

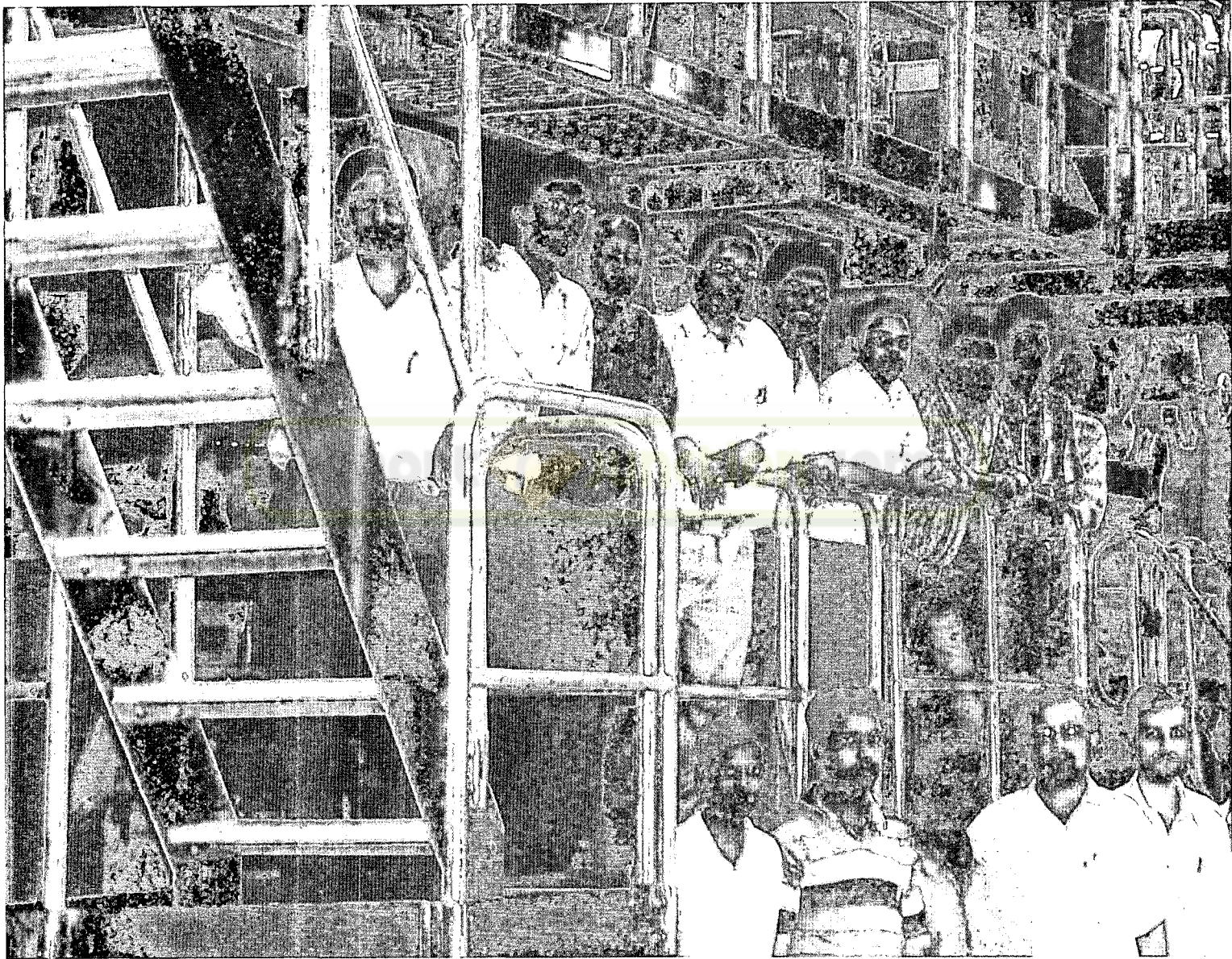
ANNUAL REPORT 2006 - 2007

working with customers



JK PAPER LTD.

