

ANNUAL REPORT 2009



B&A Multiwall Packaging Limited

BOARD OF DIRECTORS	: Mr. Hemendra Prasad Barooah <i>Wholetime Director & Executive Chairman</i> Mr. Ranadurjoy Roy Choudhury, <i>Managing Director</i> Mr. Panchkari Banerjee Mr. Tarun Chandra Dutt Mr. Basant Kumar Goswami Mr. Vijay Raghuram Shetty Mrs. Gargi Barooah Mr. Brajamohan Sahoo, <i>IPICOL Nominee Director</i>
COMPANY SECRETARY	: Mr. Balaram Bose
REGISTERED OFFICE	: 1185/1186, Tankapani Road Bhubaneswar - 751 018
CORPORATE OFFICE	: 113 Park Street, 9th Floor Kolkata - 700 016
FACTORY	: 22 Balgopalpur Industrial Area Balasore - 756 020, Orissa
AUDITORS	: APS Associates Chartered Accountants 3C Madan Street, Kolkata - 700 072
BANKER	: State Bank of India Industrial Finance Branch
SHARE TRANSFER AGENT	: MCS Limited 77/2A, Hazra Road Kolkata - 700 029

NOTICE

NOTICE is hereby given that Twenty Fourth Annual General Meeting of the members of B & A Multiwall Packaging Limited will be held on Monday, 14th June, 2010 at the Registered Office of the Company at 1185/1186, Tankapani Road, Bhubaneswar – 751 018 at 12:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Profit & Loss Account for the year ended 31st December, 2009 and the Balance Sheet as at that date together with the Directors and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Panchkari Banerjee, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr Vijay Raghuram Shetty, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. APS Associates, Chartered Accountants, the retiring Auditors as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to conduct the audit of the accounts of the Company for the year ended 31st December, 2010 and to fix their remuneration.

By Order of the Board of Directors

Balaram Bose

Company Secretary & Senior Manager (Finance)

Date : 28th January, 2010

Place : Kolkata

Registered Office:

1185/1186, Tankapani Road,
Bhubaneswar – 751 018, Orissa

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. HOWEVER, PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE AT LEAST FORTY-EIGHT HOURS BEFORE THE MEETING.
2. Members are requested to inform changes, if any, in their mailing address immediately to the Company or to the Registrar and Share Transfer Agent M/s. MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 10th June, 2010 to Monday, 14th June, 2010 (both days inclusive).
4. Members desirous of obtaining any information concerning the accounts of the Company are requested to send their queries to the Company at least seven days before the meeting so that the information required by the members may be made available at the meeting.
5. Members / Proxy-holders are requested to produce at the entrance, the attached Attendance Slip duly completed for admission to the meeting hall.
6. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a brief profile of the Directors seeking re-appointment at the Annual General meeting is annexed to this Notice.
7. Members can avail the nomination facility by submitting Form No.2B of the Companies (Central Government's) General Rules and Forms, 1956 with the Company or its Registrar & Share Transfer Agents. Blank forms will be made available on request.
8. Members are requested to carry the copy of this Annual Report at the meeting.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of the Company together with the audited accounts for the year ended 31st December, 2009.

OPERATING RESULTS

(Rs. In Lakh)

Particulars	31.12.2009	31.12.2008
Net Sales and Other Income	1,875.56	2,055.76
Less: Total Expenditure	1,586.41	1,778.84
Profit before Interest, Depreciation and Tax	289.15	276.92
Less: Interest	122.43	116.89
Profit before Depreciation and Taxation	166.72	160.03
Less: Depreciation	40.63	56.94
Profit before Tax	126.09	103.09
Less: Current Taxation including FBT	43.59	13.52
Deferred Taxation	21.25	28.20
Profit after Tax (PAT)	61.25	61.37
Less: Income Tax for earlier years	NIL	NIL
Prior period adjustment	NIL	NIL
Profit available for appropriation	61.25	61.37
Add: Balance of loss brought forward	(130.96)	(192.33)
Balance of loss carried to Balance Sheet	(69.71)	(130.96)

YEAR IN RETROSPECT

The net sales and other income for the year under review were Rs 1,875.56 lakh as against Rs.2,055.76 lakh for the previous financial year booking a decline of approximately 8.77%. The profit after tax for the year under review was Rs. 61.25 lakh in comparison to Rs.61.37 lakh in previous fiscal, which also registered a marginal decline of 0.19% in profitability.

DIRECTORS

Mr. Panchkari Banerjee and Mr. Vijay Raghuran Shetty, Directors will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

M/s. APS Associates, Chartered Accountants, the Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Audit committee at its meeting dated 28th January, 2010 has recommended their re-appointment and they also confirm that their re-appointment, if made, would be in conformity with the limits specified under section 224(1B) of the Companies Act, 1956.

FIXED DEPOSITS

No deposit has been accepted from the public during the year under review.

CORPORATE GOVERNANCE

As required by clause 49 of the Listing Agreement with Stock Exchange, a separate report on Corporate Governance forms part of the Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of condition of Corporate Governance is annexed to this report.

NEW PROJECT

After successful completion of the Extrusion Lamination project, the Company has taken in hand a major diversification project in the area of Flexible Packaging Material. These find their usage in

- Food items like biscuits, tea, edible oils, cereals, etc.
- Spices
- Personal care products like hair oil, shampoo, soap, etc.
- Detergents

A study of the market shows that the domestic consumption in this field is growing at more than 15% annually and demand far outstrips supply in the eastern region. Feasibility report has been prepared and submitted to the Bank for their approval.

QUALITY SYSTEMS CERTIFICATION

Your Company is already certified to ISO 9001:2000 -Quality System. Additionally the Company has also achieved certification to ISO 22000:2005, standard for Food Safety Management. This will not only ensure that tea producers are offered packaging material conforming to food safety system, but also this should stand the Company in good stead for the new project of flexible packaging materials involving food product packaging.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- i) In the preparation of Annual Accounts for the year ended 31st December, 2009, the applicable accounting standards issued by The Institute of Chartered Accountants of India had been followed and in case of material departures, proper explanations has been given in the accounts and notes thereon.
- ii) The accounting policies adopted in the preparation of the annual accounts have been applied consistently and reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st December, 2009 and of the Profit or Loss on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and detecting frauds and other irregularities.
- iv) The Annual Accounts for the year ended 31st December, 2009 have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**A) Conservation of Energy**

Electricity is the only form of energy being used in the existing production process which is also very minimal. As the whole production process is not power based, the details required under companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not given. However, continues efforts are being put to conserve energy at its maximum possible level.

B) Foreign Exchange Earnings and outgo:

	(Rs. In Lakh)	
	<u>31.12.2009</u>	<u>31.12.2008</u>
Earnings in Foreign Currency	48.64	32.77
Expenditure in Foreign Currency	553.81	1,139.87

SAFETY, HEALTH AND ENVIRONMENT PROTECTION

Paper sacks and its manufacturing process are both eco-friendly and do not generate pollution. Moreover, after getting ISO 22,000:2005 food grade certification, your company is endeavouring to achieve highest degree of safety, health and environment protection.

PARTICULARS OF EMPLOYEES

There was no employee who received remuneration of Rs.24,00,000/- or more per annum or at a rate of Rs.2,00,000/- or more per month during the financial year under review. Therefore, the disclosure pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, are not given.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from Bank, Government Authorities, customers and vendors during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staffs and workers of the Company.

For and on behalf of the Board of Directors

P. Banerjee
Director

R. Roy Choudhury
Managing Director

Place: Kolkata

Date : 28th January, 2010

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Industry Structure and Development

Tea industry did exceptionally well during 2009 supported by robust domestic demand and consequential hefty price hike. Though volume dipped during the earlier part of the year, it was made up by the year end. However this had a telling effect on the requirement of paper sacks, since high quality tea grown during the early part of the year, which is packed mainly in paper sacks, suffered due to insufficient rainfall. While jute sack usage is on the wane, more and more PP laminated sacks are being used by the growers at the cost of keeping quality.

