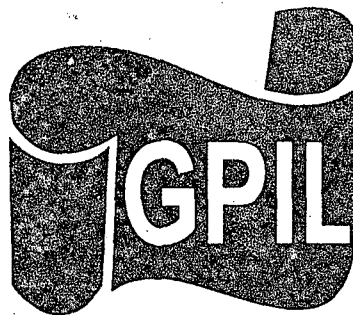


# **23 rd Annual Report 2006-2007**

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## **GANGA PAPERS INDIA LTD.**

(Formerly known as Kasat Paper & Pulp Limited)

**Regd. Office :** D-8, Sanskruti Prangan Society, Sr.No. 131, Baner Balewadi Road, Baner, Pune - 411 045.

## **TWENTY THIRD ANNUAL REPORT 2006-07**

### **BOARD OF DIRECTORS**

Ramesh Chaudhary

Chairman

Sandeep Kanoria

Managing Director

Amit Chaudhary

Sanjeev Jalan

Sharwan Kanodia

Prabir Sadhu

Shrikant M. Kasat

### **REGISTERED OFFICE**

D-8, Sanskruti Prangan,  
Baner – Balewadi Road,  
Baner Pune 411 045

### **WORKS**

241, Village Bebedohal,  
Tal. Maval, Dist. Pune 411 507.

### **BANKERS**

Bank of Baroda

### **AUDITORS**

M/S V.K. Jindal & Co.

D-58/33, B-7, I Floor, Krishi Export Plaza, Sigara,  
Varansai – 221010

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s. Sharex Dynamic (India) Limited.

Unit-1, Luthra Industrial Premises, I Floor, 44-E,

M Vasanti Marg, Andheri-Kurla Road, Safed Pool,

Andheri (E), Mumbai – 400072

**GANGA PAPERS INDIA LIMITED**

**(Formerly known as Kasat Paper And Pulp Limited)**

Regd. Office : D-8, Sanskruti Prangan, S.No. 131, Baner-Balewadi Road,  
Baner, Pune - 411045

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**NOTICE**

NOTICE is hereby given that the twenty third Annual General Meeting of the Members of **GANGA PAPERS INDIA LIMITED** will be held on Saturday, the 29<sup>th</sup> day of September 2007 at 10.30 A.M. at the Registered Office of the Company at D-8, Sanskruti Prangan, Baner - Balewadi Road, Baner Pune 411 045, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2007 and the Profit & Loss Account for the period ended 31<sup>st</sup> March 2007 and the Director's and Auditor's report thereon.
2. To appoint a director in place of Mr. Sandeep Kanoria, who retires by rotation, and being eligible offers himself for re-appointment
3. To appoint a director in place of Mr. Ramesh Chaudhary, who retires by rotation, and being eligible offers himself for re-appointment
4. To appoint Auditors and fix their remuneration.

**SPECIAL BUSINESS**

5. To pass with or without modification, following resolution as an ordinary resolution

"Resolved that Mr. Sanjeev Jalan who was appointed as an additional director of the company by the Board of Directors and who holds office under section 260 of the companies Act, 1956 ('Act'), until the date of Annual General Meeting and in respect of whom the company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as a director of the company liable to retire by rotation."

6. To pass with or without modification, following resolution as an ordinary resolution

"Resolved that Mr. Sharwan Kanodia who was appointed as an additional director of the company by the Board of Directors and who holds office under section 260 of the companies Act, 1956 ('Act'), until the date of Annual General Meeting and in respect of whom the company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as a director of the company liable to retire by rotation."

7. To pass with or without modification, following resolution as an ordinary resolution

"Resolved that Mr. Amit Chaudhary who was appointed as an additional director of the company by the Board of Directors and who holds office under section 260 of the companies Act, 1956 ('Act'), until the date of Annual General Meeting and in respect of whom the company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as a director of the company liable to retire by rotation."

8. To pass with or without modification, following resolution as an ordinary resolution

"Resolved that Mr. Prabir Sadhu who was appointed as an additional director of the company by the Board of Directors and who holds office under section 260 of the companies Act, 1956 ('Act'), until the date of Annual General Meeting and in respect of whom the company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as a director of the company liable to retire by rotation."