*Yes, we make paper. But what we really deliver, is better business and profitability for our customers.
Much more than paper makers, we believe we are solution providers.*



JK PAPER LIMITED

Adm. Office: Nehru House, 4, Bahadur Shah Zafar Marg, New Delhi - 110 002



NOTICE

NOTICE is hereby given that the Forty-sixth Annual General Meeting of the Members of JK Paper Limited will be held at the Registered Office of the Company at P.O. Central Pulp Mills – 394 660, Fort Songadh, Distt. Tapi (Gujarat), on Wednesday, the 12th December 2007 at 2.00 P.M. to transact the following business:

1. To receive, consider and adopt the Audited Accounts for the financial year ended 30th June 2007 and the Reports of Directors and Auditors thereon.
2. To declare dividends including interim dividend already paid.
3. To appoint a Director in place of Shri Shailendra Swarup, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri S.K. Pathak, who retires by rotation and being eligible, offers himself for re- appointment.
5. To appoint Auditors and to fix their remuneration and in connection therewith to pass, with or without modifications, the following as Ordinary Resolution :

“RESOLVED that pursuant to the provisions of Section 224 of the Companies Act 1956, M/s. Lodha & Co., Chartered Accountants, New Delhi and M/s. S. S. Kothari Mehta & Co., Chartered Accountants, New Delhi be and are hereby appointed as Auditors of the Company from the conclusion of the 46th Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of Rs. 4,00,000/- each, excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit.”

As Special Business

6. To consider and if thought fit to pass, with or without modifications, the following as Ordinary Resolution:
“RESOLVED that Shri R.V. Kanoria be and is hereby appointed as a Director of the Company liable to retire by rotation.”
7. To consider and if thought fit to pass, with or without modifications, the following as Special Resolution:
“RESOLVED that pursuant to sub-sections (4) and (7) of Section 309 of the Companies Act 1956 or any statutory modification or re-enactment thereof and Article 108(b) of the Articles of Association of the Company, approval of the Company be and is hereby accorded to payment of commission not exceeding one percent of the annual net profits of the Company computed in the manner referred to in sub-section (1) of Section 198 and other applicable provisions, if any, of the Companies Act 1956, as may be decided by the board of directors from time to time, for a period of 5 years from the financial year commencing 1st July 2008 in the manner provided by the Articles, to the Directors other than the Managing or Whole-time Directors of the Company.”

Regd. Office:

P.O. Central Pulp Mills–394 660,
Fort Songadh, Distt. Tapi (Gujarat)

25th October 2007

By Order of the Board

S.C. Gupta
CGM & Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Registers of Members of the Company will remain closed from 3rd December 2007 to 12th December 2007 (both days inclusive).
3. Interim Dividend @ 10% p.a. for the period from 1st July 2006 to 30th June 2007 on 76,000 10% Cumulative Redeemable Preference Shares (Series B) of Rs.100 each of the Company had already been paid at the time of their redemption on 30.06.2007.
4. Dividends for the financial year ended 30th June 2007 (i) @ 10% p.a. for the period from 1st July 2006 to 30th June 2007 on 10% 81,000 Cumulative Redeemable Preference Shares (Series C to Series G) of Rs.100 each and (ii) @ Rs. 2.25 per Equity Share (22.5%) on 7,81,49,939 fully paid Equity Shares of Rs. 10 each, shall be paid to the members whose names shall be borne on the respective Registers of Members on 12th December 2007 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
5. Resumes of Shri Shailendra Swarup and Shri S.K. Pathak proposed for re-appointment as Directors liable to retire by rotation (Item Nos. 3 & 4).
 - (i) Shri Shailendra Swarup, aged 62, is Bachelor of Arts and Law Graduate. Shri Swarup a renowned Advocate practising in the Delhi High Court and the Supreme Court for over 35 years, joined the Board of the Company on 9.7.1992.

Shri Swarup is a Director on the Board of Samtel Color Limited, Gujarat Fluorochemicals Limited, India Thermit Corporation Limited, Subros Limited, Xerox India Enterprises Private Limited, Kangaroo Properties Pvt. Ltd, Vis Legis Consult Private Limited and Dev Valley Devcon Pvt. Ltd.

Shri Swarup is Chairman of Shareholders/Investors Grievance Committee and Member of Audit Committee and Committee of Directors of JK Paper Limited. He is also a member of Remuneration Committee of Samtel Color Limited and Audit Committee of Gujarat Fluorochemicals Limited.

Shri Swarup does not hold any shares in the Company.
 - (ii) Shri S.K. Pathak, aged 72 years, is an M.A. in Economics. He is the founder, major shareholder and Chairman of the Al Basti & Mukhta group, one of the leading groups in UAE, that was founded in the early 1970. He is also the Chairman and Managing Director of Bilt Middle East Limited and ABM Inks Industries Ltd. of UAE. He has more than 48 years of business experience in Engineering (civil, mechanical and electrical), contracting and manufacturing businesses.

Shri Pathak does not hold any shares in the Company.

