

## NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held at Auditorium of Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23, R.N. Mukherjee Road, Kolkata – 700 001 on Thursday, the 22nd September, 2011 at 10:30 A.M. to transact the following Business:

### Ordinary Business

1. To consider and adopt the Audited Accounts of the Company for the year ended 31st March 2011, together with the Report of the Directors and Auditors.
2. To appoint Directors in place of Directors retiring by rotation.  
Shri Ankit Jalan, Director, retires by rotation and being eligible, offers himself for re-appointment.  
Shri Sumitro Mukherjee, Director, retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. The present Auditors, M/s. Singhi & Co, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

### Special Business

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
“RESOLVED THAT Shri Sheo Shankar Joshi, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 read with Article 82 of the Articles of Association of the Company, holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, along with the deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company liable to retire by rotation”.
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
“RESOLVED THAT Shri Kamal Kumar Khetawat, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 read with Article 82 of the Articles of Association of the Company, holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, along with the deposit of Rs. 500/-, be and is hereby appointed as a Director of the Company liable to retire by rotation”.

Registered Office:  
41A, AJC Bose Road  
Suite No. 505  
Kolkata – 700 017

12th August, 2011

By Order of the Board  
For Agio Paper & Industries Limited

Saikat Ghosh  
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.
2. The Proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting i.e. by 10:30 A. M. on 20th September, 2011.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. The Register of Members and Share Transfer Registers of the Company will remain closed from 16th September 2011 to 22nd September 2011 (both days inclusive).
6. In accordance with Section 205C of the Companies Act, 1956, no claim shall lie against the Company or Fund in respect of individual accounts of dividends remaining unclaimed or unpaid for a period of seven years from the dates they become first due for payment and no payment shall be made in respect of any such claims.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. The members are aware that their Company's shares are under Compulsory Demat Trading with effect from 25th September 2000 for all the investors, hence they may utilize this facility.
9. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
10. Shri Ankit Jalan and Shri Sumitro Mukherjee, Directors of the Company are retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. As required under the Listing Agreement, the information/data to be provided for these Directors are given in the Corporate Governance Section of this Annual Report.
11. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" to allow paperless compliances by the corporate sector. MCA, by its Circular dated April 21, 2011, has now made permissible the service of documents through electronic mode to shareholders. To support the Green Initiative of the Government, it is proposed to send, henceforth, all Notices, Annual Report and other communications through Email. For the above purpose, we request you to send an Email confirmation to our designated ID [redressal@agiopaper.com](mailto:redressal@agiopaper.com) mentioning your name, DP / Customer ID or Folio number and your Email ID for communication. On this confirmation, we would, henceforth, send all Notices, Annual Report and other communications through Email. Copies of the said documents would be available in the Company's website [www.agiopaper.com](http://www.agiopaper.com) for your access. You will at all times be entitled to receive, free of cost, hard copy (paper version) of Annual Report and other communications on specific request. You are also at liberty to change the instructions from time to time.

We request you to support the Green Initiative of the Government by opting for electronic mode of receiving our Corporate Communications.

EXPLANATORY STATEMENT

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

Item No. 4

The Board of Directors of your Company ('the Board') at its meeting held on August 12, 2011 has appointed, pursuant to the provisions of Section 260 of the Companies Act, 1956 (the Act) and Article 82 of the Articles of Association of the Company Shri Sheo Shankar Joshi as an Additional Director.

In terms of Section 260 of the Act, Shri Joshi would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith a deposit of Rs. 500 proposing the candidature of Shri Joshi for the office of Director of the Company under the provisions of section 257 of the Act.

Shri Joshi has been involved with paper business for more than two decades and possesses expert knowledge of marketing and sales which would benefit the Company in the long run.

It is therefore desirable that Shri Joshi is appointed as an Independent Director, liable to retire by rotation in accordance with the Articles of Association of the Company.

A brief resume of Shri Joshi, nature of his expertise in specific functional areas and names of Companies in which he holds Directorship and Membership / Chairmanship of Board Committees, as stipulated under clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

None of the Directors of your Company, other than Shri Sheo Shankar Joshi, is interested in this Resolution.

The Board recommends this Resolution for your Approval.

Item No. 5

The Board of Directors of your Company ('the Board') at its meeting held on August 12, 2011 has appointed , pursuant to the provisions of Section 260 of the Companies Act,1956 (the Act) and Article 82 of the Articles of Association of the Company Shri Kamal Kumar Khetawat as an Additional Director.