Indian Carbon Black industry came out of the clutches of the recession and recovered from second quarter onwards.

2. Opportunity and Threats

- Insecticide exports are firming up with the possibility of a growth of paper sack usage in this sector.
- Possibilities of increase of business volume in tea sack market by establishing direct distribution channel in Darjeeling/Dooars and Cochin region.
- Owing to closure of a few giant pulp and paper mills supply of pulp could not cope up with the demand and as a result international kraft paper prices has registered an unprecedented hike.
- Sri Lankan paper sack import in the country continues to enjoy an advantage of 10% customs duty exemption due to Indo Sri Lankan Trade Agreement.

3. Outlook

The Company plans to resume its growth in 2010 based on the fact that Indian economy has mostly shaken off the bear-hug of recession. The Company is also planning to take up a diversification programme by investing in plant and machineries for flexible packaging which finds its uses in retail packaging of food items, personal care products, etc. Not only this sector is growing at a rate of more than 10% per year, but also demand far outstrips supply in eastern India.

4. Internal Control System and Their Adequacy

The Company has a strong internal audit and control system. The internal auditor independently evaluate adequacy of internal controls and concurrently audit the majority of transactions in value term. Independence of audit and compliance function is ensured by interaction of the Internal Auditor with the Audit Committee of the Board. The internal control includes amongst others, strategic planning, regular monitoring of performance, control over capital expenditure and investments, review of significant issues arising from internal and external audits and setting of high standards and targets for safety, health, energy conservation and environmental performance.

5. Financial Performance

In spite of registering net sales of Rs. 18.67 Cr. in 2009 as against Rs. 20.44 Cr. during 2008, the Company could achieve higher profit after tax i.e. Rs. 1.26 Cr in 2009 as against Rs. 1.03 Cr. in 2008

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Clause 49 of the Listing Agreement provides only guidelines to be followed for maintaining good governance in corporate framework. The Company's philosophy is to go beyond this minimum requirement and to materialize the spirit it entails. This will pave the way for implementation of superior governance practices which are vital for growing a successful business. The Company recognizes that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance which in turn enhance the stakeholders' value.

Board of Directors

The Board comprises 8 (eight) Directors of which 6 (six) are non-executives. The Chairman of the Company is an executive director.

During the year under review, the Board met 6 (six) times on following dates: 28.01.2009, 30.04.2009, 31.07.2009, 09.09.2009, 30.10.2009 and 30.11.2009.

The details of composition of Board of Directors and other relevant information are as follows:

Name of the Directors	Category	Attendance Particular		Number of other Directorship & Committee Membership		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mr. Hemendra Prasad Barooah	Promoter & Executive Chairman	4	Yes	1	-	-
Mr. Ranadurjoy Roy Choudhury	Managing Director	6	Yes	1	-	-
Mr. Panchkari Banerjee	Non-Executive & Independent	4	No	2	-	-
Mr. Basant Kumar Goswami	Non-Executive & Independent	1	No	15	7	3
Mr. Tarun Chandra Dutt	Non-Executive & Independent	5	Yes	3	-	-
Mr. Vijay Raghuram Shetty	Non-Executive & Non-Independent	-	No	1	-	-

Name of the Directors	Category	Attendance Particular		Number of other Directorship & Committee Membership		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mr. Brajamohan Sahoo	Non-Executive & Independent (Nominee of Industrial Promotion & Investment Corp. of Orissa Ltd.)	-	No	-	-	-
Mrs. Gargi Barooah	Non-Executive & Non-Independent	1	No	-	-	-

The above Directorship and Committee Membership/Chairmanship of Directors include directorship and membership/chairmanship held in Public Limited Company

Audit Committee

During the year under review, the Audit Committee of the Board has been reconstituted by inducting Mr. Basant Kumar Goswami as one of the members of the Committee. The composition and terms of reference of Audit Committee is in compliance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchange. During the year under review, four meetings of the Committee were held on 28.01.2009, 30.04.2009, 31.07.2009 and 30.10.2009.

The composition of the committee and the details of attendance of members at the meetings are as under :

Name of the Members	Designation	No. of Meetings attended
Mr. Tarun Chandra Dutt	Chairman	4
Mr. Panchkari Banerjee	Member	3
Mr. Hemendra Prasad Barooah	Member	2
Mr. Basant Kumar Goswami	Member	1

The brief terms of reference of Audit Committee includes:

- a) Reviewing internal control and internal audit function and their adequacy with the management/ internal auditors.
- b) Reviewing the quarterly, half yearly and annual accounts of the Company before submission to the Board for approval.

- c) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- d) Investigate any matter referred to it by the Board or within its terms of reference.
- e) Recommending the appointment, replacement, removal of statutory auditors and fixation of their audit fees and fees for other services.
- f) In general, all the items mentioned in Clause 49(II)(d) of the Listing Agreement.

Remuneration Committee

Remuneration Committee comprises three Directors of which two are non-executive and independent. The Committee is responsible for recommending the appointment of Executive and Non-executive Directors and fixing their remuneration package and compensation and to approve, in the event of loss or inadequacy of profit in any financial year, the minimum remuneration payable to the Managing Director and Whole-time Directors within the limit and subject to the parameters prescribed in Schedule XIII to the Companies Act, 1956.

During the year under review no such meeting was held by the Committee.

The composition of Remuneration Committee is as under:

Name of the Members	Designation
Mr. Tarun Chandra Dutt	Chairman
Mr. Hemendra Prasad Barooah	Member
Mr. Panchkari Banerjee	Member

Remuneration of Whole-time Directors

As required by Clause 49(IV) of the Listing Agreement with the Stock Exchange, the details of remuneration of Managing Director and Whole-time Director are stated as under:

Name	Mr. H. P. Barooah	Mr. R. Roy Choudhury
Designation	Executive Chairman	Managing Director
Salary (Annual) (Rs.)	7,30,000/-	11,57,500/-
Perquisites (Annual) (Rs.)	NIL	2,82,512/-
Service contracts	5 years	3 years
Notice period	6 months	3 months
Severance Fee (Rs.)	NIL	NIL

Sitting fees of Non-executive Directors

Name	Annual Sitting Fees (Rs.)
Mr. Tarun Chandra Dutt	23,000/-
Mr. Panchkari Banerjee	18,000/-
Mr. Basant Kumar Goswami	-
Mr. Braja Mohan Sahoo	NIL
Mr. Vijay Raghuram Shetty	NIL
Mrs. Gargi Barooah	3000/-

Investors' Grievance Committee

The Investors' Grievance Committee, as a sub-committee of the Board, inter-alia reviews shareholders / investors grievances and overseeing the activities of Registrar and Share Transfer Agent. During the year under review no complaints were received from the shareholders of the Company. The Committee ordinarily meet when there is any issue relating to non-disposal of Investors' grievance.

The composition of the Committee is as under:

Name of the Members	Status
Mr. Panchkari Banerjee	Chairman
Mr. Ranadurjoy Roy Choudhury	Member

Share Transfer Committee

The Share Transfer Committee was constituted with the objective of giving approval for allotment, transfer & transmission of Shares/ Debentures or any other securities and issue of duplicate certificates and new certificates on mutilation / split / consolidation/ renewal etc.

