995, he joined Council on International Educational Exchange, New York., USA as Manager & Senior Cost Accountant, Flown Revenue. He joined BLISS Group of Companies, Chennai, India in 1997 as Vice President - Corporate Planning, Projects & IT and later on appointed as Group CFO & Head IT. He was then appointed as a Chief Executive Officer ACTIVEPOINT Business Consultants (P) Ltd., Chennai in March 2005.	Sri G.V. Gopinath is taking care of Finance and Marketing of the Company. He has 24 years of successful career behind him. His array of exposure has extended to areas like Finance, Costing and Cost Control, Project planning and Execution, Management Quality System, etc. He is taking care of both Finance and Marketing and plays an important role in the Company.	Sri G.S. Sridhar has more than 27 years of successful career behind him and has served as Director - Operations for a period of more than 10 years in the Company. His array of exposure has includes to areas like Finance & Production Planning, Operational techniques, Legal Matters, Management Quality Systems etc. He is taking care of Finance, Production and Operations of the Company.

Date of Appointment	30/05/2017	25/09/2008	25/09/2008
Directorships in other companies	ACTIVEPOINT Business Consultants (P) Ltd.,	Magic Land Ventures Private Limited	Balaji Trading Enterprises Private Limited
Chairman/Member of the Committee of the Board of Directors of the Company	1. Stakeholders' Relationship Committee – Member 2. Share Transfer Committee – Member	None	None
List of / Membership / Chairmanship of Committees of other Board.	None	None	None
Relationship with other Directors	Relative of Sri. G.S. Sridhar, Joint Managing Director & CFO	None	Relative of Sri. G.S. Rajasekar, Director.
Terms and Conditions of appointment or re appointment	Sri. G.S. Rajasekar, is a Non-Executive Director of the Company, liable to retire by rotation.	Appointment for a period of three years	Appointment for a period of three years
Shareholding in Stanpacks India Limited	49,000 (0.80%)	4,967 (0.08%)	26,568 (0.44%)
No. of Board meetings attended during the year	5	5	5
Details of Remuneration sought to be paid	-	Rs. 1,00,000 p.m.	Rs. 1,00,000 p.m.
Last Remuneration drawn	-	Rs. 75,000 p.m.	Rs. 75,000 p.m.

**By Order of the Board
For Stanpacks (India) Limited**

**Place : Chennai
Date : 3rd May 2019**

**M. Uma Maheswari
Company Secretary**

BOARD'S REPORT

To

The Members

Your Directors have pleasure in presenting the Twenty Eighth Annual Report, together with the Audited Accounts of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS:

The Company's financial results for the period under review are as follows:-

PARTICULARS	2018-19	2017-18
GROSS REVENUE FROM OPERATIONS	3,658.39	3,216.83
NET REVENUE FROM OPERATIONS & OTHER INCOME	3,673.43	3,228.08
PROFIT BEFORE INTEREST, DEPRECIATION & TAXES	272.40	326.74
INTEREST	183.78	211.74
DEPRECIATION	62.25	68.18
PROFIT BEFORE TAX	25.97	46.82
DEFERRED TAX	12.21	4.88
PROFIT / (LOSS) AFTER TAX	13.40	28.01
PROFIT/ (LOSS) OF EARLIER YEARS	(337.90)	(365.91)
PROFIT / (LOSS)	(324.50)	(337.90)

DIVIDEND:

Considering the current financial position, the Board of Directors does not recommend any dividend for the financial year 2018-19.

REVIEW OF OPERATIONS:

During the year under review, your Company reported gross Revenue from Operations of Rs. 3,658.39 lakhs as against Rs. 3,216.83 lakhs during the previous year. During the year, your Company was able to increase the turnover by 13.73%. The sales volumes were stable and realization improved during the Financial Year 2018-19 resulting in increase in the Sales turnover. The Net profit after depreciation, interest and tax stood at Rs. 13.40 lakhs as compared to Rs. 28.01 lakhs in the previous year. Company is taking necessary steps to increase profitability. The accumulated losses as on 31st March 2019 have been decreased to Rs. 324.50 lakhs. The Company has also achieved reasonable sales in terms of exports. Though there has been continuous pressure on margins due to increase in raw material prices and intense competition the Company showed stable results by increasing the efficiency of the units and implementing various cost control measures.

The performance of your Company is primarily attributable to higher sales, benefits arising out of structural cost reduction and capacity enhancement projects commissioned in the last couple of years along with improved business synergies and focus on various improvement initiatives. Due to weak domestic demand company is focusing on increasing exports and has managed to increase its Export turnover to Rs.62.78 Lacs. With all these steps, directors are hopeful to have better returns in the coming year. The Company expects better performance during the year 2019-20 with expecting increase in demand for PP bags from various Sectors. Increase in interest cost due to term loan availed by the company have also put pressure on the bottom-line of the Company. Your company's significant scale, broad geographical exposure focusing on value added applications coupled with cost control measures have helped it to register a decent growth of the company during the financial year under review. The improved performances and the growth in the past years motivated your Company to aggressively target the competitive market with various innovative strategies. The projects implemented recently will give its full results in coming year and hence shall improve the profitability.

During the year, your Company concentrated on product innovation considering the changing consumer preferences and market trend. On growth front, your Company is taking efforts for expanding the market by effectively utilizing the available resources, targeting the efficient and retaining the valuable customers, improving the various cost-cutting and value

engineering measures for increasing the stability in operating results. Continuous working capital support from the bankers also contributed for the improved performances. With the current scenario, your management is very confident of achieving better results in the years to come.

TRANSFER TO RESERVES:

The Company has made no transfers to reserves during the financial year 2018-19.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34(2) of the SEBI Listing (Obligations and Disclosures) Requirements Regulations, the Management Discussion and Analysis Report is enclosed as *Annexure 1*.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as *Annexure – 2* and forms an integral part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Sri G.S. Rajasekar, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The subject forms part of the ordinary business in the Notice of the 28th Annual General Meeting. Your Board of Directors recommend his re-appointment.

The Board of Directors has re-appointed Sri G V Gopinath as Managing Director and Sri G S Sridhar as Joint Managing Director with effect from 01st April 2019 for a period of three years subject to the approval of Shareholders. The above business forms part of Notice of the 28th Annual General Meeting for approval of shareholders.

Sri M. Ravindra Reddy, Independent Director of the Company whose current term expired on 31st March, 2019, has conveyed his desire not to seek re-appointment as Independent Director of the Company for the second term. Accordingly, the tenure of Sri M. Ravindra Reddy as Independent Director of the Company has come to end on 31st March, 2019. The Board of Directors place on record their appreciation of the contribution made by Sri M. Ravindra Reddy during his tenure on the board.

NUMBER OF MEETINGS OF THE BOARD AND BOARDS' COMMITTEE:

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performances of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules.

Meeting	No. of Meeting during the Financial Year 2018-19	Date of the Meeting
Board Meeting	5	30th May 2018, 9 th August 2018, 26 th September 2018, 14th November 2018 & 13 th February 2019
Audit Committee	4	30th May 2018, 9 th August 2018, 14th November 2018 & 13 th February 2019
Nomination & Remuneration Committee	2	9 th August 2018 and 13 th February 2019
Share transfer Committee	13	31 st May 2018, 25th August 2018, 20th September 2018, 15th November 2018, 30th November 2018, 14th December 2018, 21st December 2018, 10th January 2019, 29th January 2019, 13th February 2019, 25th February 2019, 28th March 2019, & 30th March 2019
Stakeholders' Grievances Committee	-	No meeting held during the year

The interval between two Board Meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013, and SEBI Listing (Disclosures and Obligations Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 134(3)(C) of the Companies Act, 2013 the Directors hereby state and confirm that they have:

- a) In the preparation of the annual accounts for the year ended 31st March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for the year ended on that date;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

During the year under review, there were no frauds reported by the Auditors on the employees or officers of the Company under section 143(10) of the Companies Act, 2013.

INDEPENDENT DIRECTORS:

The Company is managed and controlled by professional Board of Directors with an optimum combination of Executive, Non-Executive and Independent Directors including one Woman Director. The Non – Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013. The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Act, that they meet the criteria of independence as laid down in Section 149(6) of the Act.

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy. The appointment letters of Independent Directors has been placed on the Company's website at www.blissgroup.com

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

As required under Clause VII of Schedule IV of the Companies Act, 2013, the Independent Directors held a Meeting on 13th February 2019, without the attendance of Non-Independent Directors and members of Management.

NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members.

Nomination & remuneration Policy:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. The Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
4. The Board shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

5. The remuneration/ compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
6. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
7. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
8. The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
9. Commission to Non-Executive/ Independent Directors may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

BOARD EVALUATION:

Pursuant to the provision of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Boards' functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Director expressed their satisfaction with the evaluation process.

AUDIT COMMITTEE RECOMMENDATION:

During the year all the recommendations of the Audit Committee were accepted by the Board. Pursuant to Section 177(8) of the Companies Act, 2013, the Composition of Audit Committee is given as under:

Composition of Audit Committee:

The Composition of the Audit Committee as on 31st March 2019 is as follows:

- Sri R Sukumar – Chairman cum Member
- Sri S Ramakrishnan – Member
- Sri G P N Gupta – Member
- Smt Shobha Gupta–Member
- The Company Secretary shall act as the Secretary of the Committee

INTERNAL COMPLAINTS COMMITTEE:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. No Complaints were received and disposed off during the year under review. Further, in the meeting held on 3rd May 2019, the Board has approved the reconstitution of the Committee with the following members:

1. Ms. Mahalakshmi–Presiding Officer
2. Shri. Maria Augustin – Member
3. Ms. Rathi Kumari– Independent Member
4. Ms. Srividya – Member

VIGIL MECHANISM:

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has established a Vigil Mechanism policy for directors and employees to report concerns about unethical behaviors, actual or suspected fraud, violations of Code of Conduct of

the Company etc. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access by the Whistle Blower to the Audit Committee. It is affirmed that during the Financial Year 2018-19, no employee has been denied access to the Audit Committee. The vigil mechanism policy is also available in the company's website www.blissgroup.com.

RISK MANAGEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Company has a risk management policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the appointment of M/s. J.V. Ramanujam & Co., Chartered Accountants (Firm Registration No. 002947S) as Statutory Auditors of the Company have been approved in the 26th Annual General Meeting of the Company. They shall hold office until the conclusion of the 31st Annual General Meeting of the Company.