9. To pass with or without modification, following resolution as an ordinary resolution

"RESOLVED that pursuant to the provisions of sections 269, 309 and all other applicable provisions (if any) of the Companies Act, 1956, consent of the company be and is hereby accorded to the appointment of Mr. Sandeep Kanoria as a Managing Director of the Company for a period of five years with effect from 30<sup>th</sup> June 2007 without any remuneration and on the terms and conditions approved by the Board of Directors of the company and as set out in the explanatory statement."

For and on behalf of Board of Directors

SD/-

Sandeep Kanoria  
Managing Director

Place : Pune  
Date : 30.06.2007

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF A COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.
2. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. ALL DOCUMENTS REFERRED TO IN THE NOTICE AND THE EXPLANATORY STATEMENT ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY DURING THE OFFICE HOURS ON ALL DAYS EXCEPT SUNDAY AND PUBLIC HOLIDAYS, BETWEEN 11.00 A.M. TO 1.00 P.M. UP TO THE DATE OF ANNUAL GENERAL MEETING.
4. MEMBERS PLEASE NOTE THAT THE SHARE TRANSFER BOOKS AND REGISTER OF MEMBERS SHALL REMAIN CLOSED FROM 26<sup>th</sup> SEPTEMBER 2007 TO 29<sup>th</sup> SEPTEMBER 2007 (BOTH DAYS INCLUSIVE).



**Explanatory Statement pursuant to Section 173 of the Companies Act, 1956.**

**Item 5,6,7 and 8**

Mr. Sanjeev Jalan, Mr. Sharwan Kanodia, Mr. Amit Chaudhary and Mr. Prabir Sadhu were appointed as the additional directors of the company on 2<sup>nd</sup> December 2006, 2<sup>nd</sup> December 2006, 15.01.2007 and 8<sup>th</sup> June 2007 respectively. As per the provisions of Section 260 of the companies Act 1956 directors hold office only upto the date of the forthcoming annual General Meeting of the company and are eligible for appointment as Directors. The company has received notices under section 257 of the act in respect of the candidates, proposing their appointment as a Director of the company, along with the requisite Deposit.

Details regarding the person proposed to be appointed as Directors and their brief resume have been given as the Annexure attached to the Notice. Keeping in view the experience and expertise of the persons, their appointment as Directors of the company is recommended.

Each of the directors may be deemed to be interested in the resolution relating to his appointment as Directors of the company. Your Directors recommend passing of these resolutions.

**Item 9**

Mr. Sandeep Kanoria was appointed as Managing Director for a period of five years by the Board of Directors at a meeting held on 30<sup>th</sup> June 2007 with effect from 30.06.2007.

Mr. Sandeep Kanoria who is a graduate in commerce carries with himself more than 17 years of experience in Paper industry.

An abstract dated 3<sup>rd</sup> July 2007 setting out terms and conditions applicable to Mr. Sandeep Kanoria was sent to the shareholders of the Company as required by section 302 of the Companies Act, 1956. The Said terms and conditions briefly are:

- 1.The Managing Director shall carry out such duties as may be entrusted to him subject to the supervision and control of the Board of Directors, and he shall also perform such other duties and services as shall from time to time be entrusted to him by the Board of Directors.
2. Agreement is for a period of five years from 30<sup>th</sup> June 2007.
- 3.The Managing Director shall not be entitled to any remuneration

It is proposed to appoint him as the Managing Director of the company.

None of the directors other than Mr. Sandeep Kanoria may be deemed to be interested in the resolution relating to appointment of Managing Director of the company. Your Directors recommend passing of this resolution

For and on behalf of Board of Directors

Place : Pune  
Date : 30.06.2007

SD/-  
Sandeep Kanoria  
Managing Director

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**ANNEXURE****DETAILS OF DIRECTORS / MANAGING DIRECTOR SEEKING APPOINTMENT  
AT ANNUAL GENERAL MEETING**

Particulars	Mr. Sanjeev Jalan	Mr. Sharwan Kanodia	Mr. Amit Chaudhary	Mr. Prabir Sadhu	Mr. Sandeep Kanoria
Date of Birth	24.06.1976	21.11.1951	24.05.1980	10-09-1946	20.08.1964
Date of Appointment	02.12.2006	02.12.2006	15.01.2007	08.06.2007	08.06.07
Qualifications	Bachelor's Degree in Commerce	Bachelor's Degree in Commerce	Chartered Accountant	Science Graduate and Paper Technologist	Bachelor's Degree in Commerce
Expertise in specific functional area	Wide experience in Finance	Wide Experience in Paper Industry	Wide Experience in Finance	Wide Experience in Paper Industry	Wide Experience in Paper Industry
Directorships held in other public companies (excluding Foreign Companies)	NIL	NIL	NIL	NIL	NIL
Memberships / Chairmanships of committees of other Public companies (includes only Audit Committee and Shareholders grievance committee)	NIL	NIL	NIL	NIL	NIL
No. of shares held in the company	NIL	NIL	NIL	NIL	90,000