The Committee met 6 (six) times during the year under review on 15.11.2009, 27.02.2009, 31.03.2009, 30.04.2009, 31.07.2009, and 31.08.2009. The details of meeting attended by each member of the Committee are given as under :

Name of the Members	Status	No. of Meeting attended
Mr. Panchkari Banerjee	Chairman	6
Mr. Tarun Chandra Dutt	Member	6
Mr. Hemendra Prasad Barooah	Member	6

General Body Meeting

The details of locations, dates and time of General Meetings held during the last 3 years are as under :

Financial Year ended	Types of Meeting	Date	Venue	Details of Spl. Resolution passed under the Companies Act, 1956
31st December 2008	AGM	26.05.2009	Regd. Office: 1185/1186, Tankapani Road, Bhubneswar - 751 018	NIL
31st December 2007	AGM	27.06.2008*	- Do -	NIL
31st December, 2006	AGM	15.06.2007	- Do-	i) Special Resolution u/s 198, 269 & 309 of the Companies Act, 1956 for appointment of Mr. Hemendra Prasad Barooah as the Wholetime Director and Executive Chairman for a period of 5 years w.e.f. 1st. November, 2006. ii) Special Resolution u/s 198, 269 & 309 of the Companies Act, 1956 for re-appointment of Mr. Ranadurjoy Roy Choudhury as the Managing Director of the Company for a period of 3 years w.e.f. 1st September, 2007.

*The schedule date of 22nd Annual General Meeting was Friday, 20th June, 2008. Due to heavy rainfall and complete dislocation of communication the meeting was re-scheduled on Friday, 27th June, 2008. The intimation regarding this event was given to the shareholders of the Company immediately.

Code of Conduct

The Code of Conduct and ethics for Directors and management personnel ("the Code"), as laid down by the Board is a comprehensive code applicable to all Directors and management personnel. A copy of the Code has been put on the Company's website www.bampl.com. The members of the Board and senior management of the Company have submitted their affirmation on compliance

with the Code of Conduct for the effective period. A declaration signed by the Managing Director of the Company to that effect forms part of this Report.

Disclosure

A periodical report on compliances of various relevant laws is placed before the meeting of the Board on every quarter in order to facilitate periodical review by the Board members and for taking steps to rectify non-compliances, if any.

There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital market.

No such materially significant related party transactions have been entered into between the Company and its promoters, the Directors or the management or their relatives etc., which may have potential conflict with the interest of the Company at large. A separate report on related party transactions have been furnished in the Notes to Annual Accounts of the Company.

Means of Communication

As usual practice, the quarterly, half yearly and annual financial results, audited/ unaudited, were submitted to the stock exchange soon after the Board meeting approved these and the same were also published in two newspapers, viz., "Sambad" in vernacular language having circulation in the state of Orissa, where the registered office of the Company is situated and "Business Standard" in English having nationwide circulation as per the requirements of Clause 41 of the Listing Agreement with the stock exchange.

General Shareholder Information

Day, date and time of 24th Annual General Meeting	:	Monday, the 14th day of June, 2010. 12-00 noon.
Venue	:	Registered Office of the Company 1185/1186, Tankapani Road, Bhubneswar – 751 018.
Financial calendar (tentative) for the year 2010	:	January to December. The probable dates for the publication of the quarterly financial results for the financial year 2010 will be the last week of the month following the respective quarter and the audited results for the year will be published by the end of February, 2011.

Date of Book Closure	:	Thursday, 10th June, 2010 to Monday, 14th June, 2010 (both days inclusive)
Dividend Payment Date	:	Not Applicable.
Listing of Equity Shares on Stock Exchange	:	Bombay Stock Exchange Limited
Stock Code / ID	:	523186.
Stock Price Data	:	The shares of the Company are in physical form and there was no trading during the period under review through stock exchange. Hence the data relating to stock price are not available.
Registrar and Share Transfer Agent	:	MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029.
Share Transfer System	:	To expedite the transfer of shares, the power to authorise the transfers have been delegated to Share Transfer Committee of the Board. The transfers are processed within the reasonable time from the date of receipt, if the documents are completed in all respect.

Distribution of Shareholdings as on 31st December, 2009

Range of shares held	Shares		Shareholders	
	Nos.	% total	Nos.	% total
1 to 500	457371	9.2203	2678	95.5746
501 to 1000	62100	1.2519	77	2.7480
1001 to 2000	43900	0.8850	28	0.9993
2001 to 3000	12800	0.2580	5	0.1784
3001 to 4000	15100	0.3044	4	0.1428
4001 to 5000	5100	0.1028	1	0.0357
5001 to 10000	15400	0.3105	2	0.0714
10001 to 50000	32400	0.6532	2	0.0714
50001 to 100000	100000	2.0159	1	0.0357
100000 and above	4216329	84.9981	4	0.1428
TOTAL	49,60,500	100.00	2,802	100.00

Shareholding Pattern as on 31st December, 2009

Sl.	Category of Shareholders	No. of Shareholders	No. of Shares	% to total paid up capital
A.	Promoters' holding			
1.	Indian Promoters	6	35,86,529	72.30
	Foreign Promoters	1	1,00,000	2.02
2.	Persons acting in concert	-	-	-
	Sub-total	7	36,86,529	74.32
B.	Non-promoters holding			
3.	Institutional Investors Mutual Funds Banks, Financial Institutions Insurance Companies (Central/ State Govt. Institution/Non-Govt. Institutions) and FIIs.	3	6,61,500	13.34
	Sub-total	3	6,61,500	13.34
4.	Others			
	Private Corporate Bodies	6	3,800	0.07
	Indian Public	2786	6,08,671	12.27
	NRIs/OCBs	-	-	-
	Any other	-	-	-
	Sub-total	2,792	6,12,471	12.34
	Grand total	2,802	49,60,500	100.00

Location of Manufacturing Division

The manufacturing division of the Company is located at 22, Balgopalpur Industrial Area, Balasore – 756 020.

Non-mandatory Requirements

- **Chairman's Office (Non-executive)**

The Chairman of the Company is Executive, hence this provision is not applicable.

- **Remuneration Committee**

The details about the composition and terms of reference of remuneration committee have been provided separately in this Corporate Governance Report.

- **Audit Qualification**

No Audit Qualification is given by the Statutory Auditors in their Audit Report.

• **Whistle Blower Policy**

The Company have not adopted any Whistle Blower Policy as yet but promoted an ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour.

• **Others**

The other non-mandatory requirements as laid down in Annexure – ID of Clause 49 of the Listing Agreement will be introduced as and when the circumstance warrants.

For and on behalf of the Board of Directors

P. Banerjee
Director

R. Roy Choudhury
Managing Director

Place : Kolkata

Date : 28th January, 2010

CEO / CFO CERTIFICATION

The Board of Directors,
B & A Multiwall Packaging Limited
Kolkata

Dear Sirs,

I do hereby certify that:-

- a) I have reviewed the financial statements and cash flow statement for the year ended 31st December, 2009 and that to the best of my knowledge and belief:-
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control system of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and Audit Committee regarding
 - i) non-occurrence of any significant changes in internal control during the year;
 - ii) non-occurrence of any significant changes in accounting policies during the year; and
 - iii) non-existence of any significant fraud of which I have become aware and the involvement there, if any, of the management or an employee having a significant role in the Company's internal control system.

Date : 28th January, 2010
Place: Kolkata

Ranadurjoy Roy Choudhury
Managing Director

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of B & A Multiwall Packaging Limited:

We have examined the compliance of the conditions of Corporate Governance by B & A Multiwall Packaging Limited for the year ended 31st December, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations, given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that there are no shareholders' grievances remaining unattended / pending for a period exceeding one month as per the records maintained by the Company.