COST AUDIT:

Pursuant to notification of Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) amendment rules, 2014, the Company's product does not fall under the purview of Cost Audit from the financial year 2014-15. The Company has also intimated the non-applicability of Cost Audit to the Registrar of Companies.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the year 2018-19 is included as Annexure 3 and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

LOANS, GUARANTEES AND INVESTMENTS:

The Company has not granted loan or guarantee in respect of a loan to any person or body corporate or acquisition of shares in other body corporate under section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

The related party transactions as required under Section 134(3)(h) of the Companies Act 2013, r/w Rule 8 of the Companies (Accounts) Rules, 2014 are detailed under Note 12 – Notes annexed to and forming part of the Balance Sheet of the company.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

(Rs. in lakhs)

S. No	Name	Designation as on 31 st March 2019	Remuneration paid FY 2018-19	Remuneration paid FY 2017-18	Increase in remuneration from previous year	Ratio / times per median of employee remuneration
1	G.V. Gopinath	Managing Director	11.52	11.52	Nil	3.56
2	G.S. Sridhar	Joint Managing Director and Chief Financial Officer	11.52	11.52	Nil	3.56
3	M. Uma Maheswari	Company Secretary	4.41	4.41	Nil	1.31

Note:

1. The remuneration payable to the KMP / Whole time directors are in accordance with the Industry and Geographical standards and as per the Remuneration policy of the Company.
2. The percentage increase in the median remuneration of employees in the financial year is 15.92%
3. The number of permanent employees on the rolls of company as on 31st March 2019 is 58.
4. The average increase in salaries of employees other than managerial personnel in 2018-19 was 12.65%.
5. No remuneration is paid to the Independent Directors of the Company other than the sitting fees of Rs.10,000/- for attending Board / Committee Meetings. The details of sitting fees paid to the Directors are set out in Extract of Annual Return (*Annexure 2*)

PERSONNEL:

None of the employees of the Company drew remuneration which in the aggregate exceeded the limits fixed under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

The Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Sec.134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed as part of the Report as Annexure – 4.

CORPORATE GOVERNANCE:

As prescribed under the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, your Company does not fall under the purview of complying with the provisions of Corporate Governance. During the year, with the approval of Board of Directors, your Company has informed the non-applicability provision to the Bombay Stock Exchange.

Since, the provision of Corporate Governance is not applicable for the entire Financial Year 2018-19, a separate report of Corporate Governance is not disclosed in the Annual Report 2018-19.

LISTING FEES:

The Company confirms that it has paid the annual listing fees for the year 2019-20 before the due date to the Bombay Stock Exchange.

CLOSURE OF REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS:

The Register of Members and Share Transfer books of the company will be closed with effect from 31st July 2019 to 6th August 2019 (both days inclusive).

FIXED DEPOSITS:

During the financial year 2018-19, your Company has not accepted any deposit under the provisions of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. Your company has repaid all the deposits accepted under Companies Act, 1956 with interest and as such no amount of principal or interest was outstanding as on the Balance Sheet date.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS OR TRIBUNALS:

During the year, the Company has not received any significant and material orders passed by the Regulators or courts or tribunals which would affect the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS:

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

QUALITY MANAGEMENT SYSTEMS:

Your Directors are happy to report that as a commitment in meeting global quality standards, your company continues to have ISO 9001:2015 quality management systems a certificate from Intertek Certification Limited.

FORWARD LOOKING STATEMENTS:

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

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their sincere gratitude to the encouragement, assistance, co-operation and support given by the Central Government, the Government of Tamil Nadu, the Karnataka Bank Ltd. during the year. They also wish to convey their gratitude to all the customers, Auditors, suppliers, dealers and all those associated with the company for their continued patronage during the year.

Your Directors also wish to place on record their appreciation for the hard work and unstinting efforts put in by the employees at all levels. The directors are thankful to the esteemed stakeholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board

Place : Chennai
Date : 3rd May 2019

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE – 1**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMIC OVERVIEW:**

The International Monetary Fund (IMF) in the World Economic Outlook 2019 report that the global growth will be 3.3% in 2019, down from 3.6% in 2018 and 4% in 2017. The reduced growth rates are attributed to lower global expansion in the second half of 2018 caused by macroeconomic stress, tighter credit policies and financial tightening plus normalisation of monetary policy in advanced economies.

Global growth is expected to level out at 3.6% over the medium term beyond 2020. The growth would be driven by a moderation in expansion in advanced countries and the stabilisation of emerging market expansion at 2020 levels. Advanced economies are expected to slow down to 1.6% growth by 2022 and remain at that rate thereafter. Growth is expected to steady at 4.8% over the medium term for emerging markets and developing countries. The emerging markets and developing countries are growing faster than advanced economies. Their contribution to global growth is expected to increase from 76% to 85% over the next five years.

India's economy will grow 7.1% in 2019-20 and is expected to accelerate to 7.3% growth this fiscal. RBI had cut its growth forecast to 7.2% for this fiscal and 7.4% for FY21. IMF suggests reforms to hiring and dismissal regulations to help incentivise job creation and absorb the country's large demographic dividend. India's growth is expected to stabilise at 7.75% over the medium term, driven by structural reforms and the easing of infrastructure bottlenecks. IMF calls for continued implementation of structural and financial sector reforms in order to lower public debt and aid growth.

The World Economic Outlook of the International Monetary Fund (IMF) has given the recent prospects about the growth trends for India. IMF has retained its growth projection for the country at 7.5 per cent for 2019-20 and said it is likely to accelerate to 7.7 per cent in 2020-21. India will remain the fastest-growing economy in the world, at least for the next two years. India's growth rate is poised to pick up in 2019, benefiting from low oil prices and a slower pace of monetary tightening than previously expected as inflation pressures ease.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The global packaging industry has witnessed a significant transformation over the last few decades and several emerging packaging trends are expected to have huge impact on the global packaging industry growth in 2019. Today's packaging plays a far more complex role than just making containers for products during the process of logistics, sales, and end use. It is now also one of the most essential elements in terms of product design, branding, marketing and user experience. As the global demand for packaging continues to grow and diversify, the packaging industry is likely to be more heavily influenced by consumer preferences, industry dynamics, environmental concerns and developments in technology and manufacturing equipment.

According to a recent packaging industry report, the global packaging market size will grow close to USD 165 billion from 2017 to 2021, accelerating at a CAGR of nearly 6% during the forecast period. The growth in the global packaging market is mainly driven by the increasing demand from end-user sectors such as food and beverage, retail, and healthcare industries. When it comes to geographic regions, the Asia Pacific has been leading the global packaging industry as one of the major revenue contributors, and its dominance is expected to be maintained during the forecast period. The growth of the packaging market in this region is mainly due to the rise in demand from the e-commerce retail industries.

Packaging Market size in 2016 was valued at \$39,647 million growing at CAGR of 6.7% to reach \$62,063 million by 2023. Packaging market has witness increased adoption owing to factors such as increase in applications of packaging in a wide range of industries across food and drink, healthcare, cosmetics, and other consumer goods as well as a range of industrial sectors where packaging has become essential, with its usage increasing broadly in line with the global economy.

According to research, The Future of Packaging: Long-Term Forecasts to 2028, between 2018 and 2028 the global packaging market is set to expand by almost 3% per annum, reaching over \$1.2 trillion. The global packaging market has increased by 6.8% from 2013 to 2018. Most of this growth has come from less developed markets, as more consumers move to urban locations and subsequently adopting westernised lifestyles. This has boosted a demand for packaged goods, which worldwide has been accelerated by the e-commerce industry. Many drivers are having a significant influence on the global packaging industry.

The Indian packaging industry, with a turnover of USD 24.6 billion and a growth rate of 13% to 15% annually, is expected to reach USD 32 billion by 2020. Packaging has an annual global turnover of about USD 550 billion, and India's share is about

USD 16.5 billion per annum. The growth of the Indian packaging industry is heavily influenced by changing demographics such as growing urbanization and the rising proportion of middle class consumers. These changes drive the need for new packaging formats, such as different sizes, materials, and strength. As the requirement for packaging is rising across sectors with traditional businesses preferring to package products, and the retail and e-commerce growing rapidly, the sector is growing at a robust pace. The industry certainly presents potential growth opportunities for new entrepreneurs, and small and medium enterprises.

Demand for flexible packaging in the Indian market, estimated at USD 5.6 billion in 2017, is expected to grow at nearly 10 percent a year over the next five years. Indian-made flexible packaging machines, which come with all innovative technologies that any top-end European or Western players provide, will definitely empower the Indian converters and packaging solution providers to deliver same efficiency and productivity with new standard in cost effectiveness. The polymer consumption is growing at an average rate of 10 percent.

SCOT ANALYSIS:

OPPORTUNITIES AND STRENGTHS:

PP bags have become need of the hour. The company is working on specialty products for quite some time now and they already form a good mix of our portfolio. The major growth drivers for PP bags market are increasing demand from pharmaceuticals and food packaging. Packaging also play a pivotal role in recently increasing trend of e-commerce, online shopping. Flexible packaging has been the prime-mover of the packaging industry. Owing to developments across consumer and industrial markets that use polymeric films, improvements in manufacturing practices, and continued technological innovations, the packaging market has been able to continually grow and evolve. As a result of the various features that come along with flexible packaging right from the ease of handling, storage, to being cost efficient, flexible packaging has carved a strong position for itself on the global turf.

One of the main factors driving the growth of flexible packaging market is the rise in its demand and wide acceptance of this type of packaging across segments such as food and beverages, industrial goods and Fast Moving Consumer Goods. Enhanced functionality and improved aesthetics have made flexible packaging perfect for branding and display of goods and products at the point of sale, in turn driving sectoral growth. Backed by investments in technology and equipment, the flexible packaging industry in India has the potential to enjoy a high growth rate of around 15-20 percent per annum in the coming years.

CHALLENGES AND THREATS:

Polypropylene is the key raw material of the Company. Changes in the cost of raw materials such as these are generally a pass through. Time lag, if any, in doing so may impact the margins of the Company. Being a labor oriented industry with high requirement of skilled labor, shortage of labor is a major risk associated with the sector, however the Company has put in place adequate system to monitor labor requirement and have implemented skilled development training program within the premises. Flexible packaging markets remain highly competitive at both the national and regional levels, often with narrow margins.

Worldwide more and more bio-degradable products are being used. Packaging films are often considered environment unfriendly; face significant opposition from various strata of society and are subjected to severe regulatory and statutory scrutiny although it has been proved beyond reasonable doubt that this type of packaging requires much less energy throughout all the critical stages of its life cycle i.e. during manufacturing, transportation and disposal when compared with its rigid counterpart. Emergence of competition in this segment may impact the growth plan in the medium to long term

FINANCIAL PERFORMANCE:

The Financial and Operational performance of the Company are on growing trend and details of the same are mentioned in the Financial Statements as well as Board report.

INTERNAL CONTROL SYSTEM:

The Company has an Internal Audit System commensurate with its size and nature of business operations. The Internal Auditors covers all the key areas of the Company's business and reports to the Audit Committee of the Board. These controls ensure that transactions are authorized, recorded and reported on time. The system meticulously records all transaction details. They ensure that assets are safe guarded and ensure operational excellence. The Company has also implemented adequate internal controls towards achieving efficiency of operations, management of resources, accuracy and promptness of financial reporting and compliance with the applicable laws, rules and regulations.

The Internal Audit department carried out audits in different areas of Company's operations. The internal audit reports are periodically reviewed by the Audit Committee of the Board of Directors. This Committee then discusses and reviews the findings with the internal auditors as well as with senior management, including departmental heads. Wherever necessary, Internal Control Systems are strengthened and corrective actions initiated.

HUMAN RESOURCES:

Stanpacks regards its human resources as the most valuable asset of the Company and the foundation of its success. Therefore, people are always encouraged to do their best in an employee centric, collaborative and empowering work environment. Our work culture helps employees hone their skills and enables them to deliver superior performance. Individuals are selected and treated on the basis of their merits and abilities and are given equal opportunities within the organization. The Company has taken several pragmatic steps for strengthening organizational competency through engagement and development of employees as well as installing effective systems for improving the productivity, quality and accountability at functional levels.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the period under review, there were no complaints received by the ICC.