In terms of Section 260 of the Act, Shri Khetawat would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith a deposit of Rs.500 proposing the candidature of Shri Khetawat for the office of Director of the Company under the provisions of section 257 of the Act.

Shri Kamal Kumar Khetawat has wide variety of entrepreneurial skills ranging over a period spanning twenty years and his expertise and his operational skills will be helpful in the company's turn around planning.

Keeping in view his qualification and expertise it is desirable that Shri Khetawat is appointed as an Independent Director, liable to retire by rotation in accordance with the Articles of Association of the Company.

A brief resume of Shri Khetawat, nature of his expertise in specific functional areas and names of companies in which he holds directorship and membership / chairmanship of Board Committees, as stipulated under clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

None of the Directors of your Company, other than Shri Kamal Kumar Khetawat, is interested in this Resolution.

The Board recommends this Resolution for your Approval.

Registered Office:  
41A, AJC Bose Road  
Suite No. 505  
Kolkata – 700 017

12th August, 2011

By Order of the Board  
For Agio Paper & Industries Limited

Saikat Ghosh  
Company Secretary

## DIRECTORS' REPORT

TO THE MEMBERS  
AGIO PAPER & INDUSTRIES LTD.

Your Directors have pleasure in presenting the 26th Annual Report of the Company along with Audited Accounts of the Company for the year ended 31st March, 2011.

## SUMMARISED FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	Current Year	Previous Year
Gross Turnover and other receipts	2445.60	2415.61
Profit / (Loss) before Interest and Depreciation	(607.79)	(118.14)
Less: Interest	301.84	85.33
Profit/(Loss) Before Depreciation	(305.95)	(203.47)
Less: Depreciation	483.03	126.30
Profit/(Loss) Before Tax	(177.08)	(329.77)
Less: Provision for taxation		
MAT Credit Entitlement	59.06	-
Deferred Tax	(40.85)	-
Fringe Benefit Tax	-	-
Wealth Tax	-	-
Profit/(Loss) After Tax	(195.29)	(329.77)
Balance brought forward from previous year	(421.31)	(91.53)
Add: Adjustment of Employee Benefit as per AS -15 (Revised)	-	-
Add: Transfer to foreign currency translation reserve for 2007- 08	-	-
Balance carried to Balance Sheet	(616.60)	(421.31)

## BUSINESS PERFORMANCE

The closure of the factory since 6th October, 2010 due to instructions issued by the Central Pollution Control Board has put a temporary halt on our consistent progress which we had managed to achieve during the last few years. But this has not deterred us from finding a feasible solution which shall soon be implemented and enable us to carry on production activities without any stoppages.

Even though we have not been able to manufacture paper for majority of the year yet we managed to earn substantial revenue from what we produced prior to such closure. We have also managed to curb certain top heavy expenditures and this has also helped us reduce our losses to a certain extent. Once production activities resume we shall certainly make up for lost time and shall continue our march towards progress.

## DIVIDEND

In absence of profit no dividend is recommended for the financial year ended 31st March, 2011.

## PREFERENTIAL ALLOTMENT OF EQUITY SHARES

In accordance with provisions of section 81(1A) of the Companies Act, 1956 and subject to guidelines for preferential issues issued by the Securities and Exchange Board of India ("SEBI") under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 the Company has allotted 10,000,000 (One Crore) Equity Shares of Rs.10/- each at a price of Rs. 12/- per equity Share (including a premium of Rs. 2/- per share) on preferential allotment basis. Therefore the paid up capital of the Company now stands at Rs.161,254,000/-.

## EXPANSION, NEW PROJECTS AND FUTURE PROJECTIONS

Although we achieved significant progress in installation of second paper machine having production capacity of 18000 MT per annum yet it can be operational only when production resumes. Similarly the 4 MW Co-Generation power plant at our factory which had earlier been tested on trial run basis can run only when we resume production. To prevent further pollutions in future we have decided to install a chemical recovery plant. The work on this project shall commence in the near future and although it will be a time consuming process it will be worth the wait since it will provide a long term solution.

#### CREDIT FACILITIES

To facilitate the projects at our factory site at Bilaspur our banker Allahabad Bank has raised the level of credit facilities to the extent of Rs.30.85 crores and has restructured such credit facilities.

#### CREDIT RATING

During the current year we are getting rating done through Fitch Ratings.

#### AUDITORS

The Statutory Auditors of the Company M/s. Singhi & Co, Chartered Accountants retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment.

Pursuant to directions received from the Central Government, M. Pal & Associates has been appointed as the Cost Auditor of the Company to audit the Cost Accounts of the Company for the year ended 31st March, 2011.