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

For APS ASSOCIATES
Chartered Accountants
A. Dutta
Partner
Membership No. 17693

Place : Kolkata

Date : 28th January, 2010

To

The Shareholders

Affirmation of Compliance with Code of Conduct

I, Ranadurjoy Roy Choudhury, Managing Director, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Ranadurjoy Roy Choudhury
Managing Director

Date : 28th January, 2010

Place : Kolkata

Clause 49 of the Listing Agreement - Details of Directors to be appointed / re-appointed at the forthcoming Annual General Meeting (Item 2 of the Notice)

Name of the Director	Mr. Panchkari Banerjee	Mr. Vijay Raghuram Shetty
Date of Birth	1st December, 1928	8th July, 1965
Nationality	Indian	United States of America
Date of appointment on the Board	29th June, 1998	25th February, 2008
Qualification	I.A.	Master of Business Administration from Temple University, USA, School of Business & Management in the year 1991. He did his Bachelor of Engineering in Production Victoria Jubilee Technical Institute of Bombay University in the year 1988.
Shareholding in the Company	NIL	NII
List of Directorship held in other Companies	Eastern Industrial Enterprises Ltd, Purbachal Brewerin Ltd.	B&A Ltd.
Other details	Presently he is holding the Directorship in Eastern Industrial Enterprises Limited, Heritage North East Private Limited and Purbachal Breweries Ltd.	During his career he served in various field of engineering in Larsen & Toubro Ltd., SIEMENS (India), Crompton Greaves Ltd., Hindustan Leaver Ltd. He also served as Investment Advisor in Ridge Capital Ltd.

AUDITORS' REPORT

To

The Members of B&A MULTIWALL PACKAGING LIMITED

- 1) We have audited the attached Balance Sheet of **B & A MULTIWALL PACKAGING LIMITED** as at 31st December, 2009, the Profit and Loss Account for the year ended on that date and also the Cash Flow Statement for the said year annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the Annexure referred to above, we report that :
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v) On the basis of written representations received from all the Directors as on 31st December, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st December, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with Notes and Schedules annexed thereto, give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2009 ;
- b) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date;
- and
- c) In the case of the Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

For APS ASSOCIATES
Chartered Accountants
A. Dutta
Partner
Membership No. 17693

Place : Kolkata

Dated : 28th January, 2010

ANNEXURE TO AUDITORS' REPORT

To

The members of B & A MULTIWALL PACKAGING LIMITED

Refer Paragraph 3 of our report of even date

- 1) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed asset.
- ii) During the year the fixed assets were physically verified by the Management.
- iii) No substantial part of the fixed assets of the Company were disposed off during the year.
- 2) i) During the year, the inventories were physically verified by the management at reasonable intervals.
- ii) In our opinion, the procedure of physical verification of inventories followed by the management is adequate considering the size of the Company and the nature of its business.
- iii) Based on examination of records, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- 3) According to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods. During the course of our audit, we have not come across any instance of major weakness in the internal controls.
- 5) a) According to the information and explanations given to us, we are of the the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- 7) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8) According to the information given to us, the Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the products of the Company.
- 9) i) According to the records of Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, customs duty and excise duty have generally been regularly deposited with the appropriate authorities.
- ii) According to the information and explanations given to us, the following are the particulars of disputed dues on account of sales tax and employees' State Insurance matters which have not been deposited by the Company :

Name of the Statute	Nature of dues	Amount (Rs.)	Relevant Period	Forum where dispute is pending
Central Sales Tax Act.	Sales Tax	64,515	1995 -1996	Asst. Commissioner of Sales Tax, Balasore
Central Sales Tax Act.	Sales Tax	27,54,267	1998 -1999	Commissioner of Sales Tax, Cuttack
Central Sales Tax Act.	Sales Tax	7,83,904	2002-2003	Commissioner of Sales Tax, Cuttack
Central Sales Tax Act.	Sales Tax	7,72,449	2003-2004	Commissioner of Sales Tax, Cuttack
Central Sales Tax Act.	Sales Tax	3,61,452	2004-2005	Asst. Commissioner of Sales Tax, Balasore
Central Sales Tax Act.	Sales Tax	22,72,291	2005-2006	Commissioner of Sales Tax, Cuttack
Central Sales Tax Act.	Sales Tax	28,46,586	2006-2007 & 2007-2008	Commissioner of Sales Tax, Cuttack

Name of the Statute	Nature of dues	Amount (Rs.)	Relevant Period	Forum where dispute is pending
Orissa Value Added Tax Act.	VAT	1,38,204	2006-2007 & 2007-2008	Commissioner of Sales Tax, Cuttack
Employees' State Insurance Act.	E.S.I.	61,398	2002-2003	Employees' Insurance Court, Kolkata

- 10) The Company's accumulated losses as on 31st December, 2009 are not more than 50% of its net worth and the Company has not incurred cash loss during the year ended 31st December, 2009 or in the immediately preceding financial year ended 31st December 2008.
- 11) According to the records of the Company and the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers.
- 12) According to the information given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- 14) In our opinion, the Company does not deal or trade in shares, securities, debentures or other investments.
- 15) According to the information given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- 16) The Company has not obtained any term loan during the year.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no fund raised on short term basis were used for long term investment.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debentures during the year.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) In our opinion and according to the information and explanations given to us no fraud on or by the Company was reported during the year.

For APS ASSOCIATES
Chartered Accountants
A. Dutta
Partner
Membership No. 17693

Place : Kolkata
Dated : 28th January, 2010

BALANCE SHEET AS AT 31ST DECEMBER, 2009

	Schedule	As at 31st December, 2009		As at 31st December, 2008	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders' Fund					
Capital	1	4,98,02,500		4,98,02,500	
Reserves and Surplus	2	<u>2,33,61,998</u>		<u>2,33,61,998</u>	
			7,31,64,498		7,31,64,498
Loan Funds					
Secured Loan	3	5,10,07,321		6,81,22,676	
Deferred Tax Liability		<u>23,48,460</u>		<u>2,23,403</u>	
TOTAL			<u>12,65,20,279</u>		<u>14,15,10,577</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	13,33,42,238		13,06,16,714	
Less: Depreciation		<u>10,24,11,191</u>		<u>9,86,84,777</u>	
Net Block		3,09,31,047		3,19,31,937	
Add : Capital Work-in Progress		<u>3,07,066</u>	3,12,38,113	<u>18,15,994</u>	3,37,47,931
Current Assets, Loans & Advances					
Inventories	5	5,35,64,649		6,81,69,227	
Sundry Debtors	6	3,51,48,948		4,24,10,076	
Cash & Bank Balances	7	93,20,586		54,81,208	
Loans & Advances	8	<u>1,12,01,807</u>		<u>1,20,14,361</u>	
		<u>10,92,35,990</u>		<u>12,80,74,872</u>	
Less: Current Liabilities & Provision					
Liabilities	9	1,39,49,851		3,07,33,504	
Provisions		<u>69,75,032</u>		<u>26,75,032</u>	
		<u>2,09,24,883</u>		<u>3,34,08,536</u>	
Net Current Assets			8,83,11,107		9,46,66,336
Profit & Loss Account			<u>69,71,059</u>		<u>1,30,96,310</u>
TOTAL			<u>12,65,20,279</u>		<u>14,15,10,577</u>
Notes on Accounts	15				

In terms of our report of even date

For **APS ASSOCIATES**

Chartered Accountants

A. Dutta

Partner

Membership No. 17693

Kolkata, 28th January, 2010

For and on behalf of the Board

P. Banerjee

Director

R. Roy Choudhury

Managing Director

Balaram Bose

Company Secretary & Senior Manager (Finance)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2009