OUTLOOK:

Barring the aforesaid deterrents, the company does not foresee any major threats to its growth and market share in the coming years. The existing capacity should take care of the company's requirement at least for the next Five years and the Company does not foresee any technological obsolescence for its products. The Company has progressed well in implementing its long term manufacturing strategy with efficient capacity creation. The Company's successful approach towards research and development allows it to continuously innovate customer centric products. The Company is well positioned to become the global preferred manufacturer of specialty films with a clearly defined mission:

Your Company is taking all possible steps to improve its performance and is also exploring various options for improving its bottom line. The Company is also making certain tactical changes which would result in further reduction of overheads thereby contributing to the profitability in the years to come. The Company is diversifying its presence in rural market through strong distribution network. The Company is also exploring the potential in the international market.

CAUTIONARY STATEMENT:

Statements in the Directors' Report and Management Discussion & Analysis contain forward looking statements. Actual results, performances or achievements may vary materially from those expressed or implied, depending upon the economic conditions, Government policies, subsequent developments and other incidental factors.

For and on behalf of the Board

Place : Chennai
Date : 3rd May 2019

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE – 2
EXTRACT OF ANNUAL RETURN
FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31.03.2019

I. REGISTRATION AND OTHER DETAILS:

CIN	L36991TN1991PLC021888
Registration Date	20.12.1991
Name of the Company	Stanpacks (India) Limited
Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
Address of the Registered office and contact details	“S.K.Enclave”, No.4, Nowroji Road, Chetpet, Chennai – 600 031 Ph: 044 26452325 Fax: 91-44-26451720
Whether listed company	Yes (Listed in BSE)
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.Cameo Corporate Services Ltd. No.1, Club House Road, Mount Road, Chennai – 600 002

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Articles of Plastics and Polymers	3923	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
i) Category-wise Share Holding:

Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Shareholding Of Promoter And Promoter Group									
Indian									
Individuals/Hindu Undivided Family	1479527	0	1479527	24.27	1485727	0	1485727	24.37	0.10
Central Government/State Government(S)	0	0	0	0.00	0	0	0	0.00	0.0
Bodies Corporate	675395	0	675395	11.08	675395	0	675395	11.08	0.0
Financial Institutions/Banks	0	0	0	0.0	0	0	0	0.0	0.00
Any Other									
SUB - TOTAL (A)(1)	2154922	0	2154922	35.35	2161122	0	2161122	35.45	0.10
Foreign									
Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies corporate	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
Any other									
SUB - TOTAL (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	2154922	0	2154922	35.35	2161122	0	2161122	35.45	0.10
PUBLIC SHAREHOLDING									
Institutions									
Mutual funds/UTI	87625	0	87625	1.44	87625	0	87625	1.44	0.00
Financial institutions/banks	0	0	0	0.00	0	0	0	0.00	0.00
Central government/state government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Insurance companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign institutional investors	0	1100	1100	0.02	0	1100	1100	0.02	0.00

Foreign venture capital investors	0	0	0	0.00	0	0	0	0.00	0.00
Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
Any other									
SUB - TOTAL (B)(1)	87625	1100	88725	1.46	87625	1100	88725	1.46	0.00
Non-institutions									
Bodies corporate	109713	4100	113813	1.87	105104	4100	109204	1.79	(0.08)
Individuals -									
I individual share-holders holding nominal share capital upto rs. 1 lakh	1144409	859743	2004152	32.88	1197045	801243	1998288	32.78	(0.09)
II individual share-holders holding nominal share capital in excess of rs. 1 lakh	1444228	37200	1481428	24.30	1457767	37200	1494967	24.52	0.22
Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
Any other									
Clearing members	0	0	0	0.00	249	0	249	0.00	0.00
Hindu undivided families	103661	0	103661	1.70	0	0	0	0.00	(1.70)
Non resident indians	25299	124000	149299	2.43	25199	119000	144199	2.37	(0.08)
Resident HUF	0	0	0	0.00	99246	0	99246	1.63	1.63
SUB - TOTAL (B)(2)	2827310	1025043	3852353	63.19	2884610	961543	3846153	63.09	(0.10)
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	2914935	1026143	3941078	64.65	2972235	962643	3934878	64.55	(0.10)
TOTAL (A)+(B)	5069857	1026143	6096000	100.	5133357	962643	6096000	100.	0.00
SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
Public	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL CUSTODIAN (C)	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	5069857	1026143	6096000	100	5133357	962643	6096000	100	0.00

ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	
1	Balaji Trading Enterprises Private Limited	675395	11.08	-	675395	11.08	-	-
2	Radhakrishna G	242900	3.98	-	242900	3.98	-	-
3	Gupta G P N	189800	3.11	-	189800	3.11	-	-
4	Chalapathi G V	107500	1.76	-	107500	1.76	-	-
5	Sudhakar Gorantla	100000	1.64	-	100000	1.64	-	-
6	G V Jayalakshmi	96800	1.59	-	96800	1.59	-	-
7	Latharani G	79000	1.30	-	79000	1.30	-	-
8	G S Sarojini	77800	1.28	-	77800	1.28	-	-
9	M V Chandrashekar	75759	1.24	-	75759	1.24	-	-
10	Pragathi G R	51600	0.85	-	51600	0.85	-	-
11	Rajasekar G S	49000	0.80	-	49000	0.80	-	-
12	Srinivas G S	42600	0.70	-	42600	0.70	-	-
13	G R Mahalakshmi	41300	0.68	-	41300	0.68	-	-
14	G Sangeetha	37200	0.61	-	37200	0.61	-	-
15	Sathishkumar G V	34667	0.57	-	34667	0.57	-	-
16	Anil kumar G S	32600	0.53	-	32600	0.53	-	-
17	Jwala G S	31800	0.52	-	38000	0.62	-	0.10
18	Ramraj GP	27900	0.46	-	27900	0.46	-	-
19	Sridhar G S	26568	0.44	-	26568	0.44	-	-
20	Rachitha G B	23466	0.38	-	23466	0.38	-	-
21	Nandhini G A	22500	0.37	-	22500	0.37	-	-
22	Gorantla Ravichandran	20700	0.34	-	20700	0.34	-	-
23	Balaji GV	18700	0.31	-	18700	0.31	-	-
24	Vijaya lakshmi GS	12800	0.21	-	12800	0.21	-	-
25	Reena G R	9600	0.16	-	9600	0.16	-	-
26	G Ahalya	7500	0.12	-	7500	0.12	-	-
27	Achyutha G R	6000	0.10	-	6000	0.10	-	-
28	Sadavaktra Pravan G	5000	0.08	-	5000	0.08	-	-
29	Gopinath G V	4967	0.08	-	4967	0.08	-	-
30	Ravindra Reddy Madupu	3500	0.06	-	3500	0.06	-	-

(iii) Change in Promoters' Shareholding

S.No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jwala G S				
	At the beginning of the year	31800	0.52	31800	0.52
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Purchase 07.12.2018 – 3800	0.062	35600	0.58
		21.12.2018 - 2400	0.039	38000	0.62
	At the End of the year	38000	0.62	38000	0.62

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of Purchase/ Sale	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Muralidar G	298762	4.90				298762	4.90
2	Hitesh Ramji Javeri JT1: Radhabai Ramji Javeri JT2 : Harsha Hitesh Javeri	200000	3.28				200000	3.28
3	S Raja Mannar	110100	1.81				110100	1.81
4	A R Ganeshwar	103943	1.71				103943	1.71
5	Dipak Kanayalal Shah JT1 : Mita Dipak Shah JT2 : Sharad Kanayalal Shah	97000	1.59	25.01.2019	2000	Purchase	99000	1.62
				22.02.2019	1000	Purchase	100000	1.64
6	Harsha Hitesh Javeri JT1 : Hitesh Ramji Javeri JT2 : Radhabai Ramji Javeri	99490	1.63				99490	1.63
7	Indian Bank Mutual Fund	87625	1.44				87625	1.44
8	BITS Limited	43140	0.71	22.02.2019	12824	Purchase	55964	0.92
9	Indumouli M C	55200	0.91				55200	0.91
10	Sivasubramanian Gopalakrishnan	40134	0.66				40134	0.66

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sri G.V.Gopinath				
	At the beginning of the year	4967	0.08	4967	0.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	4967	0.08	4967	0.08
2	G.S. Rajsekar				
	At the beginning of the year	49000	0.80	49000	0.80
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	49000	0.80	49000	0.80
3	Sri G.S.Sridhar				
	At the beginning of the year	26568	0.44	26568	0.44
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	26568	0.44	26568	0.44
4	Sri G.P.N.Gupta				
	At the beginning of the year	189800	3.11	189800	3.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	189800	3.11	189800	3.11
5	Sri M.Ravindra Reddy				
	At the beginning of the year	3500	0.06	3500	0.06
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	3500	0.06	3500	0.06

(v) INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(Rs. in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits (*)	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	964.02	566.28	-	1530.30
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	964.02	566.28	-	1530.30

Change in Indebtedness during the financial year				
• Addition		-	-	-
• Reduction	(106.33)	41.72		(64.61)
Net Change	(106.33)	41.72		(64.61)
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	857.69	608.00	-	1465.69

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of MD/MTD/Manager		Total Amount
		Sri G.V.Gopinath	Sri G.S.Sridhar	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.52	11.52	23.04
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others –			
	Retirement benefits	3.96	4.20	8.16
	Provision for leave salary	2.61	2.81	5.42
	Total (A)	18.09	18.53	36.62
	Ceiling as per the Act			60.00

B. Remuneration to other directors:

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Directors				
		S. Ramakrishnan	M. Ravindra Reddy	R Sukumar	Shobha Gupta	Total Amount
1.	Independent Directors					
	• Fee for attending board / committee meetings	1.10	0.20	0.90	0.80	3.00
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	Total (1)	1.10	0.20	0.90	0.80	3.00
2.	Other Non-Executive Directors					

	<ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others 	-	-	-	-	
		-	-	-	-	
		-	-	-	-	
	Total (2)	-	-	-	-	
	Total (B)=(1+2)	1.10	0.20	0.90	0.80	3.00
	Total Managerial Remuneration (A+B)					

C. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary		4.41	11.52	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			(Joint Managing Director is CFO of the Company)	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5.	Others				
	Retirement benefits	-	-	4.20	-
	Provision for leave salary	-	0.07	2.81	
	Total	-	4.48	18.53	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place : Chennai
Date : 3rd May 2019

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Stanpacks (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Stanpacks (India) Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8th February, 2019(Regulation 24A of SEBI(LODR), Regulations, 2015).

- (a) all the documents and records made available to us and explanation provided by Stanpacks (India) Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchange,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Stanpacks (India) Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
 - i. The Companies Act, 2013 (the Act) and the Rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Regulation 24A relating to Secretarial Compliance Report is not applicable to the Company for the period under review;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;

We hereby report that

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.
- b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. There were no actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

We have also examined the compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

In our opinion and as identified and informed by the Management, the following laws are specifically applicable to the Company as the company is engaged in manufacturing of bags and other allied products except the following identified by the Management:

1. Indian Boilers Act, 1923 and Rules made thereunder.
2. The Petroleum Act, 1934 and Rules and Regulations made thereunder.
3. Hazardous waste (Management, Handling and Transboundary Movement) Rules, 2008.
4. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
5. Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
6. Environment (Protection) Act, 1986 and Rules made thereunder
7. Legal Metrology Act, 2009 and Rules made thereunder

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above.

