

Ellora Paper Mills Limited



**33rd ANNUAL REPORT
2007-2008**

BOARD OF DIRECTORS

Shri V. Dixit	Chairman
Shri C.P. Goenka	Managing Director
Shri Sudhir Goenka	Executive Director
Shri Sunil Goenka	Director
Shri Sandeep Goenka	Director

CHIEF EXECUTIVE

Dr. Sreehari Chava

AUDITORS

Bhattad Rathi & Co.
Chartered Accountants

BANKERS

State Bank of India

R&T Agent

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road
Sakinaka, Andheri(E), Mumbai - 400072

REGISTERED OFFICE

379, Pandit Jawaharlal Nehru Marg
Ashoka Vault Building, Sitabuldi
Nagpur - 440 012

FACTORY

Village : Dewada Khurd; Post: Tumsar
District: Bhandara; State: Maharashtra
PIN: 441912

NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of ELLORA PAPER MILLS LIMITED will be held on Thursday, the 25th September, 2008, at 3.00 p.m. at the Registered Office of the Company at 379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur- 440 012, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2008 and the Balance Sheet as at that date together with reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a director in place of Mr. V.Dixit, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration:
To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:
"RESOLVED that M/s. Bhattad Rathi & Company, Chartered Accountants, Nagpur, be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors."

By Order of the Board

For ELLORA PAPER MILLS LIMITED

Nagpur
27th June, 2008


Sudhir Goenka
Executive Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The register of members of the Company will remain closed from 23.09.2008 to 25.09.2008 (both days inclusive).
3. The dividend, if declared, will be paid to those shareholders of the Company whose names appear in the Register of Members as on 25.09.2008.
4. The Explanatory Statement pursuant to section 173 of the Companies Act, 1956, in respect of business under item No. 4 is annexed hereto.
5. Members are requested to notify immediately the change, if any, in their registered address.

6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

ANNEXURE TO THE NOTICE

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

As required by Section 173 of the Companies Act, 1956, the following Explanatory statement sets out all material facts relating to the business mentioned under item Number 4 of the accompanying notice dated 27th June 2008.

Item No. 4

In terms of Section 224A of the Companies Act, 1956, in case of a Company in which not less than twenty five percent of the subscribed share capital is held (whether singly or in any combination) by the Public Financial Institutions or Banks, the appointment of Auditors at each Annual General Meeting shall be made by Special Resolution. The Shareholding of Industrial Development Bank of India, Industrial Credit and Investment Corporation of India Limited, Industrial Finance Corporation of India Limited and United Bank of India in the subscribed share capital of the Company exceeds twenty-five percent. Accordingly, a Special Resolution for the appointment of M/s Bhattad Rathi & Co., Chartered Accountants, as Auditors of the Company has been proposed. None of the directors of the Company are interested in the resolution, except to the extent of their respective shareholdings as shareholders of the Company.

By Order of the Board

For ELLORA PAPER MILLS LIMITED


Sudhir Goenka
Executive Director

Nagpur
27th June, 2008

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

1. Presentation

Your directors have pleasure in presenting the Annual Report for 2007-08 together with the Audited Accounts for the year ended on 31st March, 2008.

2. Financial Results

The financial results of the operations for the year under review are as follows:

Rs. in lakhs		
Particulars	2007-08	2006-07
Sales	3755.52	3687.52
Profit Before Interest Depreciation and Tax	286.66	375.28
Less : Interest	77.43	66.54
Depreciation	91.82	84.00
Profit Before Tax	117.41	224.74
Less : Provision for Taxation – Current [Including tax for earlier Year Rs.867199/- (P.Y. Rs Nil)]	26.67	24.00
Profit After Current Tax	90.74	200.74
Deduct: Deferred Tax Liability	6.31	3.59
ADD / (Deduct): Prior Period Adjustments		1.76
Add: Profit brought forward from previous year	703.64	552.08
Profit Available for Appropriation	788.07	750.99
Deduct: Proposed Dividend	19.94	23.92
Dividend Tax	2.82	3.36
Transfer to General Reserve	9.94	20.07
Profit carried forward to Balance Sheet	755.37	703.64

3. REVIEW OF OPERATIONS

During the year under review, the Company posted sales turnover of Rs.3755.52 lakhs as against Rs.3687.52 lakhs during the previous year. The Company has been able to maintain the sales volumes. But, Profit After Current Tax has declined from Rs. 200.74 Lakhs in 2006-07 to Rs. 117.41 Lakhs in 2007-08, primarily, due to increase in raw material prices

4. RICE PLANT

After having achieved optimum utilization in the Paper Plant, your Company has put up a Buller make Rice Plant of 160 MT per day / 48000 MT per annum in the same premises of the existing works. The plant has commenced operations in the second half of March 2008. The Company's works are located in the midst of paddy growing area and thus possess additional economic and logistic advantages.

5. DIVIDEND

The Directors have pleasure in recommending a dividend of Re. 1.00 per share (10%) to all the shareholders whose names appear in the Register of Members as on 25th September, 2008. The dividend if approved by the shareholders, would absorb Rs. 19,93,675/-.

6. Fixed Deposits

The Company has accepted fixed deposits from the public during the year ended on 31st March 2008 and complied with the relevant provisions of the Companies Act, 1956.

7. Safety and pollution Control

The Company continues to give top priority to safety and pollution control aspects. It has strictly been following the requisite guidelines as received from Pollution Control Board from time to time.

8. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

Information in accordance with the provisions of section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo is given in "Annexure A" forming part of this Report.