#### DIRECTORS

In accordance with Section 256 of the Companies Act, 1956 and Article 75 of the Articles of Association of the Company, Shri Sumitro Mukherjee and Shri Ankit Jalan, Directors of your Company will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Shri Sheo Shankar Joshi and Shri Kamal Kumar Khetawat were appointed as Additional Directors with effect from 12th August, 2011 to hold office till the conclusion of the forthcoming Annual General Meeting of the Company. The Company has received notices under section 257 of the Companies Act, 1956 from members proposing their appointment as Directors of the Company.

After their long association with the Company and rendering services in the capacity of Directors Shri Jitendra Agrawal, Shri Ankur Jalan, Shri Ramesh Kumar Kanoi and Shri Shiv Kumar Kanoi have relinquished their offices. The Board of Directors records its sincere appreciation for the invaluable services rendered by them during their tenure as Directors. The Board of Directors also wishes to thank Shri Brij Kishore Taimni who guided the Company during his tenure as Director and has resigned during the year under review.

#### CORPORATE GOVERNANCE

Ever since its inception in the Indian Corporate System observance of Corporate Governance parameters has been strictly followed by the Company. It has been accepted by us as a means of doing business and not just mere compliance. The Corporate Governance Report and the Corporate Governance Compliance Certificate obtained from the Company's Statutory Auditors M/s. Singhi & Co., Chartered Accountants, confirming the compliance of Corporate Governance as stipulated in Clause 49 of Listing Agreement is included in the Annual Report.

#### INTERNAL CONTROL SYSTEM

Adequate internal control system has been established and is maintained in various areas. The existing set up of the internal control system is commensurate with the size of the Company's operations and nature of its business. Your Company has emphasized upon the importance of effective internal control and has increased the focus.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors it is hereby confirmed that:

- All the applicable Accounting Standards have been followed in the preparation of the Annual Accounts and there is no material departure from the same.
- Accounting policies have been selected in consultation with the Statutory Auditors and have been applied consistently in making judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011.
- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and .
- That they have prepared the Annual Accounts on a going concern basis.

#### INSURANCE

Your Company has taken adequate guard against the unforeseen and accidents. Sufficient insurance coverage has been obtained w.r.t. the raw materials, finished goods and all assets of the Company.

#### CORPORATE SOCIAL RESPONSIBILITY

Keeping in consistency with previous years we have carried out our duties as a responsible corporate citizen. Looking after the needs of the society and our surroundings is considered a prime responsibility. Serving the needs of the society and doing everything possible to develop our surroundings and also pave the way for its betterment has not only been a philosophy for the new management but put into practice on a consistent basis over the past years.

#### POLLUTION CONTROL AND ENVIRONMENTAL PROTECTION

Paper Industry by nature is a hazardous industry. The Management has taken many developmental actions and made huge investments towards that. In specific areas actions taken are:-

- Ø Zero discharge of Black Liquor from the mill and installing another filter press with full capacity.
- Ø Drastic deduction in Consumption of fresh water thereby reducing the generation of effluent.
- Ø The Effluent Treatment Plant has been strengthened by further installation of flocculants tanks, Chemical dosing arrangement for reducing the Effluent load and improves the effluent quality.
- Ø Maximum use of mill back water in the plant by recycling.
- Ø Effluent generation from Paper Machine and Waste Paper Pulp processing is being used 100% after clarification.
- Ø Effluent sludge is separated through 2 Nos. sludge press and used for making board.
- Ø Effluent water is treated in ETP and 100% used for irrigating tree plantation, quenching ash and sprinkling on gardens, roads. There is no discharge in River.
- Ø Emission from boiler is controlled by Trema Cyclone & in Power Plant ESP has been installed which maintained emission standard satisfactorily.
- Ø Giving emphasis on green environment every year we planted more than 5000 trees.
- Ø Further for zero effluent discharge we are developing around 3 acres of land.
- Ø Installation of Chemical Recovery Plant in the very near future shall bring about a permanent solution to the long standing to pollution.
- Ø All wastes and effluents generated from production and deposited in the black lagoons and sludge beds meant for storing them have been systematically cleaned and no further wastes can any longer be found.

#### HUMAN RESOURCE MANAGEMENT & INDUSTRIAL RELATIONS

Even during the current period when there is no production we continue to have the support of our disciplined workforce. They form the backbone of the organization and considered our greatest asset. The Company too has been sincere in its efforts to provide the best atmosphere for its employees. Adequate training and planning of our manpower resources has been a major factor in our operations. Performance is always rewarded with suitable remuneration.

#### PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956

The particulars are stated in Annexure - I hereto.

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information relating to the Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988, is given in the Annexure -II hereto

#### ACKNOWLEDGEMENT

The Company has been very well supported from all quarters and therefore your Directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others Associated with the Company. Your Directors wish to thank the Banks, Financial Institutions, Shareholders and Business Associates for their continued support and cooperation. We look forward to receiving the continued patronage from all quarters to become a better and stronger Company.

For and on behalf of the Board of Directors

Kolkata  
12th August, 2011

M. L. JALAN  
Chairman

#### ANNEXURE - I

None of the Employees are covered by the provisions contained in section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

- a) Employed throughout the year Nil
- b) Employed for part of the year Nil

#### ANNEXURE - II

##### A. CONSERVATION OF ENERGY

Power :

- a) Efforts made for conservation of energy :-
  - (i) By controlling process parameters.
  - (ii) Replacement of high capacity motor.
  - (iii) Installation of energy saving lamps wherever possible in plant and colony.
  - (iv) Replacing old pumps & motors by high efficiency Pumps & Low Power consumption motors.
  - (v) By changing process pipe line system.
- b) Additional investment and proposal, if any:
  - (i) Self power generation unit to overcome power tripping and breakdown in supply from Chhattisgarh State Electricity Board (CSEB).
  - (ii) For better efficiency of Boiler and Pollution free emission we are installing Electro Static Precipitator (ESP) in power plant.
- c) Impact of above measures on consumption of energy :  
Saving in consumption of electricity & steam.
- d) Power & Fuel Consumption:  
Refer Form 'A' attached

##### B. TECHNOLOGY ABSORPTION

Refer Form 'B' attached.

##### C. FOREIGN EXCHANGE EARNING AND OUTGO

(Rs. In Lacs)

	2010 - 11	2009 - 10
Earning: Export	Nil	Nil
Outgo: Imports	124.25	52.42
Outgo on repayment of unsecured loan	Nil	Nil

## FORM A

	2010-11	2009-10
<b>A. POWER &amp; FUEL CONSUMPTION</b>		
<b>1. ELECTRICITY:</b>		
a) Chhattisgarh State Electricity Board		
Units (KWH in lacs)	42.70	71.66
Total Amount (Rs. in lacs)	205.64	305.60
Rate/KWH (In Rs.)	4.82	4.26
b) Own Generation		
i) Through Diesel (KWH in lacs)	NIL	NIL
ii) Through Steam Turbine Generator	NIL	NIL
<b>2. Coal:</b>		
a) Grade E (ROM)		
Quantity (MT)	3568.23	5971.91
Total Cost (Rs. in lacs)	51.42	85.62
Average rate	1440.98	1433.71
b) ROM (Washery)		
Quantity (MT)	NIL	1870.95
Total Cost (Rs. in lacs)	NIL	13.22
Average rate	NIL	706.83
<b>3. RICE HUSK</b>		
Quantity (MT)	2203.32	3805.00
Total Cost (Rs. in lacs)	35.02	69.26
Average rate	1589.92	1820.23
<b>4. CONSUMPTION PER UNIT OF PRODUCTION</b>		
Electricity (KWH/MT)	1077.51	955.53
Coal/Husk (MT/MT)	1.46	1.55

## FORM B

## TECHNOLOGY ABSORPTION :-

## I RESEARCH AND DEVELOPMENT (R &amp; D)

Specific areas in which the Company carried out R & D :

- Installed Basis Weight Control Valve at paper machine.
- Fresh water consumption further reduced by recycling the machine back water at couch pit dilution, machine and pulp mill vacuum pumps.
- Installed 2 Nos. sludge press – running well. Further we are going to install additional treatment before primary clarifier.
- Install ESP in power plant boiler which is running well.
- Further to reduce fresh water consumption, machine back water used in all vacuum pumps sealing water instead of fresh water.
- Installed black liquor recovery plant at ETP 2nd filter press is commissioned & running well.



Benefits derived as a result of above R & D :

- a) Control over the grammage variation of paper
- b) Fresh water consumption reduced and ETP load minimized
- c) Reduce the SS load in primary clarifier also reduce the COD & BOD load.
- d) Emission in the air is negligible and maintains all emission parameters.
- e) Reduce fresh water consumption.
- f) Minimise black liquor storage problem and recovered lignin sludge is using as fuel alongwith coal in boiler. After commissioning the 2nd filter press black liquor lignin is utilised in boiler as fuel.