We further report that there were no actions/events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
6. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other applicable general laws including Human Resources and Labour laws.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

We further report that:

The company is well constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notices is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. The Company's Independent Director, Mr. Ravindra Reddy has not opted for re-appointment and hence was not appointed for II Term.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian

Senior Partner

FCS No. 3534

C.P.NO. 1087

Place: Chennai

Date: 03.05.2019

ANNEXURE – A

To,

The Members

Stanpacks (India) Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian

Senior Partner

FCS No. 3534

C.P.NO. 1087

Place: Chennai

Date: 03.05.2019

ANNEXURE-4**INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014****A. CONSERVATION OF ENERGY**

- | | | |
|-------|--|--|
| (i) | The steps taken or impact on conservation of energy | Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques |
| (ii) | The steps taken by the Company for utilizing alternate sources of energy | |
| (iii) | The capital investment on energy Conservation equipments; | |

Total energy consumption per unit of production is as follows:

Sl. No	Particulars	Current Year 2018-19	Previous Year 2017-18
1	Electricity purchased from Electricity Boards		
	a. Total units purchased / consumed	16,72,512	14,83,392
	b. Total amount of Electricity bill (in Rs.)	1,36,14,684	1,22,89,776
	c. Rate per unit (in Rs.)	8.14	8.28
2	Own generation through Diesel generator		
	Diesel generator (in unit)	26,592	31,200
	Fuel (in ltrs.)	9634	10,279
	Average unit generated per ltr.	2.76	3.04
	Rate per unit (in Rs.)	26.49	19.75

B. TECHNOLOGY ABSORPTION:

The Company has taken various efforts in utilizing the maximum available sources of technology and has increased its productivity during the year. There is no major technology absorption or research & development cost incurred during the year.

(Rs. in lakhs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO	2018-19	2017-18
Foreign Exchange outgo		
Imports (CIF)	Nil	Nil
Travel	Nil	Nil
Foreign Exchange Earned:		
F.O.B. Value of Exports	62.78	22.46

For and on behalf of the Board

Place : Chennai
Date : 3rd May 2019

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

INDEPENDENT AUDITORS' REPORT

To the Members of Stanpacks India Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Stanpacks India Limited, Chennai**, which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements 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, of the state of affairs of the company as at March 31, 2019; and its Profit, Total Comprehensive Income, the changes in Equity, and Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and 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 it appears from our examination of those;
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law and Accounting standards, for material foreseeable losses, if any, on long-term contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the Company.

**For J. V. RAMANUJAM & Co.,
Chartered Accountants,
(FRN No: 029475)**

**J VEDANTHA RAMANUJAM
Partner
M.No: 022188**

**Place: Chennai
Date: 3rd May, 2019**

“Annexure A” to Independent Auditors’ Report

(Referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the accounts of Stanpacks India Limited, Chennai (“the Company”), for the year ended March 31, 2019)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment (PPE).
- (b) According to the information and explanations given to us, physical verification of PPE is being conducted in a phased manner by the management under a programme designed to cover all the PPE over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the PPE has been physically verified by the management during the year and no material discrepancies between the books records and the physical PPE have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, the company has maintained proper records of inventory. We are informed that no major discrepancies were noticed on verification between the physical stock and book records.
- iii) According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a), (iii) (b) and (c) of Paragraph 3 of the Order are not applicable to the Company.
- iv) The Company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v) The Company has not accepted any deposits from public during the year hence the directives issued by RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2015, are not applicable.
- vi) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of section 148 of the Act.
- vii) (a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of dues of Excise Duty, and Sales Tax which have not been deposited with the appropriate authorities on account of any dispute are as follows:

S. No	Name of the Statute	Nature of Dues	Amt. (Rs. in lakhs)	Pertaining	Forum where the dispute is pending
1	Sales Tax	Sales Tax Demand	3.53	1995-96	On Appeal the case was remanded back to the CTO
2	Sales Tax	Sales Tax Demand	1.28	1997-98	On Appeal the case was remanded back to the CTO

- viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, or dues to debenture holders

- ix) Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.
- x) 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, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our Audit.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii) In our Opinion, the company is not a Nidhi Company. Therefore clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and therefore clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For J. V. RAMANUJAM & Co.,
Chartered Accountants,
(FRN No: 02947S)

J VEDANTHA RAMANUJAM
Partner
M.No: 022188

Place: Chennai
Date: 3rd May, 2019

**“ANNEXURE B” to the Independent Auditor’s Report of even date on
the Standalone Financial Statements of Stanpacks India Limited**

**Report on the Internal Financial Controls under Clause (i) of
Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of M/s Stanpacks India Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to

the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and jointly controlled companies, which are companies incorporated in India, as of that date.

**For J. V. RAMANUJAM & Co.,
Chartered Accountants,
(FRN No: 02947S)**

**Place: Chennai
Date: 3rd May, 2019**

**J VEDANTHA RAMANUJAM
Partner
M.No: 022188**

BALANCE SHEET AS AT 31ST MARCH 2019

(Rs. in Lakhs)

	Particulars	Note	As at 31 st March 2019	As at 31 st March 2018
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant & Equipment	2.1	300.58	346.87
	(b) Capital work-in-progress		-	-
	(c) Intangible assets		-	-
	(d) Financial Assets			
	(i) Other financial assets	2.2	22.75	24.46
	(e) Deferred Tax Assets (Net)	2.3	34.01	46.22
	(f) Other non-current assets	2.4	95.71	98.87
	Total Non-current assets		453.05	516.42
2	Current assets			
	(a) Inventories	2.5	1,247.38	1,285.32
	(b) Financial Assets			
	(i) Trade receivables	2.6	395.94	455.04
	(ii) Cash and cash equivalents	2.7	0.58	1.48
	(iii) Bank balance other than (ii) above	2.8	18.78	19.28
	(iv) Loans	2.9	-	1.52
	(v) Other financial assets	2.10	-	-
	(c) Other current assets	2.11	3.63	11.32
	(d) Assets classified as held for sale		-	-
	Total Current assets		1,666.31	1,773.96
	TOTAL ASSETS		2,119.36	2,290.38
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	2.12	609.60	609.60
	(b) Other Equity	2.13	(324.50)	(337.90)
	Total Equity		285.10	271.70
	Liabilities			
2	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.14	698.88	694.37
	(ii) Others financial liabilities		-	-
	(b) Provisions	2.15	88.62	85.33
	(c) Other non-current liabilities		-	-
	Total Non-current liabilities		787.50	779.70
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.16	759.07	749.66
	(ii) Trade payables	2.17	182.39	333.90
	(iii) Others financial liabilities	2.18	52.92	113.90
	(b) Other current liabilities	2.19	48.46	41.67
	(c) Provisions	2.20	3.92	(0.14)
	Total current liabilities		1,046.76	1,238.99
	TOTAL EQUITY AND LIABILITIES		2,119.36	2,290.38

Significant accounting policies & Notes to accounts 1 to 20

As per our report attached
For **J.V. RAMANUJAM & CO**
Chartered Accountants
FRN: 002947S

For and on behalf of the Board

J.VEDANTHA RAMANUJAM
Partner
Membership No. 022188

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

Place : Chennai
Date : 3rd May 2019

M. UMA MAHESWARI
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lakhs)

	Particulars	Note	For the year ended 31 st March 2019	For the year ended 31 st March 2018
1	Revenue from operations	2.21	3,658.39	3,216.83
2	Other income	2.22	15.03	11.24
3	Total Revenue (1+2)		3,673.43	3,228.08
4	Expenses			
	(a) Cost of materials consumed	2.23	1,709.04	1,303.62
	(b) Changes in inventories of finished goods and work-in-process	2.24	4.01	122.15
	(c) Excise duty and Sales Tax on sale of goods		508.21	430.78
	(d) Employee benefits expense	2.25	259.12	208.34
	(e) Finance costs	2.26	183.78	211.74
	(f) Depreciation and amortisation expense	2.1	62.25	68.18
	(g) Other expenses	2.27	921.06	836.44
	Total expenses (4)		3,647.45	3,181.25
5	Profit / (Loss) before exceptional items and tax (3 - 4)		25.97	46.82
6	Exceptional items		-	-
7	Profit / (Loss) before tax (5 - 6)		25.97	46.82
8	Tax Expense			
	(a) Current tax		-	-
	(b) Deferred tax		12.21	4.88
	Total tax expense		12.21	4.88
9	Profit after tax from continuing operations (7 - 8)		13.76	41.94
10	Other Comprehensive Income			
	A (i) Items that will not be reclassified to Profit or Loss			
	(a) Actuarial Loss on Gratuity	2.28	(0.36)	(13.93)
	B (i) Items that may be reclassified to profit or loss reclassified to Profit or Loss		-	-
11	Total other comprehensive income / (loss) (A + B)		(0.36)	(13.93)
12	Total Comprehensive income/Loss for the year (9 + 11)		13.40	28.01
13	Earnings per share (of Rs. 10/- each):			
	(a) Basic	2.29	0.23	0.69
	(b) Diluted	2.29	0.23	0.69

Significant accounting policies & Notes to accounts 21 to 29

As per our report attached
For **J.V. RAMANUJAM & CO**
Chartered Accountants
FRN: 002947S

J.VEDANTHA RAMANUJAM
Partner
Membership No. 022188

Place : Chennai
Date : 3rd May 2019

For and on behalf of the Board

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

M. UMA MAHESWARI
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2019	Year Ended 31.03.2018
A	Cash Flow from Operating Activities		
	Profit for the year	25.97	46.82
	Adjustments for:		
	Depreciation and amortisation expense	62.25	68.18
	Loss on sale of property, plant and equipment (net)	1.05	-
	Finance Cost	183.78	211.74
	Interest income	(9.51)	(3.84)
	Dividend income	-	-
	Operating (loss) before working capital changes	263.54	322.90
	Adjustments for :		
	<i>(Increase) / decrease in operating assets:</i>		
	Trade receivables	59.10	20.15
	Other current assets	7.69	(7.23)
	Other Non-current assets	3.16	34.24
	Loans and other financial assets	3.24	75.04
	Inventories	37.94	58.29
	<i>Increase / (decrease) in operating liabilities:</i>		
	Trade payables	(151.50)	(154.49)
	Other financial and current liabilities	(54.19)	48.33
	Other Non-current liabilities	-	-
	Provisions	6.98	(143.51)
	Cash generated from operations	175.96	253.72
	Taxes paid	-	-
	Net cash generated / (used in) from operating activities	175.96	253.72
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment (including capital work in progress)	(18.05)	(2.23)
	Sale proceeds of property, plant and equipment	1.03	-
	Deposit balances not considered as Cash and cash equivalents	0.50	(2.28)
	Purchase of investments	-	-
	Interest received	9.51	3.84
	Net cash flow from investing activities	(7.01)	(0.67)
C	CASH FLOW FROM FINANCIAL ACTIVITIES		
	Proceeds from Borrowings	13.92	(45.36)
	Interest Paid	(183.78)	(211.74)
	Net cash generated from financing activities	(169.85)	(257.10)
	Net increase / (decrease) in cash and cash equivalents(A+B+C)	(0.90)	(4.05)
	Cash and cash equivalents at the beginning of the year	1.48	5.53
	Cash and cash equivalents at the end of the year	0.58	1.48
	Reconciliation for cash and cash equivalents:		
	Cash and cash equivalents as at the year end as per Balance Sheet	0.58	1.48
	Cash & cash equivalents - closing balance	0.58	1.48