	Schedule	For the year ended 31st December, 2009		For the year ended 31st December, 2008	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Gross Sales		20,22,64,393		23,28,32,351	
Less : Excise Duty		<u>1,56,18,031</u>		<u>2,84,35,381</u>	
Net Sales			18,66,46,362		20,43,96,970
Other Income	10		9,09,853		11,78,678
Increase/(Decrease) in Finished Goods and Materials in Process	11		<u>(25,11,694)</u>		<u>9,47,455</u>
			<u>18,50,44,521</u>		<u>20,65,23,103</u>
EXPENDITURE					
Materials Consumed	12	12,50,44,168		14,81,56,029	
Sales Tax		47,58,668		68,45,741	
Operating Expenses	13	<u>2,63,26,252</u>		<u>2,38,29,605</u>	
			<u>15,61,29,088</u>		<u>17,88,31,375</u>
Profit before Interest, Depreciation & Taxation			<u>2,89,15,433</u>		<u>2,76,91,728</u>
Interest and Financial Charges	14	1,22,43,190		1,16,89,400	
Depreciation		<u>40,63,194</u>		<u>56,93,772</u>	
			<u>1,63,06,384</u>		<u>1,73,83,172</u>
Profit before Taxation			<u>1,26,09,049</u>		<u>1,03,08,556</u>
Provision for Income Tax			43,00,000		11,67,959
Provision for Fringe Benefit Tax			58,741		1,83,543
Provision for Deferred Tax			<u>21,25,057</u>		<u>28,20,150</u>
Profit after Taxation			<u>61,25,251</u>		<u>61,36,904</u>
Balance brought forward			<u>(1,30,96,310)</u>		<u>(1,92,33,214)</u>
			<u>(69,71,059)</u>		<u>(1,30,96,310)</u>
Notes on Accounts	15				
Earnings per share - Basic & Diluted			1.23		1.24

In terms of our report of even date
For **APS ASSOCIATES**
Chartered Accountants
A. Dutta
Partner
Membership No. 17693

Kolkata, 28th January, 2010

For and on behalf of the Board

P. Banerjee **R. Roy Choudhury**
Director Managing Director

Balaram Bose

Company Secretary & Senior Manager (Finance)

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31st December, 2009 Rs.	As at 31st December, 2008 Rs.
SCHEDULE -1		
CAPITAL		
AUTHORISED		
80,00,000 Equity Shares of Rs.10/- each	<u>8,00,00,000</u>	<u>8,00,00,000</u>
Issued,Subscribed and Paid up 49,60,500 Equity Shares of Rs. 10/- each fully paid up (Previous year : 49,60,500 Equity Shares) Out of above 35,54,829 Equity Shares are held by the holding company, B&A Limited	<u>4,96,05,000</u>	<u>4,96,05,000</u>
Add: Forfeited Shares	<u>1,97,500</u>	<u>1,97,500</u>
	<u>4,98,02,500</u>	<u>4,98,02,500</u>
SCHEDULE-2		
RESERVES AND SURPLUS		
Central Investment Subsidy	25,00,000	25,00,000
State Subsidy	2,41,700	2,41,700
Capital Reserve	1,67,43,000	1,67,43,000
Revenue Reserve	38,77,298	38,77,298
	<u>2,33,61,998</u>	<u>2,33,61,998</u>
SCHEDULE-3		
LOAN FUNDS		
<u>SECURED LOANS</u>		
Loan from State Bank of India		
Term Loan (Secured by hypothecation of Plant & Machinery and fixed assets created out of fresh Term Loan)	54,98,742	95,68,516
Cash Credit (Secured by hypothecation of Company's entire stocks and book debts)	4,51,48,102	5,81,13,690
All the above loans are collaterally secured by		
a) Extension of charge over Factory Land, Building, Plant & Machinery		
b) Equitable mortgage of the Flat at Dover Place, 6, Dover Rd., Kolkata in the name of B&A Ltd. (Holding Co.)		
c) Personal guarantee of Shri H. P. Barooah, Director & Corporate Guarantee of B&A Ltd. (Holding Co.)		
Loan From HDFC BANK LTD.	<u>3,60,477</u>	<u>4,40,470</u>
(Secured by hypothecation of a Motor Car)	<u>5,10,07,321</u>	<u>6,81,22,676</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE-4
FIXED ASSETS

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01.01.09	Addition during the Year	Sale/ Adjustment during the Year	Total as at 31.12.09	Upto 01.01.09	For the Year	Disposal/ Adjustment during the Year	Total as at 31.12.09	As at 31.12.09	As at 31.12.08
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land	11,95,859	—	—	11,95,859	—	—	—	—	11,95,859	11,95,859
Building	81,61,241	5,95,598	—	87,56,839	35,70,390	2,83,674	—	38,54,064	49,02,775	45,90,851
Plant & Machinery	11,72,85,628	15,32,784	16,813	11,88,01,599	9,29,91,092	35,66,480	15,447	9,65,42,125	2,22,59,474	2,42,94,536
Electrical Installation	15,28,427	6,91,802	—	22,20,229	7,27,993	60,882	—	7,88,875	14,31,354	8,00,434
Furniture & Fixture	3,20,236	1,15,400	—	4,35,636	1,90,074	12,017	—	2,02,091	2,33,545	1,30,162
Office Equipment	12,38,792	1,33,670	—	13,72,462	8,95,343	86,978	—	9,82,321	3,90,141	3,43,449
Vehicle	8,86,531	20,000	3,46,917	5,59,614	3,09,885	53,163	3,21,333	41,715	5,17,899	5,76,646
Total	13,06,16,714	30,89,254	3,63,730	13,33,42,238	9,86,84,777	40,63,194	3,36,780	10,24,11,191	3,09,31,047	3,19,31,937
As at 31.12.2008	11,31,97,408	1,74,19,306	—	13,06,16,714	9,29,91,005	56,93,772	—	9,86,84,777	3,19,31,937	

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31st December, 2009		As at 31st December 2008	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE-5				
INVENTORIES				
Raw Materials		4,06,62,909		5,28,37,067
Finished Goods		82,88,960		99,03,520
Materials -in-Process		24,91,781		33,88,915
Stores & Spares		21,20,999		20,39,725
		<u>5,35,64,649</u>		<u>6,81,69,227</u>
SCHEDULE-6				
SUNDRY DEBTORS				
(Unsecured, Considered Good)				
Debts outstanding for a period				
- Exceeding Six months	68,87,056		99,11,851	
- Other Debts	<u>2,82,61,892</u>		<u>3,24,98,225</u>	
		3,51,48,948		4,24,10,076
(Unsecured, Considered Doubtful)				
Debts Outstanding for a period				
- Exceeding six months	9,56,519		9,56,519	
Less : Provision	<u>9,56,519</u>		<u>9,56,519</u>	
		<u>3,51,48,948</u>		<u>4,24,10,076</u>
SCHEDULE-7				
CASH & BANK BALANCES				
Cash in Hand		61,415		36,758
Current Account balances with Scheduled banks		23,72,560		9,18,726
LC & BG Margin Money with State Bank of India		68,86,611		45,25,724
		<u>93,20,586</u>		<u>54,81,208</u>
SCHEDULE-8				
LOANS & ADVANCES				
(Unsecured, Considered Good)				
Advances Recoverable in cash or in kind or for value to be received.				
		75,69,604		87,50,984
Deposits		34,78,683		28,10,310
Pre-paid Expenses		1,53,520		4,53,067
		<u>1,12,01,807</u>		<u>1,20,14,361</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31st December, 2009		As at 31st December 2008	
	Rs.		Rs.	
SCHEDULE-9				
CURRENT LIABILITIES				
Sundry Creditors for Goods		51,89,611		1,77,09,627
Sundry Creditors - Others		64,28,081		1,09,64,736
Deferred Sales Tax		8,23,134		8,23,134
Provision for Gratuity		15,09,025		12,36,007
		<u>1,39,49,851</u>		<u>3,07,33,504</u>
	For the year ended		For the year ended	
	31st December, 2009		31st December, 2008	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE-10				
OTHER INCOME				
Scrap Sale		3,57,693		3,18,369
Miscellaneous Income		2,49,810		5,82,593
Interest		3,02,350		2,77,716
		<u>9,09,853</u>		<u>11,78,678</u>
SCHEDULE-11				
INCREASE/(DECREASE) IN FINISHED GOODS & MATERIAL IN PROCESS				
Opening Stock				
Finished Goods	99,03,520		98,28,157	
Materials-in-Process	<u>33,88,915</u>		<u>25,16,823</u>	
		1,32,92,435		1,23,44,980
<i>Less:</i>				
Closing Stock				
Finished Goods	82,88,960		99,03,520	
Materials-in-Process	<u>24,91,781</u>		<u>33,88,915</u>	
		1,07,80,741		1,32,92,435
Increase/(Decrease)		<u>(25,11,694)</u>		<u>9,47,455</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