**REPORT OF DIRECTORS****TO  
THE MEMBERS**

Your Directors submit herewith the twenty third Annual Report and the Audited Statement of Accounts of the Company for the period ended 31<sup>st</sup> March 2007.

**PERFORMANCE OF THE COMPANY**

The financial performance of the company for the period under review was as follows:

<b>Particulars</b>	<b>Rs. in Lacs</b>	
	<b>2006-07</b>	<b>2005-06</b>
Total Income	677.75	4.04
Profit (Loss) before Interest, Depreciation & Taxes	149.32	(52.80)
Less : Interest	11.18	.1
Less : Depreciation & Write Offs	83.93	-
Less: Tax		
Income Tax for Earlier Years		
Current Tax		
Deferred Tax	6.89	
FBT	.15	
Profit / (Loss) after Tax	47.17	(52.79)
Profit / (Loss) transferred to Balance Sheet	47.17	(52.79)

**OPERATIONS AND BIFR STATUS:**

Honorable BIFR in its order dated 31<sup>st</sup> October 2006 accepted the draft rehabilitation scheme. As per the approved scheme new promoters have put their contribution in the company and have started the operations of the company. The MACHINE PM-1 was started in the month of July and second machine PM-2 started in January 2007. The company has started modernization process.

As per the approved scheme 23,73,200 equity shares of Rs. 10/- each on which calls were not received were forfeited. Also the balance 28,88,860 equity shares of Rs. 10/- each were reduced by 90% to 2,88,886 equity shares of Rs. 10/- each, as per the rehabilitation scheme approved by honorable BIFR.

New 5,00,000 equity shares of Rs. 10/- each were allotted to Stressed Asset Stabilisation Fund as per the one time settlement scheme finalized with IDBI and SASF and also the 1,00,00,000/- equity shares of Rs. 10/- each were allotted to new promoters as per the draft rehabilitation scheme approved by BIFR.

**FIXED DEPOSITS**

The company has not accepted any fixed deposits during the financial year under review.

**DIVIDEND**

Yours directors do not recommend declaration of any dividend for the period under review.

**NAME CHANGE**

During the year the company changed its name from Kasat Paper & Pulp Limited to Ganga Papers India Limited

**CHANGE IN FINANCIAL YEAR**

The Board has decided that in order to have uniformity in preparing the financial accounts for income tax and company law matters, the financial year of the company will end every year on 31<sup>st</sup> March and accordingly the financial year of the company was changed to end on 31<sup>st</sup> March 2007.

**DIRECTORS**

During the year under review Mr. Shrikant Kasat resigned from the post of Managing Director and continues to act as Director of the company.

Mr. Amit Chaudhary, Mr. Sanjeev Jalan, Mr. Sharwan Kanodia and Mr. Prabir Sadhu were appointed as the additional directors of the company during the year under review. The company has received notice from the shareholders proposing their names as directors of the company; they being eligible offer themselves for appointment as Directors. Your directors recommend their appointment.

Mr. Sandeep Kanoria was appointed as the Managing Director of the company, subject to approval of shareholders. Your directors recommend his appointment.

**AUDITORS**

M/s. V K Jindal & Co, Chartered Accountants, the Auditors of the Company will retire at Annual General Meeting and are eligible for re-appointment. The members are requested to appoint Auditors for the current year.

**The observations made by Auditors are self explanatory**

**STATUTORY PARTICULARS:**

Particulars under Section 217(1)(e) of the Companies Act, 1956 to the extent applicable to the Company regarding conservation of energy, technology and foreign exchange earning and outgo is given as Annexure (I) to the Report

**PARTICULARS OF EMPLOYEES.**

The Company does not have on its roll any employee drawing remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956 read with The Companies (Particulars of Employees) Amendment Rules, 1975.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

A comprehensive Management's Discussion and Analysis Report is carried elsewhere in this Annual Report.