As per our report attached
For **J.V. RAMANUJAM & CO**
Chartered Accountants
FRN: 002947S
J.VEDANTHA RAMANUJAM
Partner
Membership No. 022188
Place : Chennai
Date : 3rd May 2019

For and on behalf of the Board

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

M. UMA MAHESWARI
Company Secretary

Statement of Changes in Equity**Equity Share Capital**

Particulars	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid	
Balance at April 01, 2017	609.60
Changes in equity share capital during the year	-
Balance at March 31, 2018	609.60
Changes in equity share capital during the year	-
Balance at March 31, 2019	609.60

Other Equity

Particulars	Reserves & Surplus			Items of other comprehensive income	Total Equity attributable to equity share holder
	Retained Earnings	Securities Premium	General Reserve	Acturial Gain/ Loss	
Balance as of April 1, 2017	(365.91)	-	-	-	(365.91)
Changes in the equity for the year March 31, 2018					
Profits for the year	41.94	-	-	-	41.94
Other comprehensive income for the year	-	-	-	(13.93)	(13.93)
Balance as of March 31, 2018	(323.97)	-	-	(13.93)	(337.90)
Changes in the equity for the year March 31, 2019					
Profits for the year	13.76	-	-	-	13.76
Other comprehensive income for the year	-	-	-	(0.36)	(0.36)
Balance as of March 31, 2019	(310.21)	-	-	(14.29)	(324.50)

As per our report attached
For **J.V. RAMANUJAM & CO**
Chartered Accountants
FRN: 002947S
J.VEDANTHA RAMANUJAM
Partner
Membership No. 022188
Place : Chennai
Date : 3rd May 2019

For and on behalf of the Board

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

M. UMA MAHESWARI
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION:

Stanpacks (India) Limited is a Public Company in India, incorporated on 20th December 1991. The Company is engaged in the business of manufacturing Polypropylene Bags. The shares of the Company are being listed in the Bombay Stock Exchange.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis Of Preparation Of Financial Statements:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) (as notified under the Companies (Indian Accounting Standards) Rules, 2015) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on above basis, except for lease transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets and processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non-current classification of assets and liabilities.

1.2 Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities on the date of the financial statements and the reported amount of income and expense during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes, requiring a material adjustment in the carrying amounts of assets or liabilities in future periods. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.3 Property, Plant and Equipment :

Items of property, plant and equipment are initially measured at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition is inclusive of taxes (except GST), duties, freight, installation allocated incidental expenditure during construction / acquisition and necessary adjustments in

the year of final settlement. The cost of property, plant and equipment also includes the present value of obligations arising, if any, from decommissioning, restoration and similar liabilities related to the same.

Cost of an item of property, plant and equipment includes estimated costs of dismantling and removing the item and restoring the site on which it is located. The present value of those costs (decommission or restoration costs) is capitalized as an asset and depreciated over the useful life of the asset.

Borrowing costs that are directly attributable to the acquisition/construction of an asset is capitalized as part of the cost of that asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Assets costing less than INR 5,000 are capitalized and charged to the statement of profit and loss in the year of purchase by retaining a residual value of INR 1.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Machinery spares

Initial spares purchased along with property, plant and equipment are capitalized and depreciated along with the asset.

Spares purchased subsequent to commission of the asset which meet the requirements set out in Ind AS 16 are treated as property, plant & equipment. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labor, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

1.4 Depreciation:

As prescribed under part C of schedule II of Companies Act, 2013, from the Financial Year 2014-15, Depreciation is systematically allocated over the useful life of an asset. The depreciation is provided on the Straight Line Method from the beginning of the month in which the asset is ready for use. Depreciation on additions to assets or on sale / disposal of assets, is calculated on pro rata basis from the month of such addition or upto the month of such sale / disposal as the case may be.

Asset Category	Estimated useful life
Buildings	30 years
Plant and Machinery	25 years
Computers	6 years
Lab equipment	10 years
Office equipment	5 years
Furniture and fittings	10 years
Air conditioners and water coolers	10 years

1.5 Revenue Recognition:

Revenue from sale of manufactured goods, including scrap, is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is inclusive of excise duty sales tax, and net of, trade and quantity discounts on accrual basis. Interest on deployment of surplus funds is recognized using the time proportionate method based on underlying interest rates.

1.6 Inventories:

Inventories are carried at the lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item by item basis.

Cost comprises of purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The method of determination of cost is as follows:

- a. Raw materials, valued at cost net of cenvat.
- b. Finished goods at lower of cost or net realizable value and inclusive of excise duty (till 30th June 2017). With the Advent of GST which has replaced Excise Duty along with other indirect Taxes, Closing Stock of Finished Goods doesn't include excise duty or GST (Since the same is on Sale of Goods).
- c. Goods in Transit valued at cost excluding excise duty and taxes.
- d. Stock of scrap at estimated realizable value.
- e. Stores and spares – landed cost on a first in first out method

The provision for inventory obsolescence is assessed annually and is provided as and when considered necessary.

1.7 Foreign Exchange Transactions:

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss of the year, except that exchange differences related to acquisition of fixed assets from a country outside India are adjusted in the carrying amount of the related fixed assets.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss except those related to acquisition of fixed assets from a country outside India which are adjusted in the carrying amount of the related fixed assets.

1.8 Provisions and contingent liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

1.9 Tax on Income:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) provided in the books of accounts.

1.10 Excise Duty/Custom Duty/GST:

Excise Duty in respect of goods manufactured by the company is being accounted for at the time of removal of goods from the factory for sale. Custom duty is accounted in the books as and when paid/incurred. Goods and Services Tax (GST) is payable on Sale of Goods/provision of Services and hence is accounted in the books at the time of removal of goods from the factory for sale.

1.11 Earnings Per Share:

The basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive equity shares outstanding during the year.

1.12 Retirement benefits to employees:

I. Short Term employee benefits:

Short term employee benefits falling due within are recognized as an expense as per the Company's Scheme based on expected obligations. The benefits like salaries, wages etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employees renders the related service.

II. Retirement benefits:

Retirement benefits comprise of provident fund, superannuation and gratuity which are recognized as follows:

a. Provident fund:

This is a defined contribution plan. Contributions in respect of staff and workers are remitted to provident fund authorities in accordance with the relevant statute and are charged to statement of profit and loss as and when due. The Company has no further obligations for future provident fund benefits in respect of these employees other than its annual contributions.

b. Superannuation:

This is a defined contribution plan. The Company makes contribution as per the scheme to superannuation Fund administered by Life Insurance Corporation of India. The Company has no further obligation of future superannuation benefits other than its annual contributions and recognizes such contributions as expense as and when due.

c. Gratuity:

This is a defined benefit plan. Provision for gratuity is made based on actuarial valuation using projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in the statement of profit and loss as income or expense.

1.13 Research & Development:

Research & Development expenditure of revenue nature is charged to Statement of Profit & Loss, while Capital Expenditure is added to the cost of fixed assets in the year in which they are incurred.

1.14 INTANGIBLE ASSETS:

Impairment of Assets:

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

1.15 FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial asset

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for investments that are designated as at fair value through profit or loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial Liabilities and Equity InstrumentsClassification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if: such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2. Notes on accounts

Note 2.1 - Property, Plant & Equipment

(Rs. in Lakhs)

Tangible assets - Owned (unless otherwise specified)	Deemed Cost		Accumulated Depreciation		Net Block	
	As at 1 April, 2018	Additions	Disposals (Refer Note (i) below)	As at 31 March, 2019	As at 1 April, 2018	As at 31 March, 2019
(a) Property, Plant & Equipment						
Land	32.97	-	-	32.97	-	32.97
Buildings	108.20	1.38	-	109.57	14.20	88.26
Plant and Machinery	320.33	16.22	-	336.55	115.02	170.68
Furniture and Fixtures	1.03	0.45	-	1.48	0.43	0.83
Vehicles	23.62	-	4.93	18.69	9.63	7.84
Total	486.15	18.05	4.93	499.27	139.28	300.58

Note 2.1 (a)

Tangible assets - Owned (unless otherwise specified)	Deemed Cost		Accumulated Depreciation		Net Block	
	As at 1 April, 2017	Additions	Disposals	As at 31 March, 2018	As at 1 April, 2017	As at 31 March, 2018
(a) Property, Plant & Equipment						
Land	32.97	-	-	32.97	-	32.97
Buildings	108.20	-	-	108.20	7.09	94.00
Plant and Equipment	318.45	1.88	-	320.33	58.86	205.31
Furniture and Fixtures	0.68	0.35	-	1.03	0.32	0.60
Vehicles	23.62	-	-	23.62	4.83	13.99
Total	483.92	2.23	-	486.15	71.10	412.82

Note 2.1 (b)

(b) Intangible Asset	Deemed Cost		Accumulated Depreciation		Net Block	
	As at 1 April, 2017	Additions	Disposals	As at 31 March, 2018	As at 1 April, 2017	As at 31 March, 2018
Software	-	-	-	-	-	-
Total	-	-	-	-	-	-

Notes

- (i) Useful life of software is four years
- (ii) Plant and Equipment includes Electrical Installations and Data Processing Equipments
- (iii) Furniture and Fixtures includes Office equipment
- (iv) Capital Work in Progress for the current year includes Rs (31 March 2018 - Rs. Nil) towards the interest capitalisation of borrowing cost
- (v) Refer Note 2 of Note 14 (Non-Current Borrowings) stating the details of assets pledged as security
- (vi) Research and Development expenses relating to P&M for the year ended 31 March 2019 is NIL (31 March 2018 is RS NIL)

Note 2.2 Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(a) Insurance claims Receivable		
(b) Derivatives designated and effective as hedging instruments carried at fair value: - Foreign currency swap contracts designated in hedge accounting relationship		
(c) Deposits in Electricity company	22.75	24.46
(d) Prepaid Interest on Electricity Deposit		
	22.75	24.46
Current		
(a) Claims Receivable		
(b) Asset held for disposal		
(c) Deferred sales proceeds		
(d) Interest accrued on deposits		
(e) Derivatives designated and effective as hedging instruments carried at fair value: - Foreign currency swap contracts designated in hedge accounting relationship		
(f) Security Deposit		
(g) Tool development cost recoverable		
(h) Deposits in Electricity company		
(i) Prepaid Interest on Electricity Deposit		
	22.75	24.46

Note 2.3 Deferred Tax Assets (Net) :

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
At the Start of the year	46.22	51.09
Charge/(credit) to Statement of Profit and Loss	(12.21)	(4.87)
At the end of the year	34.01	46.22

Note 2.4 Other Non Current Assets

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(a) Trade Receivables		
Unsecured, considered good	-	-
Unsecured, considered doubtful		
Less: Provision for doubtful debts	-	-
(b) Balances with government authorities - paid under protest	12.30	12.69
(c) Other Deposits	83.41	86.18
(d) Non current tax assets (Net)		
	95.71	98.87

Note 2.5 Inventories (valued at lower of cost and net realizable value)

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Raw materials & Consumables	71.79	104.22
Raw materials in transit	-	-
(b) Work-In-Progress	-	-
(c) Finished goods	1,127.26	1,131.27
(d) Stores and spares	48.33	49.83
	1,247.38	1,285.32

Note 2.5.1 The cost of inventories recognised as an expense during the year was NIL (For the year ended 31 March 2018 :NIL)

Note 2.5.2 During the year 2018-19 and 2017-18 there were no expense recognised against the write down of inventory from cost to net realisable value.