	For the year ended 31st December, 2009		For the year ended 31st December, 2008	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE-12				
MATERIALS CONSUMED				
Opening Stock		5,28,37,067		3,87,36,867
Add : Purchase		11,28,70,010		16,22,56,229
		<u>16,57,07,077</u>		<u>20,09,93,096</u>
Less : Closing Stock		4,06,62,909		5,28,37,067
Consumption of Raw Materials		<u>12,50,44,168</u>		<u>14,81,56,029</u>
SCHEDULE-13				
OPERATING EXPENSES				
Employees Emoluments				
Salary, Wages & Benefits	1,08,27,957		97,90,309	
Contribution to PF & Other Funds	5,17,283		4,67,766	
Gratuity	2,73,018		2,08,738	
Welfare Expenses	<u>10,50,630</u>		<u>9,16,725</u>	
		1,26,68,888		1,13,83,538
Power & Fuel		15,81,307		15,93,656
Consumption of Stores & Spares		21,72,480		17,74,314
Repairs & Maintenance				
Building	1,86,081		74,304	
Machinery	5,48,808		3,65,700	
Others	<u>4,38,210</u>		<u>3,15,460</u>	
		11,73,099		7,55,464
Rent, Rates & Taxes		2,38,857		2,17,422
Insurance		3,68,734		3,99,700
Travelling & Conveyance		26,14,808		14,72,092
Commission		1,47,632		2,54,060
Postage & Communication		5,17,941		5,49,360
Directors' Fees		49,000		58,000
Discount Allowed		15,621		-
Carriage Outwards		20,68,074		18,64,132
Clearing and Forwarding		23,293		47,578
Bad Debts written off		3,01,083		-
Miscellaneous Expenses		<u>23,85,435</u>		<u>34,60,289</u>
		<u>2,63,26,252</u>		<u>2,38,29,605</u>
SCHEDULE-14				
INTEREST & FINANCIAL CHARGES				
Interest on Working Capital Loan		78,46,197		84,32,085
Interest on Term Loan		9,97,812		9,05,076
Bank Commission & Charges		20,65,258		16,43,916
Interest-Others		<u>13,33,923</u>		<u>7,08,323</u>
		<u>1,22,43,190</u>		<u>1,16,89,400</u>

SCHEDULE FORMING PART OF THE ACCOUNTS**SCHEDULE-15****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A) SIGNIFICANT ACCOUNTING POLICIES :-****1) Accounting System**

The Company follows the concept of mercantile system of accounting in preparation of the accounts.

2) Fixed Assets

All Fixed Assets are stated at cost.

3) Inventories

Raw Materials and Stores and Spares - Valued at cost.

Finished Goods - Valued at cost or Realisable price whichever is lower.

Materials-in-process - Valued at a percentage of cost or realisable price whichever is lower.

4) Depreciation

Depreciation is provided on Straight Line Method in accordance with the provision of Schedule XIV to the Companies Act, 1956 as amended.

5) Sales

Gross Sales include Excise Duty and Central Sales Tax but does not include Value Added Tax. Export sales are accounted for on the basis of actual Rupee realisation.

6) Import of Raw Materials

Import of Raw Materials are accounted for on the basis of actual rupee payments.

7) Borrowing Cost

Borrowing cost attributable to acquisition of fixed assets and capital work in progress, are treated as part of cost of such assets and Capitalised upto the stage of commercial production. All other borrowing costs are charged to revenue.

8) AS-15 (Employees' benefits)

The Company has recognised AS-15 (Employees' benefits) as revised and accordingly:

- a) Paid/Provided for short term benefits like Salaries, Wages and Contribution to Provident Fund and Pension Scheme (as per the Employees' Provident Funds and Miscellaneous Provision Act, 1952 as amended); pending final calculation of Allocable Surplus for the current year as required under the payment of Bonus Act, 1965, provision for bonus has been calculated on the basis of last year; other non-monetary benefits have been provided for on actual basis

- b) The Company's Rules do not provide for either accumulation or compensation for leave of its employees.

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

- c) Long-term employee benefits are recognised as an expense in the Profit & Loss Account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable as per Actuarial valuations. Actuarial gains and losses in respect of such benefits are recognised in the Profit and Loss A/c.

9) Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- b) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets

B) NOTES ON ACCOUNTS :

1. Licensed, Installed Capacities and Actual Production :

Class of Goods	Units	Year ended	Annual Capacity		Actual Production
			Licensed	Installed	
Paper Sacks	Nos.	31.12.2009	60 Million	35 Million	6.41 Million
Paper Sacks	Nos.	31.12.2008	60 Million	35 Million	8.12 Million

(Note : Capacity of Paper Sacks plant is dependant on the product-mix. Annual Installed capacity of 35 Million is based on production of cement sacks only. With the present product-mix annual capacity works out to 9 Million Sacks.)

2. Particulars with respect to Stocks and Sales :

Class of Goods	Units	Year ended		Year ended	
		31st December, 2009	Value	31st December, 2008	Value
Opening Stock	Nos.	4,67,175	99,03,520	6,61,291	98,28,157
Sale	Nos.	66,69,173	20,22,64,393	83,09,236	23,28,32,351
Closing Stock	Nos.	3,52,812	82,88,960	4,67,175	99,03,520

3. Value of Imports on C.I.F basis -

Raw Materials	5,46,71,935	11,39,86,933
---------------	-------------	--------------

4. Earning in Foreign Currency -

Export of Goods (F.O.B Basis)	48,64,674	32,76,976
-------------------------------	-----------	-----------

5. Expenses in Foreign Currency

	7,09,008	—
--	----------	---

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

6. Contingent Liabilities not provided for

Bank Guarantee	3,73,360	3,73,360
Sales Tax	99,93,668	70,08,928

7. Details of Imported and Indigenous Materials Consumed:-

(Qty. in M.T. and Value in Rs.)

Class of Goods	Opening		Purchase		Closing		Consumption		% Total
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	
a) Paper Imported									
31.12.09	611	3,41,88,986	764	4,92,02,996	290	1,65,14,037	1,084	6,68,77,945	53.48
31.12.08	530	1,76,87,616	1,868	9,80,45,325	611	3,41,88,986	1,787	8,15,43,955	55.04
Paper Indigenous									
31.12.09	213	1,41,64,397	914	5,42,83,667	556	2,09,06,329	571	4,75,41,735	38.02
31.12.08	238	1,62,08,341	963	5,08,06,310	213	1,41,64,397	988	5,28,50,254	35.67
b) Other Imported									
31.12.09	17.8	13,68,721	30	25,76,166	15.9	11,95,490	32	27,49,397	2.19
31.12.08	3.4	2,65,487	45	32,97,657	17.8	13,68,721	30.6	21,94,423	1.48
Other Indigenous									
31.12.09	—	31,14,963	—	68,07,181	—	20,47,053	—	78,75,091	6.30
31.12.08	—	45,75,423	—	1,01,06,937	—	31,14,963	—	1,15,67,397	7.81
31.12.09		<u>5,28,37,067</u>		<u>11,28,70,010</u>		<u>4,06,62,909</u>		<u>12,50,44,168</u>	<u>100.00</u>
31.12.08		3,87,36,867		16,22,56,229		5,28,37,067		14,81,56,029	100.00

8. Payment to Whole Time Directors

	<u>31.12.2009</u>	<u>31.12.2008</u>
	Rs.	Rs.
Salary	18,87,500	18,27,500
Contribution to Provident Fund	72,600	79,200
Other Perquisites	2,82,512	2,69,597
	<u>22,42,612</u>	<u>21,76,297</u>

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

9. In terms of Industrial Policies of 1986 and 1989 declared by Government of Orissa, the Company opted for the Sales Tax Deferment Scheme upto 30.11.1996 and the Deferred Sales Tax balance stands at Rs. 8,23,134/- as on 31.12.2009 (As on 31.12.2008 - Rs. 8,23,134)

10. Miscellaneous Expenses in Schedule 13 includes :

	<u>31.12.2009</u>	<u>31.12.2008</u>
	Rs.	Rs.
Auditors Remuneration (Including Service Tax)		
Audit Fees	33,708	33,708
Tax Audit Fees	11,236	11,236
For Certification	22,985	11,047
	<u>67,929</u>	<u>55,991</u>

11. As per Accounting Standard - 15 "Employees' Benefits" the disclosure of Employee Benefits as defined in the Accounting Standard are as follows.