Future Plan of action:

- a) To improve quality of paper further to increase market share in printing segment.
- b) To install slotted pressure screen in paper machine to minimize dirt & specks and improve the paper cleanliness.
- c) To install Waste Paper Street with deinking facility for which black liquor and effluent load reduced.
- d) To install 1 No. B-2 Thickness in machine back water system for recovery of black water fiber and reuse the back water.
- e) Installation of ESP in power plant boiler-reduce the Air pollution load in ambient.

Expenses on R & D :

- |  |  |   |
|--|--|---|
| a) Capital   |  | The development work is carried by                            |
| b) Recurring   |  | the concerned department on an                                |
| c) Total   |  | ongoing basis. The expenses and                               |
| d) Total R & D expenditure<br>As a % of total turnover |  | the cost of assets are grouped under<br>the respective heads. |

## II. Technology absorption, adaptation and innovation :

1. Efforts made towards technology absorption, adaptation and innovation:-  
Use of rice husk and low cost coal was introduced.
2. Benefits derived as a result of above efforts  
This will result in reduction in over all cost of coal consumption.
3. Efforts are being made towards the technology of treated effluent  
water decolorisation R & D work is continuing with M/s Asianol Speciality Chemicals - Kolkata

On behalf of the Board

Kolkata  
12th August, 2011

M. L. JALAN  
Chairman

## MANAGEMENT DISCUSSION &amp; ANALYSIS REPORT

## INTRODUCTION

The last year could well be described as toughest in our recent history yet we can optimistically look forward to the future in the belief that we rode the storm well and the worst is behind us. Things are sure to get better sooner rather than later. Our progress has come to a temporary halt due to orders issued by the Central Pollution Control Board. But the steps adopted by us will soon enough bring about a permanent solution and we can continue to perform our tasks successfully in future without any more disruptions.

## INDUSTRY AND OUTLOOK

The Indian Paper Industry is a rural based industry with linkage to Agriculture and Agro Forestry. The Indian Paper industry is an important industrial sector having a bearing on the socio economic development of the country. It mirrors the country's economic growth and plays a crucial role in the national economy by creating rural employment.

In India the industry's current installed capacity is around 11 million tonnes. The annual output is of the order of 8.5 million tonnes. The consumption is currently estimated at 10 million tonnes and is set to grow to 20 million tones by 2020. The Industry provides direct employment to more than 5 lakhs people, besides indirect employment to over 11 lakhs people mostly living in rural areas where the scope of employment in other areas are restricted. The Industry has grown at a CAGR of 6% in the last few years and is projected to grow at a CAGR of 7.6% in the next 2 - 3 years.

As against the world average consumption of 55 Kg and Asia average consumption of 45 Kg the per capita consumption in India is about 8.5 kg only. Paper Industry plays a very prominent role in the World Economy. Annual revenue from this Sector exceeds US \$ 500 billions. Current consumption is of the order of 400 million tonnes. Demand is projected to exceed 500 million tonnes by 2020.

The factors that affect demand for writing & printing (W&P) paper include printing of books and stationery material for education; usage of office printing and stationery; and printing of company published statutory documents such as annual reports, share issue forms, and other documents. Educational books and materials account for the highest share of demand.

Given the fact that the Indian population now stands well in excess of one billion and it is also growing at a rapid pace, it could augur only well for the paper industry and there is a huge potential of growth within a very short span of time. Around 200,000 new schools are expected to be established in the country by 2015, as an outcome of the Indian Government's Right to Education Act (RTE) initiative. The increasing literacy, increasing consumerism, urbanization, growth in service sector are considered to be the main industry drivers for Indian paper industry. The expected growth in education would translate into a steady growth of 4-5 per cent from cream wove paper, the variety that is mostly used in school textbooks in India.

## RISK AND CONCERNS

To systematically overcome all risk and uncertainties associated with the industry we have adopted a practical approach over the years and in consistency with our policy over the years we have adopted SWOT analysis.

## SWOT ANALYSIS

<b>STRENGTHS</b> i) Installation of machinery for long term solution of pollution control in process ii) Substantial reduction in overhead costs. iii) Increase in production capacity. iv) Self generated power.	<b>WEAKNESS</b> i) Increase raw material cost.  ii) Lack of demand in writing/printing segment.
<b>OPPORTUNITIES</b> i) The mass spread of literacy will translate into huge demand for paper in coming years. ii) The ban of plastic usage in all types of packaging will lead to increase in demand for paper. iii) India has the fastest growing market when it comes to consumption.	<b>THREATS</b> i) Business will not survive with aging manual work practice.  ii) Continued import of paper products.  iii) Increasing cost due to inflation. iv) The industry is small & fragmented.