Note 2.5.3 Inventories as at 31 March 2019 (31 March 2018 and 31 March 2017) are expected to be recovered within twelve months.

Note 2.5.4 The mode of valuation of inventories has been stated in Note 1.6

Note 2.6 Trade receivables (Unsecured)

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Unsecured, considered good	395.94	455.04
(b) Doubtful	-	-
(c) Allowance for doubtful debts (expected credit loss allowance)	-	-
	395.94	455.04

The average credit period on sales of goods is 30 days. No interest is charged on trade receivables.

Note 2.7 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Cash on hand	0.58	1.48
(b) Balances with banks		
(i) In current accounts	-	-
(ii) In Margin money deposit accounts	-	-
- original maturity of 3 months or less	-	-
	0.58	1.48

Note 2.8 Bank balances other than Note 2.7 above

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deposits with maturity exceeding 3 months	18.78	19.28
	18.78	19.28

Note 2.9 Loans

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Loans and advances to employees	-	1.52
Considered good	-	1.52
Considered doubtful	-	-
Less: Provision for doubtful short-term advances	-	-
	-	1.52

Note 2.10 Other financial assets

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Plant and Machinery held for sale	-	-
	-	-

Note 2.11 Other Current Assets

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Current		
(a) Advances to vendors for materials/services		
(b) Prepaid expenses	3.60	11.07
(c) Balances with government authorities	-	0.22
(d) Travelling Advances	0.03	0.03
(e) Leave Encashment		
	3.63	11.32

Note 2.12 Equity Share capital

(Rs. in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
(a) Authorised Equity shares of Rs. 10 each with voting rights	7,000,000	700.00	7,000,000	700.00
(b) Issued, Subscribed and Fully paid up Equity shares of Rs. 10 each with voting rights	6,096,000	609.60	6,096,000	609.60

Notes:

- The Company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Each holder of equity share is entitled to one vote per share.
- In the event of repayment of Capital of the Company, the distribution will be in the proportion to the number of equity shares held by the shareholders.
- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2019			
- Number of shares	6,096,000	-	6,096,000
- Amount (Rs. in Lakhs)	609.60	-	609.60
Year ended 31 March, 2018			
- Number of shares	6,096,000	-	6,096,000
- Amount (Rs. in Lakhs)	609.60	-	609.60

- Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Balaji Trading Enterprises Private Limited	675,395	11.08%	675,395	11.08%

Note 2.13 Other Equity

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Retained Earnings		
As per Last Balance Sheet	(323.97)	(365.91)
Add: Profits for the year	13.76	41.94
Closing Balance	(310.21)	(323.97)
Other comprehensive income		
As per Last Balance Sheet	(13.93)	-
Add: Movement in OCI (Net) during the year	(0.36)	(13.93)
Closing Balance	(14.29)	(13.93)
Balance as of March 31, 2019	(324.50)	(337.90)

Note 2.14 Non-current borrowings

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured - Measured at amortised cost		
(a) Unsecured Loans from Others	653.17	566.28
Secured - Measured at amortised cost		
(a) Term loans		
From bank	39.08	121.15
(b) Long Term Maturities of Finance Lease Obligations		
Others	6.63	6.94
	698.88	694.37

2.14 (i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured long-term borrowings:

(Rs. in Lakhs)

Particulars	Terms of repayment and security	As at 31 March, 2019		As at 31 March, 2018	
		Secured	Unsecured	Secured	Unsecured
Term loans from banks:					
Karnataka Bank Limited - Secured	Note 1	39.08	-	121.15	-
Total - Term loans from banks		39.08	-	121.15	-
Long Term Maturities of Finance Lease Obligations		6.63	-	6.94	-
Others:					
from Group Company		-	653.17	-	555.36
-Balaji Trading Enterprises Pvt.Ltd - Unsecured		-	-	-	10.92
Other parties - unsecured		-	-	-	-
Sales Tax Loan-IFST		-	-	-	-
		45.71	653.17	128.09	566.28

Note 1

- (a) Working capital facilities from The Karnataka Bank Limited are secured by first charge on the current assets consisting of stock of raw materials, finished goods, work-in-process, debtors and personal guarantees of directors G.P.N. Gupta, Sri. G. S. Sridhar and Sri. G.V. Gopinath.
- (b) Additional Term loan facilities from The Karnataka Bank Limited sanctioned in the month of February 2018, repayable given a period of 34 months secured by Hypothecation of New Plant & Machineries and secured by charge on current assets of stock of raw material, finished goods, debtors and personal guarantees of directors Sri. G.P.N. Gupta, Sri. G. S. Sridhar and Sri. G.V. Gopinath.

Note 2.15 Long-term provisions

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Provision for Employee benefits	56.48	53.00
(b) Provision for Income tax earlier years	32.14	32.14
(c) Provision for pending sales tax forms and other disputes	-	0.19
	88.62	85.33

Note 2.16 Current borrowings

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured - at amortised cost		
Banks - Cash Credit	759.07	749.66
Public Deposits		-
	759.07	749.66

Note 2.17 Trade payables

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Payable to Micro, Small & Medium Enterprises (Refer Note 16 (b))	-	-
(b) Other Than Acceptances		
(i) Employee related liabilities	-	-
ii) Dues to related parties	-	-
iii) Creditors for Goods and Services	182.39	333.90
	182.39	333.90

Note 2.17 Dues to Micro & Small Enterprises

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(i) Principal amount remaining unpaid to supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 2.18 Other financial liabilities

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(a) Trade / security deposits received	-	-
Total Non-current	-	-
Current		
(a) Current maturities of long-term debt (Secured)	52.92	73.42
(b) Current maturities of finance lease obligations	-	2.86
(c) Current maturities of Sales Tax loan	-	37.62
	52.92	113.90
	52.92	113.90

2.19 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non-current		
(a) Advance received from customers	-	-
(b) Deferred Rent	-	-
Current		
(a) Other payables		
(i) Statutory remittances	19.06	22.25
(ii) Advances from customers	22.70	13.69
(iii) Bonus payable	4.50	4.00
(iv) Rent Payable	-	0.03
(v) Others	2.20	1.70
Total Current	48.46	41.67
Total	48.46	41.67

Note 2.20 Short-term provisions

(Rs. in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Provision for Excise duty on Finished Goods	-	-
(b) Provision for Employee benefits	3.92	(0.14)
	3.92	(0.14)

Note 2.21 Revenue from operations

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a) Sale of products (Refer Note (i) below)	3,493.11	3,216.83
(b) Sales from Services (Refer Note (ii) below)	165.29	-
(c) Other operating revenues (Refer Note (iii) below)	-	-
Total Revenue from Operations	3,658.39	3,216.83

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Sale of products comprises :		
Manufactured goods	3,493.11	3,216.83
Total - Sale of products	3,493.11	3,216.83
(ii) Sale of services comprises :		
Labour Charges	165.29	-
Total - Sale of services	165.29	-
(iii) Other operating revenues comprise:		
Sale of scrap	-	-
Total - Other operating revenues	-	-

Note 2.22 Other income

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a) Interest income on deposits	9.51	3.84
(b) Interest on loans and advances	-	-
(c) Professional Consultancy Charges Received	-	-
(d) Other Non-Operating Income		
- Net Gain on foreign currency transactions and translation	-	0.10
- Profit on Sale of Assets	0.19	-
- Other Income	5.34	7.30
	15.03	11.24

Note 2.23 Cost of materials consumed

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening stock	104.22	44.76
Add: Purchases		
Raw materials	1,676.61	1,363.08
Components		
Total Purchases	1,676.61	1,363.08
Less: Closing stock	71.79	104.22
Cost of materials consumed	1,709.04	1,303.62
Material consumed comprises:		
PP Granules	1,709.04	1,303.62
Total	1,709.04	1,303.62

Note 2.24 Changes in inventories of finished goods and work-in-process

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Inventories at the end of the year:		
Finished goods	1,127.26	1,131.27
Work-in-process	-	-
	1,127.26	1,131.27
Inventories at the beginning of the year:		
Finished goods	1,131.27	1,253.42
Work-in-process	-	-
	1,131.27	1,253.42
Net (increase) / decrease	4.01	122.15

Note 2.25 Employee benefit expense

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a) Salaries and wages including secondment cost and bonus	193.20	156.85
(b) Contributions to provident and other funds (Refer Note 33)	24.21	19.13
(c) Staff welfare expenses	41.71	32.36
Total Employee Benefit Expenses	259.12	208.34

Note 2.26 Finance costs

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a) Interest expense on borrowings	177.21	203.53
Less Amounts included in the cost of qualifying assets	-	-
Interest expense net of cost transferred to qualifying assets	177.21	203.53
(b) Interest others	6.57	8.21
Total	183.78	211.74

Notes 2.27 Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Consumption of stores and spare parts	484.86	599.38
Consumption of packing materials	-	-
Power and fuel	145.31	132.28
Sub contracting Charges	-	-
Contract labour charges	137.10	92.96
Rent including lease rentals	14.41	14.57
Repairs and maintenance - Buildings	0.47	0.20
Repairs and maintenance - Machinery	0.77	1.94
Repairs and maintenance - Others (including spares)	1.13	1.26
Factory General Maintenance	2.12	3.49
Discounts and Incentives	0.38	0.42
Insurance	6.48	20.41
Rates and taxes	11.90	8.19
Excise duty (Net)	1.02	(137.05)
Communication	3.48	3.56
Travelling and conveyance	6.03	7.62
Printing and stationery	1.78	2.28
Freight and forwarding	37.93	28.37
Business promotion & Selling expenses	4.87	2.65
Legal and professional	4.32	4.24
Payments to auditors (Refer Note(1) below)	2.07	2.20
Bad Debts written off	9.60	8.61
Provision for Contingencies	-	-
Vehicle Maintenance	4.53	5.56
Directors sitting Fees	3.46	3.04
Bank charges	8.26	4.93
Net loss on foreign currency transactions and translation	0.17	-
Security Expenses	13.47	12.78
Service Charges	10.34	8.24
Training and seminar expenses	0.27	0.40
Membership and subscriptions	1.15	1.20
Office Maintenance Expenses	1.07	2.03
Loss on Sale of Assets	1.24	-
Brokerage and commission	1.05	0.71
Total	921.06	836.44

(Rs. in Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Auditor's Remuneration and Expenses		
(i) Statutory Audit	1.00	1.00
(ii) Tax Audit	0.25	0.25
(iii) Fees for other services	0.82	0.95
Total	2.07	2.20

Note 2.28 Items that will not be reclassified to P&L

(Rs. in Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Actuarial Loss on Gratuity	0.36	13.93
	0.36	13.93

Note 2.29: Basic and diluted earnings per share

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit / (loss) for the year attributable to owners of the Company	13.76	41.94
Weighted average number of equity shares	6,096,000	6,096,000
Earnings per share from continuing operations - Basic / Diluted	0.23	0.69

NOTES ON ACCOUNTS

3. With respect to the Balances of Debtors & Creditors and advances/deposits received from the customers as per books of account, confirmations of balances are awaited and adjustments if any will be made in the books on receipt of confirmations and reconciliation.