Provision for Post retirement medical benefit to eligible employees has been made as per Company's calculation.

Table 1 : Acturial calculations for AS 15 (Rev. 2005) for the purpose of Net Asset / Liability, recognised in the Balance Sheet

SL.	Description	31st December 08	31st December 09
i)	Present Value of Defined Benefit Obligation	12,04,334.00	14,45,102.00
ii)	Fair Value of Plan Assets	0.00	0.00
iii)	Funded Status [Surplus /(Deficit)]	(12,04,334.00)	(14,45,102.00)
iv)	Unrecognised Past Service Cost	0.00	0.00
v)	Net Asset / (Liability) recognised in the Balance Sheet	(12,04,334.00)	(14,45,102.00)

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

Table 2 : Actuarial calculations for AS 15 (Rev. 2005) for the purpose of Disclosure of employer expense for the year ending 31st December 2009

Sl.	Description	Year 2008-09
i)	Current Service cost (including risk premium for fully insured benefits)	1,61,113.24
ii)	Interest cost	99,353.85
iii)	Expected Return of Asset (-)	0.00
iv)	Curtailment Cost (+)	0.00
v)	Settlement Cost	0.00
vi)	Past Service Cost	0.00
vii)	Actuarial Gains (-) / Loss (+)	(-) 19,699.09
viii)	Appreciation/Depreciation of Plan Assets	0.00
	Total	2,40,768.00

Table 3 : Actuarial calculations for AS 15 (Rev. 2005) purpose change in obligations / assets in the year ending 31.12.2009

(A) Change in obligation in the year ended 31.12.2009

Sl.	Description	Year 2008-09
i)	Present Value of Defined Benefit Obligation at the beginning of the year	12,04,334.00
ii)	Employer Service Cost (+)	1,61,113.24
iii)	Interest Cost (+)	99,353.85
iv)	Curtailment Cost (+)	0.00
v)	Settlement Cost	0.00
vi)	Plan Amendments	0.00
vii)	Acquisitions	0.00
viii)	Actuarial Gains (-) Loss (+)	(-) 19,699.09
ix)	Benefit Payments (-)	0.00
x)	Present Value of DB obligations at the end of the year	(14,45,102.00)

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

(B) Change in Assets

Sl.	Description	Year 2008-09
i)	Fair Value of Plan Assets at the beginning of the year	0.00
ii)	Acquisition adjustments	0.00
iii)	Actual return on Plan Assets (+)	0.00
iv)	Actual Company Contribution (+)	0.00
v)	Benefit Payments (-)	0.00
vi)	Appreciation/Depreciation of Plan Assets	0.00
vii)	Fair Value of Plan Assets at the end of the period	0.00

Table 4 : Reconciliation of Net assets / (Liability) recognized in the Balance Sheet as at 31st December, 2009

Sl.	Description	Year 2008-09
i)	Net Asset / (Liability) recognized in the Balance Sheet at the beginning of the year	(12,04,334.00)
ii)	Employer Expenses	2,40,768.00
iii)	Employer Contribution	0.00
iv)	Acquisitions	0.00
v)	Net Asset / (Liability) recognized in the Balance Sheet at the ending of the year	(14,45,102.00)

Summary of Membership Date

Active Members	31st Dec. 2008	31st Dec. 2009
Number of Employees	47	49
Total Monthly Salaries (Rs.)	2,90,410.00	3,25,555.00
Avg. Monthly Salary per employees (Rs.)	6,178.94	6,643.98
Average Past Services (Yrs.)	11.32	12.00
Average Future Services (yrs.)	17.32	16.69
Average age at Valuation date (Yrs.)	41.32	41.96

12. The Company has one business segment of manufacture and sale of paper sacks, hence no separate disclosure is necessary in respect of AS 17.

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

- 13) During the year ended 31st December, 2009, the Company entered into transactions with related parties as per details below.

a) B&A Ltd. - Holding Company	(Rs.)
Sale of Paper Sacks	47,70,007
Rent & Other Services	2,04,088
Outstanding Balance (Dr.)	4,69,872
b) Remuneration to Key Management Personnel	22,42,612

14. The Company has taxable income for the year. Provision made in these accounts for the Current Tax represents Normal Tax payable in accordance with Income Tax Act, 1961.

15. The Company has complied with the requirements of Accounting Standard 22. The major components of the Deferred Tax Assets and Liabilities based on the tax effect of timing difference are as under :

	<u>31.12.2009</u>	<u>31.12.2008</u>
	(Rs.)	(Rs.)
Assets		
Deferred Sales Tax Liabilities	2,79,783	2,54,348
Provision for Retirement Benefit	5,12,918	3,81,926
Provision for Bad Debts	3,25,121	2,95,564
Unabsorbed Depreciation carried forward as per Income Tax Act.	-	23,02,816
	<u>11,17,822</u>	<u>32,34,654</u>
Liabilities		
Difference between written down value of assets as per Income Tax Laws and written down value of assets as per books	34,66,282	34,58,057
Deferred Tax Assets (Net)	<u>(23,48,460)</u>	<u>(2,23,403)</u>

16. Disclosure as per Accounting Standard 20 is as follows :

(a) Net Earning for the year	Rs.	61,25,251
(b) No. of Shares	Nos.	49,60,500
(c) Earnings per Share (Basic & Diluted)	Rs.	1.23

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15 (Contd..)

17. Disclosure regarding Micro, Small and Medium Enterprises

The amount due to Micro and Small Enterprises as defined in the "The Micro Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under :

(Rupees in lacs)

Sl. No.	Description	2009	2008
1.	The principal amount remaining overdue for payment to suppliers as at the end of accounting year	0.73	—
2.	The interest due thereon remaining unpaid to supplier as at the end of accounting year	0.02	—
3.	The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year	—	—
4.	The amount of interest due and payable for the period of delay in making of payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	0.45	—
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.47	—
6.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises	0.03	—

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

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE-15

19. Information pursuant to Part IV of Schedule VI to the Companies Act, 1956

i) Registration Details

Registration No.	01624	State code	15
Balance Sheet Date	31.12.2009		

ii) Capital Raised during the year (Amount in Rs. '000)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

iii) Position of Mobilisation and Deployment of Funds (Amount in Rs.'000)

Total Liabilities	1,47,445	Total Assets	1,47,445
-------------------	----------	--------------	----------

Sources of Funds

Paid up Capital	49,803
Reserve and Surplus	23,362
Secured & Unsecured Loan	51,007
Deferred Tax Liability	2,348

Application of Funds

Net Fixed Assets	31,238
Investments	-
Net Current Assets **	88,311
Accumulated Losses	6,971

** Net of Current Liabilities and Provisions

iv) Performance of the Company (Amount in Rs. '000)

Turnover	1,86,646	Total Expenditure	1,72,435
Profit before Tax	12,609	Profit after Tax	6,125
Earning per share in Rs.	1.23		

v) Generic Names of Three Principal Products / Service of the Company
(As per monetary term)

Item code No. (ITC Code)	4819 30 00
Product Description	Sacks and Bags of paper

In terms of our report of even date

For **APS ASSOCIATES**

Chartered Accountants

A. Dutta

Partner

Membership No. 17693

Kolkata, 28th January, 2010

For and on behalf of the Board

P. Banerjee

Director

R. Roy Choudhury

Managing Director

Balaram Bose

Company Secretary & Senior Manager (Finance)

SCHEDULE FORMING PART OF THE ACCOUNTS
 SCHEDULE-15 (Contd.)