9. Particulars of Employees

The Company has no employees covered under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

10. Directors' Responsibility Statement

The Directors affirm (a) that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to

material departures; (b) that the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit and loss of the company for that period; (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and (d) that the directors have prepared the annual accounts on a going concern basis.

11. Directors

Mr.V.Dixit retires by rotation and being eligible offers himself for reappointment.

12. Auditors

Members are requested to appoint auditors for the current year. The retiring auditors M/s Bhattad Rathie & Co., Chartered Accountants, are eligible for reappointment. As required under section 224 of the Companies Act, 1956, certificate has been received from M/s Bhattad Rathie & Co., to the effect that their appointment, if made will be in accordance with the limits specified in section 224 (1B) of the Companies Act, 1956. As required under section 224 A of the Companies Act, 1956, a Special resolution is being placed for consideration of the members for their appointment.

13. Cost Audit

The Cost Audit of the Cost Accounts of the Company for the year ended on 31st March, 2008, is being carried out by M/S G.R.Paliwal & Co, Cost Accountants, Nagpur. They will be submitting their report on completion of the audit to the Company Law Board as required under the relevant rules.

14. Listing of Shares

The Equity Shares of the Company are listed on The Bombay Stock Exchange Limited, Mumbai. They are also dematerialised and made live in the CDSL NSDL systems. M/s Bigshare Services Private Limited have been appointed as the R&T Agent of the Company. Shareholders may contact them at "E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072" regarding transfer, dematerialization, etc. of shares.

15. Secretarial Compliance Certificate

Pursuant to section 383A of the Companies Act, 1956, a secretarial compliance certificate is furnished as "Annexure B" forming part of this Report.

16. Acknowledgements

Your Directors express their gratitude to the Government of India, Government of Maharashtra, Bankers and Valued Customers for their continuing goodwill and support to the Company.

Your Directors wish to place on record their deep appreciation for the dedication and loyalty shown by the officers, staff members and workers of the Company. Your Directors sincerely acknowledge the continued trust and confidence you, the shareholders, have placed in the Company.

Nagpur
27th June, 2008

For and on behalf of the Board


V.Dixit
Chairman

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ANNEXURE "A" TO THE DIRECTORS' REPORT

Information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 :

I. CONSERVATION OF ENERGY :

(a) Energy Conservation Measures taken : and

(b) Additional Investments and proposals for reduction of conservation of energy :

Cogeneration Plant at an estimated cost of Rs 2.80 crores had been installed in 2004.

(c) Impact of measures taken at (a) & (b) :

Overall savings in the cost of production by at least by five per cent

(d) Energy consumption in total and per unit of production in form "A".

FORM - A

Form for disclosure of particulars with respect to conservation of energy :

		2007-2008	2006-2007
(A) Power and Fuel Consumption			
1 Electricity			
a) Purchased Units	KWH	1986168	2513802
Total Cost	Rs.in Lacs	83.1	118.78
Rate / Unit	Rs./KWH	4.08	4.61
b) Own Generation	KWH	7274850	7772816
2 Coal			
(Grade B.C or RDM depending upon availability)			
Quantity	M.T.	1215	858
Total Cost	Rs.in Lacs	38.15	17.19
Average Rate	Rs./MT	2975	2812
3 Furnace Oil		NIL	NIL
4 Others / Internal Generation			
Rice Husk			
Quantity	M.T.	18608	21570
Total Cost	Rs.in Lacs	237.96	225.49
Average Rate	Rs./MT	1279	1045

(B) Consumption per unit of production - Paper (M.T.)

Particulars	Unit	2007-2008	2006-2007
Electricity	KWH	962	881
Furnace Oil	M.T.	NIL	NIL
Coal	M.T.	0.13	0.06
Rice Husk	M.T.	1.83	2.05

II. TECHNOLOGY ABSORPTION

- a) Research & Development (R & D) The Company has no separate R & D Department
- b) Absorption of Technology The Company has not imported any technology

III. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs.in Lacs)

	2007-2008	2006-2007
a) Foreign Exchange Earnings	52.39	38.14
b) Foreign Exchange Outgo	297.15	620.62

For and on behalf of the Board

V. DUTT

Chairman

Nagpur

27th June 2008

● Office : Zal Complex, 2nd Floor, Residency Road, Sadar, Nagpur - 440 001.
 ☎ : (O) 0712-2520183, (R) 2285594, Cell : 9373113082.
 E-mail : nichatnagpur@rediffmail.com

Vilas Nichat
 B.Sc., A.C.S
 Company Secretary

SECRETARIAL COMPLIANCE CERTIFICATE

Registration No. of the Company: 11-019972
 Nominal Capital: Rs. 3,00,00,000/-
 Paid-up Capital: Rs. 1,99,36,750/-

To,
 The Members
 ELLORA PAPER MILLS LIMITED
 Nagpur (M.S.)

I have examined the registers, records, books and papers of ELLORA PAPER MILLS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2008 (financial year from 01.04.2007 to 31.03.2008). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies with additional fees in respect of delayed filing.
3. The Company being a public limited Company, comments are not required
4. The Board of Directors duly met 7 (Seven Times) respectively on 10.04.2007, 16.05.2007, 19.05.2007, 30.07.2007, 25.09.2007, 05.11.2007 and 31.01.2008 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members for the period of two days from 24.09.2007 to 25.09.2007 and has complied with the requirements of section 154 of the Act..
6. The annual general meeting for the financial year ended on 31st March, 2007 was held on 25.09.2007 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.



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