4. The Company has recorded a Net Profit of Rs. 13.40 lakhs achieving a turnover of Rs. 3658.39 lakhs for the year ended 31st March 2019 as against Net Profit of Rs. 28.01 lakhs with a turnover of Rs. 3216.83 lakhs in the previous year ended 31st March 2018. The accumulated losses have been reduced to Rs.324.50 lakhs as on 31st March 2019 as against Rs.337.90 as at the year ended 31st March 2018.

With the improvement in the performance during the year, the anticipated big orders, the capability in productivity, the continuous working capital support by the bankers and the promoters, the Management is confident of generating more profits in years to come and meet its financial obligation as they arise consequently resulting in wiping off the erosion of Networth in the near future. The Company is continuously increasing its clientele and anticipates higher rates of growth which will augur well for better prospects. Based on the above improving factors, the accompanying Financial Statements have been prepared on a going concern basis.

5 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

The management is regularly in the process of identifying enterprises which have provided goods and services to the company which qualify under the definition of micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Act 2001. Accordingly, based on information available, the amount payable to such enterprises as on 31st March 2019 is Nil.

6. The computation of profit under section 198 of the Companies Act, 2013 is not considered necessary as the managerial remuneration that is paid is minimum remuneration based on the effective capital of the Company as prescribed under Schedule V of the said Act.

DETAILS OF MANAGERIAL REMUNERATION:

(Rs. in lakhs)

Particulars	2018-19	2017-18
Salary and Allowances	23.04	23.04
Perquisites	-	-
Retirement Benefits	8.16	6.00
Provision for Leave Salary	5.42	0.74
TOTAL	36.62	29.78

7 SALES TAX & CENTRAL EXCISE DUTY PENDING DISPUTE:

S.No	Name of the Statute	Nature of Dues	Amt. (Rs. in lakhs)	Pertaining	Present Status
i.	Sales Tax	Sales Tax Demand	3.53	1995-1996	On Appeal the case was remanded back to the assessing Officer
ii.	Sales Tax	Sales Tax Demand	1.28	1997-1998	- do -

8 EMPLOYEE BENEFITS:**(i) DEFINED CONTRIBUTION PLANS:**

(Rs. in lakhs)

	Particulars	2018-19	2017-18
(a)	Contribution to Provident Fund	10.68	9.55
(b)	Contribution to Superannuation Fund	2.16	2.16

(ii) DEFINED BENEFIT PLANS:-**Gratuity: -**

The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC):

	PARTICULARS	(Rs. in lakhs)	
1	Table Showing changes in present value of obligation as on	31/03/2019	31/03/2018
	Present value of obligation as at beginning of year	35.27	28.04
	Interest Cost	2.82	2.24
	Current Service Cost	1.92	1.41
	Benefits Paid	(1.77)	(10.34)
	Actuarial (gain)/loss on obligations	0.36	13.92
	Present value of obligation as at end of year	38.60	35.27
2	Table Showing changes in the fair value of plan assets as on	31/03/2019	31/03/2018
	Fair value of plan Assets at beginning of year	1.85	3.46
	Expected return of plan Assets	0.13	0.23
	Contribution	2.19	8.50
	Benefits paid	(1.77)	(10.34)
	Actuarial (gain)/loss on plan Assets	NIL	NIL
	Fair value of plan Assets at the end of year	2.40	1.85
3	Table Showing fair value of plan Assets as on	31/03/2019	31/03/2018
	Fair Value of plan Assets at beginning of year	1.85	3.46
	Actual return of plan assets	0.13	0.23
	Contribution	2.19	8.50

	Benefits paid	(1.77)	(10.34)
	Fair value of plan Assets at the end of year	2.40	1.85
	Funded Status	36.21	(33.42)
	Excess of Actual over estimated return of plan Assets	NIL	NIL
	(Actual rate of return = Estimated rate of return as ARD falls as on 31st March)		
4	Actual Gain/loss recognized	31/03/2019	31/03/2018
	Actuarial (gain)/loss on Obligations	(0.36)	(13.92)
	Actuarial (gain)/loss for the year – plan Assets	Nil	Nil
	Actuarial (gain)/loss on Obligations	(0.36)	(13.92)
	Actuarial (gain)/loss recognized in the year	(0.36)	(13.92)
5	The amounts to be recognized in Balance Sheet and Statement of Profit & Loss	31/03/2019	31/03/2018
	Present Value of obligations as at the end of year	38.61	35.27
	Fair value of plan assets as at the end of year	2.40	1.85
	Funded States	(36.21)	(33.42)
	Net asset/(liability) recognized in the balance sheet	(36.21)	(33.42)
6	Expenses Recognized in Statement of Profit & Loss	31/03/2019	31/03/2018
	Current service cost	1.92	1.41
	Interest cost	2.82	2.24
	Expected return on plan assets	(0.13)	(0.23)
	Expenses Recognised in the Income Statement	4.61	3.42
	Other Comprehensive Income		
	Net Actuarial (gain)/loss recognized in the year	0.36	13.92
	Components of defined benefit costs recognised in other comprehensive income	0.36	13.92
	Assumptions		
	Discount rate	7.75%	8.00%
	Expected rate on planned assets	7.50%	7.50%
	Expected rate of salary increases	5.00%	5.00%
	Expected rate of attrition	3.00%	3.00%
	Mortality	IALM (2006-08)	IALM (2006-08)

9 During the financial year, there are no default in repayment of Loans and Interest in case of Term Loans, Lease obligations, Demand loans, Public Deposits and other loans (including loans and advances from related party).

10 SEGMENTAL REPORTING:

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance is being done in a consolidated basis with respect to its operations and with respect to customers. Hence there are no separate segments identified for the purpose of segment reporting.

11 Income Taxes**(i) Reconciliation between average effective tax rate and applicable tax rate**

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(In Rs. Lakhs)

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit before tax	25.97	46.82
Applicable Tax Rate	26.00%	30.90%
Computed Tax Expense	6.75	14.47
Tax effect of :		
Expenses disallowed	14.00	13.90
Set off of Brought Forward Business Loss/ Unabsorbed Depreciation	(20.75)	(28.37)
Current Tax Provision (A)	0.00	0.00
Decrease in Deferred Tax Liability on account of Tangible and Intangible Assets	(19.80)	(25.65)
Decrease in Deferred Tax Asset on account of Financial Assets and Other Items	32.01	30.53
Deferred tax Provision (B)	12.21	4.88
Tax Expenses recognised in Statement of Profit and Loss (A+B)	12.21	4.88
Effective Tax Rate	47.00%	10.41%

(ii) Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.

(In Rs. Lakhs)

Particulars	For the Year ended 31 March 2019			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(54.91)	19.80	-	(35.11)
Tax effect of items constituting deferred tax assets				
Employee Benefits	14.63	1.22	-	15.85
Provision for Bad Debts	-	2.04	-	2.04
Brought forward business loss and unabsorbed depreciation	86.50	(35.27)	-	51.23
Total	101.13	(32.01)	-	69.12
Net Tax Asset / (Liabilities)	46.22	(12.21)	-	34.01

Particulars	For the Year ended 31 March 2018			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(80.56)	25.65	-	(54.91)
Tax effect of items constituting deferred tax assets				
Employee Benefits	14.71	(0.07)	-	14.63
Brought forward business loss and unabsorbed depreciation	116.95	(30.45)	-	86.50
Total	131.66	(30.52)	-	101.13
Net Tax Asset / (Liabilities)	51.09	(4.88)	-	46.22

Note 1:

The unabsorbed business loss/ depreciation for the year pertaining to earlier years have given rise to net deferred tax asset of Rs.51.23 Lakhs (As at 31 March 2018 Rs.86.50 Lakhs). The effect of the adjustments carried out by the Income Tax Authorities based on their Assessment Orders, which are under dispute, has not been considered in arriving at the carried forward loss for deterring deferred tax asset.

Note 2:

The effect of the adjustments carried out by the Income Tax Authorities based on their Assessment Orders, which are under dispute, has not been considered in arriving at the carried forward loss for deterring deferred tax asset.

12. RELATED PARTY TRANSACTIONS

Related parties with whom transactions have taken place during the year:

(Rs. in lakhs)

S. No.	Particulars	Nature of Relationship	Nature of Transaction	Amt.	Closing Balance as on 31.03.19	Closing Balance as on 31.03.18
1.	G. Sudhakar	Relative of Key management personnel	Rent paid	2.45	-	-
2.	G.S. Sridhar	Key Management personnel	Salary & Allowances	11.52	-	
			Unsecured loan Repaid	0.67	29.00	26.76
			Interest on Unsecured loan	3.23		
3.	G.V. Gopinath	Key Management personnel	Salary & Allowances	11.52	183.00	27.31
			Unsecured loan Recd.	170.83		
			Unsecured Loan repaid	23.34		
			Interest on Unsecured loan	9.10		
4.	Jumbo Bag Limited	Associated Company	Job work charges earned	166.14	45.35	88.37
			Purchase	467.71		
			Sales	43.44		
5.	G.F. Impex Pvt. Ltd.,	Associated Company	Unsecured Loan Repaid. (USL)	46.82	56.00	93.00
			Unsecured Loan Recd. (USL)	-		
			Purchase	19.33		
			Interest on USL	10.92		
6.	Balaji Trading Enterprises Pvt. Ltd.,	Associated Company	Unsecured Loan Recd. (USL)	25.00	315.00	317.03
			Unsecured Loan paid	64.45		
			Interest on USL	41.57		
7.	Adarsh Line Accessories Pvt Ltd	Common Director	Professional Service recd	5.66	-	6.48
			Sales	1.35		
			Interest on USL	0.63		
			Unsecured loan Recd.	41.00		
			Unsecured loan paid	41.00		
8.	Shobha Gupta	Director	Unsecured loan Recd.	25.00	25.00	-
			Interest on USL	0.25		

13. CONTINGENT LIABILITIES:

(Rs. in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
a) Disputed Amount of Sales tax	4.81	4.81
b) Disputed Amount of Central Excise	0	0

No provision has been made in the accounts in respect of disputed amount of sales tax as the company has contested the case and is hopeful of getting the verdict in its favor. During the year 2014-15, the Company has received an order favoring them as no cost for the case filed for the year 1994-95. The Appellate Tribunal has issued certain claims/ show cause notices disputed have neither been considered as contingent liability nor acknowledged as claim, based on the opinion obtained, since the possibility of loss is remote.

14. Secured Loans availed from The Karnataka Bank Limited are secured by first charge on specific assets acquired out of the loan and personal guarantees of directors Sri. G.P.N. Gupta, Sri. G. S. Sridhar and Sri. G.V. Gopinath.