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

	For the year ended 31st Dec., 2009	For the year ended 31st Dec., 2008
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	1,26,09,049	1,03,08,556
Adjustments for:		
Depreciation	40,63,194	56,93,772
Interest & Financial Charges	1,22,43,190	1,16,89,400
Deferred Rev. Exp. / Fixed Assets written off	-	-
Interest Received	(3,02,350)	(2,77,716)
Operating Profit before Working Capital Change	2,86,13,083	2,74,14,012
Adjustments for:		
Trade and other Receivables	80,73,682	(51,10,233)
Trade Payable	(1,67,83,653)	68,25,765
Inventories	1,46,04,578	(1,55,51,114)
Cash Generated from Operations	3,45,07,690	1,35,78,430
Interest Paid	(1,22,43,190)	(1,16,89,400)
Cash Flow before Extraordinary Items	2,22,64,500	18,89,030
Extraordinary Items	(58,741)	(1,83,543)
Net Cash flow from operating activities	2,22,05,759	17,05,487
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(30,89,254)	(1,74,19,306)
Increase/Decrease in Capital work in progress	15,08,928	(97,95,318)
Sale of Fixed Assets / Fixed Assets written off	26,950	-
Interest Received	3,02,350	2,77,716
Net Cash used in Investing Activities	(12,51,026)	(73,46,272)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowing	-	1,60,09,209
Repayment of Borrowing	1,71,15,355	95,00,000
Increase in Deferred Rev. Expenses	-	-
Net Cash used in Financing Activities	(1,71,15,355)	65,09,209
Net increase in Cash and Cash equivalents	38,39,378	8,68,424
Cash and Cash Equivalents (Opening)	54,81,208	46,12,784
Cash and Cash Equivalents (Closing)	93,20,586	54,81,208

In terms of our report of even date

For **APS ASSOCIATES**

Chartered Accountants

A. Dutta

Partner

Membership No. 17693

Kolkata, 28th January, 2010

For and on behalf of the Board

P. Banerjee

Director

R. Roy Choudhury

Managing Director

Balaram Bose

Company Secretary & Senior Manager (Finance)

Supplementary Notice



To All the Members of B & A Multiwall Packaging Limited

Attention of the members is invited to the Notice of 24th Annual General Meeting dated 28th January, 2010.

Notice is further given that in addition to the items mentioned in Notice dated 28th January, 2010, the following items of business shall be passed as a **Special Business**:

Item No. 1 :

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Anjan Ghosh, who was appointed by the Board of Directors as an Additional Director of the Company on 24th April, 2010 and who holds office upto the date of the 24th Annual General Meeting of the Company to be held on Monday, 14th June, 2010 in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company to be liable to retire by rotation."

Item No. 2 :

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

"RESOLVED that pursuant to the provision of Section 21 of the Companies Act, 1956 and subject to the approval given by the Central Government, the name of the Company be and is hereby changed from B & A Multiwall Packaging Limited to B & A Packaging India Limited.

RESOLVED FURTHER that the name B & A Multiwall Packaging Limited wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name B & A Packaging India Limited.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 1:

Mr. Anjan Ghosh aged 61 years is a Chartered Accountant. He got the qualification in the year 1977 from The Institute of Chartered Accountants of India. He is the Ex-Vice Chairman and Managing Director of J. Thomas & Co. Pvt. Limited, Kolkata. He has about 34 years of experience in Tea industry.

Mr. Ghosh was appointed by the Board of Directors of the Company on 24th April, 2010 as an Additional Director. According to Section 260 of the Companies Act, 1956 ('the Act') Mr. Ghosh will hold office upto the date of ensuing 24th Annual General Meeting of the Company scheduled to be held on Monday, 14th June, 2010. The Company has received a notice in writing under section 257 of the Act from a member proposing his candidature for the office of the Director. His appointment requires the approval of the members of the Company, hence the resolution is proposed.

None of the Directors, except Mr. Ghosh is concerned or interested in this resolution.

Item No. 2:

The Company was originally incorporated on 16th day of January, 1986 under the name and Style "B & A Sacks Limited". Subsequently on and from 11th day of February, 2010 the name of the Company was changed to "B & A Multiwall Packaging Limited".

The present line of business of the Company is manufacturing of "multiwall" paper sacks. The Company is in the process of diversification through a new line of packaging product "flexible packaging". Although there will be no change in the existing business activities i.e. manufacturing of packaging product, the word "Multiwall" will no longer be appropriate for the entire future manufacturing activities. Hence the word "Multiwall" is proposed to be dropped and new name is proposed.

The change of name requires the approval of the members of the Company, hence the resolution is proposed.

None of the Directors is concerned or interested in this resolution.

Date : 14th May, 2010
Place: Kolkata

By Order of the Board of Director

Registered Office:
1185/1186, Tankapani Road,
Bhubaneswar 751 018,
Orissa.

Balaram Bose
Company Secretary &
Senior Manager (Finance)

**Clause 49 of the Listing Agreement Details of Director(s) to be appointed / re-appointed
at the forthcoming Annual General Meeting :**

Name of the Director	: Mr. Anjan Ghosh.
Date of Birth	: 15 th July, 1949.
Nationality	: Indian.
Date of Appointment on the Board	: 24 th April, 2010.
Qualification	: Chartered Accountants.
Shareholding in the Company	: NIL.
List of Directorship held in other Companies	: NIL.
Other Details	: Mr. Anjan Ghosh is a Chartered Accountant and is Ex-Vice Chairman and Managing Director of J. Thomas & Co. Pvt. Limited, Kolkata. He had about 34 years of experience in Tea Industry.

**ANNUAL GENERAL MEETING
ATTENDANCE SLIP**

DP ID No.....

Client ID.....

Folio No.....

(In case of physical shares only)

No. of Shares.....

I hereby record my presence at the Twenty Fourth Annual General Meeting being held at the Registered Office of the Company on Monday, the 14th day of June, 2010.

.....
Signature of the Attending Member / Proxy

Notes :

1. A Member / Proxy attending the meeting must complete this attendance Slip and hand it over at the entrance.
2. Member intending to appoint a proxy, should complete the Proxy form given below and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the Meeting.

B&A MULTIWALL PACKAGING LIMITED

Registered Office : 1185/1186, Tankapani Road, Bhubaneswar - 751 018

**ANNUAL GENERAL MEETING
PROXY**

DP ID No.....

Client ID.....

Folio No.....

(In case of physical shares only)

No. of Shares.....

I/We.....being a Member/Members of B&A Multiwall Packaging Limited hereby appoint.....of.....in the district of.....or failing him of.....in the district of.....as my/our Proxy to vote on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on Monday, 14th June, 2010

Revenue
Stamp

Signature this.....day of.....2010

- Notes :
- 1) The proxy must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
 - 2) A proxy need to be a member of the Company.

bagage

new-age packaging solutions

**Paper sacks per excellence
Eco-friendly Packaging
Versatile usage**

BOOK POST

If undelivered please return to :

B&A MULTIWALL PACKAGING LIMITED

113, Park Street, 9th Floor, Kolkata - 700 016