15. (a) Working capital facilities from The Karnataka Bank Limited are secured by first charge on the current assets consisting of stock of raw materials, finished goods, work-in-process, debtors and personal guarantees of directors G.P.N. Gupta, Sri. G. S. Sridhar and Sri. G.V. Gopinath.

(b) Additional Term loan facilities from The Karnataka Bank Limited sanctioned in the month of February 2018, repayable given a period of 34 months secured by Hypothecation of New Plant & Machineries and secured by charge on current assets of stock of raw material, finished goods, debtors and personal guarantees of directors Sri. G.P.N. Gupta, Sri. G. S. Sridhar and Sri. G.V. Gopinath.

16. Advances & Deposits includes an amount of Rs.12,69,309/- being Admitted and Disputed Sales Tax for various years paid and Income Tax for the Assessment Year 1996-97 of Rs.2,27,668/- paid, but kept as Deposit in the books since the company has gone on appeal in respect of these matters. Necessary adjustments in the books of accounts will be made in the year in which the outcome of the appeal is known.

17. Expenditure in Foreign Exchange:

(Rs. in lakhs)

	As at 31.03.2019	As at 31.03.2018
Imported Materials Purchase (CIF)	Nil	Nil
Foreign Travel Expenses	Nil	Nil

18. Foreign Exchange Earnings:

(Rs. in lakhs)

	As at 31.03.2019	As at 31.03.2018
Export Sales (FOB)	62.78	22.46

19. Remuneration To Auditors:

(Rs. in lakhs)

	As at 31.03.2019	As at 31.03.2018
i) Statutory Audit Fee	1.00	1.00
ii) Tax Audit Fee	0.25	0.25
iii) Service Tax/ GST	0.22	0.22
iv) Certification Fees & Other services	0.92	0.61

20. Financial Instruments**A. Capital risk management**

The capital structure of the company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

The company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

Particulars	As at 31 March 2019	As at 31 March 2018
Debt (Refer Note 2.14)	1,510.86	1,517.44
Cash and Bank Balance	(19.36)	(20.76)
Total Debt	1,491.51	1,496.68
Total Equity	285.10	271.70
Net Debt to equity ratio	5.23	5.51

(I) Categories of Financial Instruments

(a) Financial Assets

Particulars	As at 31 March 2019	As at 31 March 2018
Measured at amortised cost		
- Trade receivables	395.94	455.04
- Cash and Bank balance	19.36	20.76
- Loans	-	1.52
- Other financial assets	22.75	24.46

(b) Financial Liabilities :

Particulars	As at 31 March 2019	As at 31 March 2018
Measured at amortised cost		
- Borrowings	1,510.86	1,517.44
- Trade payables	182.39	333.90
- Other financial liabilities	-	40.48

B. Financial Risk Management

a) Market risk

The company's activities expose it primarily to the financial risk of changes in interest rates. There have been no changes to the company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

i) Currency risk

The company has only negligible amount of exports, hence the company is not exposed to currency risk.

Foreign currency transactions are managed within approved policy parameters.

The Company does not has any Foreign Currency denominated monetary assets and monetary liabilities at the end of each reporting period.

ii) Interest rate risk

The company is exposed to interest rate risk as the company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

At 31 March 2019, the company did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) Liquidity Risk

The company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the company. The company has established an appropriate liquidity risk management framework for its short term, medium term and long term funding requirement.

21 The below tables summarise the maturity profile of the company's financial assets and financial liabilities

i. Non Derivative financial assets				Rs. in Lakhs		
Particulars	As at March 31, 2019			As at March 31, 2018		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Investments	-	-	-	-	-	-
Trade receivables	395.94	-	-	455.04	-	-
Cash and cash equivalents	0.58	-	-	1.48	-	-
Bank balance other cash and cash equivalents stated above	18.78	-	-	19.28	-	-
Loans	-	-	-	1.52	-	-
Other financial assets	-	22.75	-	-	24.46	-
ii. Non Derivative financial liabilities				Rs. in Lakhs		
Particulars	As at March 31, 2019			As at March 31, 2018		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing						
Variable interest rate instruments						
Fixed interest rate instruments						

22. Previous year figures:

The company has reclassified previous year figures to conform to this year's classification. It significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.

23. CAPACITY AND PRODUCTION DURING THE YEAR 2018-19:**a. Product: Polymer Product:**

Licensed Capacity : Not applicable
 Installed Capacity : 3800 tons
 Production : 3189.99 tons

b. Raw Material and Intermediates Consumed:

(Rs. in lakhs)

Particulars	UOM	2018-19		2017-18	
		Qty.	Value	Qty.	Value
A. PP Granules	Kgs.	1,285,866	1709.04	1,392,439	1303.62
B. Others			21.06		77.62

c. Consumption of Imported & Indigenous Raw – Materials, Stores and spare parts and the percentage of each to the consumption:

(Rs. in lakhs)

Particulars	2018-19		2017-18	
	%	Value	%	Value
i. Raw Material				
a. Imported	-	-	-	-
b. Indigenous	100	1709.04	100	1303.62
ii. Stores, Spares & Consumption				
a. Imported	-	-	-	-
b. Indigenous	100	21.06	100	77.62

d. Stock Summary for the year 2018-19:

Name of the Commodity	Unit	Opening Balance	Receipts	Issues	Closing Stock	
					2018-19	2017-18
Paper	Kgs.	97,457	1,877,685	1,943,031	32,111	97,457
Granules	Kgs.	87,790	1,285,866	1,318,132	55,524	87,790
HDPE / PP Bags	Nos.	334,118	8,569,232	8,556,516	346,834	334,118
HDPE / PP Kraft Bags	Nos.	121,817	984,535	1,042,410	63,942	121,817

e. Closing Stock Value With Quantity As On 31.03.2019:

Name of the Commodity	Unit	Quantity		Value	
		2018-19	2017-18	2018-19	2017-18
Paper	Kgs	32,111	97,457	9.09	20.09
Granules	Kgs	55,524	87,790	54.94	74.32
HDPE/PP Bags	Nos	346,834	334,118	1,004.38	1,003.02
HDPE/PPKraft Bags	Nos	63,942	121,817	22.38	37.31
HDPE/PP Fabric & HDPE/PP Kraft Fabric					79.85
Accessories for Bags					7.53
Miscellaneous Items Including Consumables					63.21
Provision for Excise Duty					
Total Value of Closing Stock				1,090.79	1,285.33

f. Sales Summary for the year 2018-19:

(Rs. in lakhs)

Name of the Commodity	2018-19	2017-18
Polypropylene Bags	3637.33	3156.43
Others	21.06	60.4

Signatories to Schedules 1 to 23

As per our report attached
 For **J.V. RAMANUJAM & CO**
 Chartered Accountants
 FRN: 002947S

J. VEDANTHA RAMANUJAM
 Partner
 Membership No. 022188

Place : Chennai
 Date : 3rd May 2019

For and on behalf of the Board

G V GOPINATH
 Managing Director

G S SRIDHAR
 Joint Managing Director and CFO

M. UMA MAHESWARI
 Company Secretary



CIN: L36991TN1991PLC021888

Regd Office: "S.K.Enclave" New No. 4(Old No. 47), Nowroji Road, Chetpet, Chennai - 600031

PROXY FORM

(Form No: MGT-11)

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Registered Address:	
E-mail ID:	
Folio/DP ID - Client ID:	

I/We being the member(s), holding _____ shares of the above named Company hereby appoint:

(1) Name: _____
Address: _____
E-mail ID: _____
Signature: _____, or failing him;

(2) Name: _____
Address: _____
E-mail ID: _____
Signature: _____, or failing him;

(3) Name: _____
Address: _____
E-mail ID: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Tuesday, the 6th August 2019 at 10.30 a.m. at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai - 600018 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*		
Ordinary Business:		For	Against	Abstain
1	Adoption of Annual Accounts for the year ended 31st March 2019			
2	Appointment of Director in the place of Sri. G.S. Rajasekar (DIN: 00086002) who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business:				
3	Re-appointment of Sri G V Gopinath (DIN: 02352806) as Managing Director			
4	Re-appointment of Sri G S Sridhar (DIN: 01966264) as Joint Managing Director			

Note:

1. *It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.

Signed this ____ day of _____ 2019

Signature of shareholder _____

Signature of Proxy holder _____

**Affix
Re.1/-
Revenue
Stamp**

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 28th Annual General Meeting.
4. Please complete all details including details of member(s) in above box before submission.



CIN: L36991TN1991PLC021888

Regd Office: "S.K.Enclave" New No. 4 (Old No. 47), Nowroji Road, Chetpet, Chennai - 600031

ATTENDANCE SLIP

Name of the Member

Name of Proxy if attending on behalf of the member

I certify that I am a Registered Shareholder / proxy for the Registered Shareholder of the Company. I hereby record my presence at the 28th Annual General Meeting of the Company held at Narada Gana Sabha Trust Mini Hall, No.314, T.T.K. Road, Chennai – 600018 at 10.30 a.m. on Tuesday, the 6th August 2019.

Ledger Folio No.	
DP Id No. *	
Client Id No. *	
No. of shares held	
Mr. / Mrs. / Miss	

* Applicable for members holding shares in dematerialized form

.....

Members' / Proxy's name (IN BLOCK LETTERS)

.....

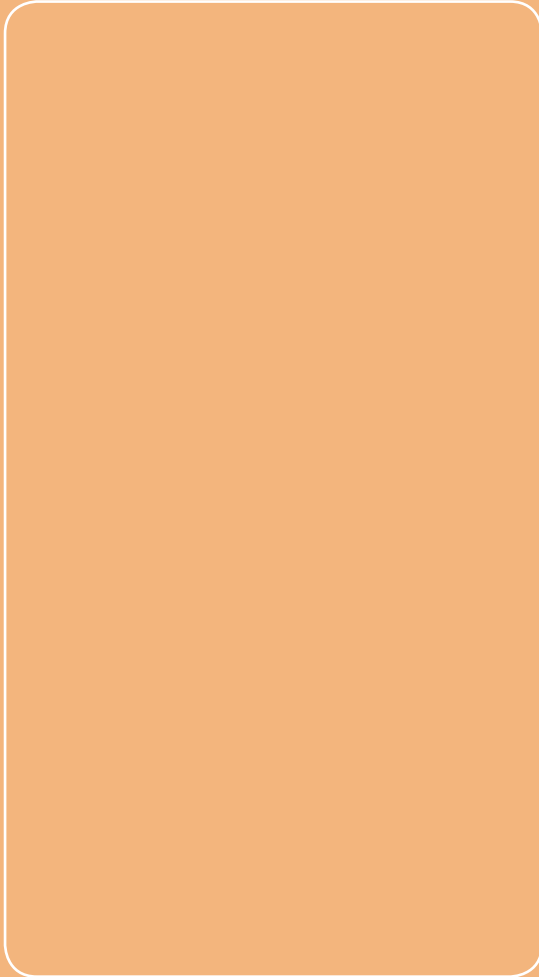
Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.

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To

Regd. Book Post / Courier



If undelivered, Please return to:



STANPACKS (INDIA) LTD

"S.K. Enclave" New No. 4, (Old No. 47),
Nowroji Road, Chetpet, Chennai - 600031