FOR ATTENTION OF THE SHAREHOLDERS

1. For prompt attention, requests for transfer of Equity Shares and related correspondence should be addressed to the Company's **Registrar & Share Transfer Agent (RTA): M/s MCS Ltd, Sri Venkatesh Bhavan, W – 40, Okhla Industrial Area, Phase – II, New Delhi-110 020. For other matters, kindly write to the Secretarial Department of the Company at Gulab Bhawan (Rear Block) 3rd Floor, 6-A, Bahadur Shah Zafar Marg, New Delhi- 110002.**

2. Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956 is annexed.
3. Please check the address including the Pin code in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pin Code number of your delivery post office while notifying change in your address to RTA.
4. Unclaimed Dividends - Transfer to Investor Education & Protection Fund:

Pursuant to Section 205A read with Section 205C of the Companies Act 1956, the unclaimed final dividend for the financial year ended on 30th June 2000 will be transferred to the Investor Education and Protection Fund on 8th January 2008, being the due date for transfer of the said dividend to the said fund.

It may be noted that after the expiry of the said due date for transfer of unclaimed dividend to the said Fund, no claim shall lie in respect of unclaimed dividend.

Members who have not encashed their Dividend Warrants for the said financial year and subsequent years are requested to send the same for revalidation to the Secretarial Department of the Company at New Delhi.

The unclaimed interim dividend, paid during the financial year ended 30th June 2000 has already been transferred to the Investor Education and Protection Fund as per the provisions of the Companies Act, 1956 read with the relevant Rules framed thereunder.

5. **Nomination:** Pursuant to Section 109A of the Companies Act 1956, individual Shareholders holding Equity Shares of the Company either singly or jointly may nominate an individual to whom all the rights in such Shares shall vest in the event of death of the sole/all joint Shareholders.
6. **Shareholders may also refer to the "General Shareholders' Information" contained in the "Corporate Governance Report" forming part of the Annual Report 2006-07.**

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EXPLANATORY STATEMENT

Item No. 6

Shri R.V. Kanoria was appointed as additional Director on the Board of the Company on 24th July 2007 and holds office upto the date of forthcoming Annual General Meeting of the Company. The Company has received a notice in writing from a member of the Company under Section 257 of the Companies Act 1956, signifying his intention to propose the candidature of Shri R.V. Kanoria for appointment as Director liable to retire by rotation.

Shri R.V. Kanoria, aged 52 years, with MBA (Hons.) from IMD, Switzerland and Advanced Management Programme from Wharton, USA, has over two decades of experience in the fields of chemicals, petrochemicals, textiles and jute industries. He is past Vice President of FICCI and served its Executive Committee for 17 years. He is a member of the Commission on International Trade and Investment Policy of the International Chamber of Commerce, Paris. He is a National Council Member of CII and also heads its National Committee on Trade Agreements and WTO. He is also a member of the Managing Committee of PHDCCI, besides heading its Economic Affairs Committee.

Shri Kanoria is the Chairman & Managing Director of Kanoria Chemicals & Industries Limited. He also holds directorship in Aekta Limited, Kirtivardhan Finvest Services Limited, The Pradeshia Industrial & Investment

Corporation of U P Limited, KPL International Limited, Intrust Global eServices Pvt. Ltd., Chola mandalam DBS Finance Limited, Suprawin Technologies Limited and R V Investment & Dealers Limited.

He is the Chairman of Remuneration & Nomination Committee of Chola mandalam DBS Finance Limited and a member of Audit Committee of JK Paper Ltd.

Shri Kanoria does not hold any shares in the Company.

None of the Directors except Shri R.V. Kanoria may be deemed to be concerned or interested in this resolution.

The Resolution is recommended for approval of the Shareholders.

Item No. 7

Under Article 108 (b) of the Articles of Association of the Company read with Section 309(4) of the Companies Act 1956, Directors other than the Managing or Whole-time Directors of the Company are entitled, in addition to the sitting fee for meetings of the Board/Committee of Directors attended by them, to receive remuneration, by way of commission not exceeding one per cent of the annual net profits of the Company calculated in the manner referred to in Section 198 of the said Act. The Company had earlier at its Annual General Meeting held on 19th September 2002 authorised payment of such commission for a period of 5 years commencing 01.07.2003. The proposed resolution seeks to renew the authority of the said Directors to continue to receive remuneration by way of commission not exceeding one per cent of the annual net profits of the Company calculated in the manner referred to in Section 198 of the said Act, as may be decided by the board of directors from time to time, for a further period of five years commencing 01.07.2008. The resolution is recommended for approval of the shareholders by means of a Special Resolution.

Each of the Directors other than the Managing or Whole-time Directors of the Company may be deemed to be concerned or interested in this resolution to the extent of the share of remuneration receivable by him for the said years.

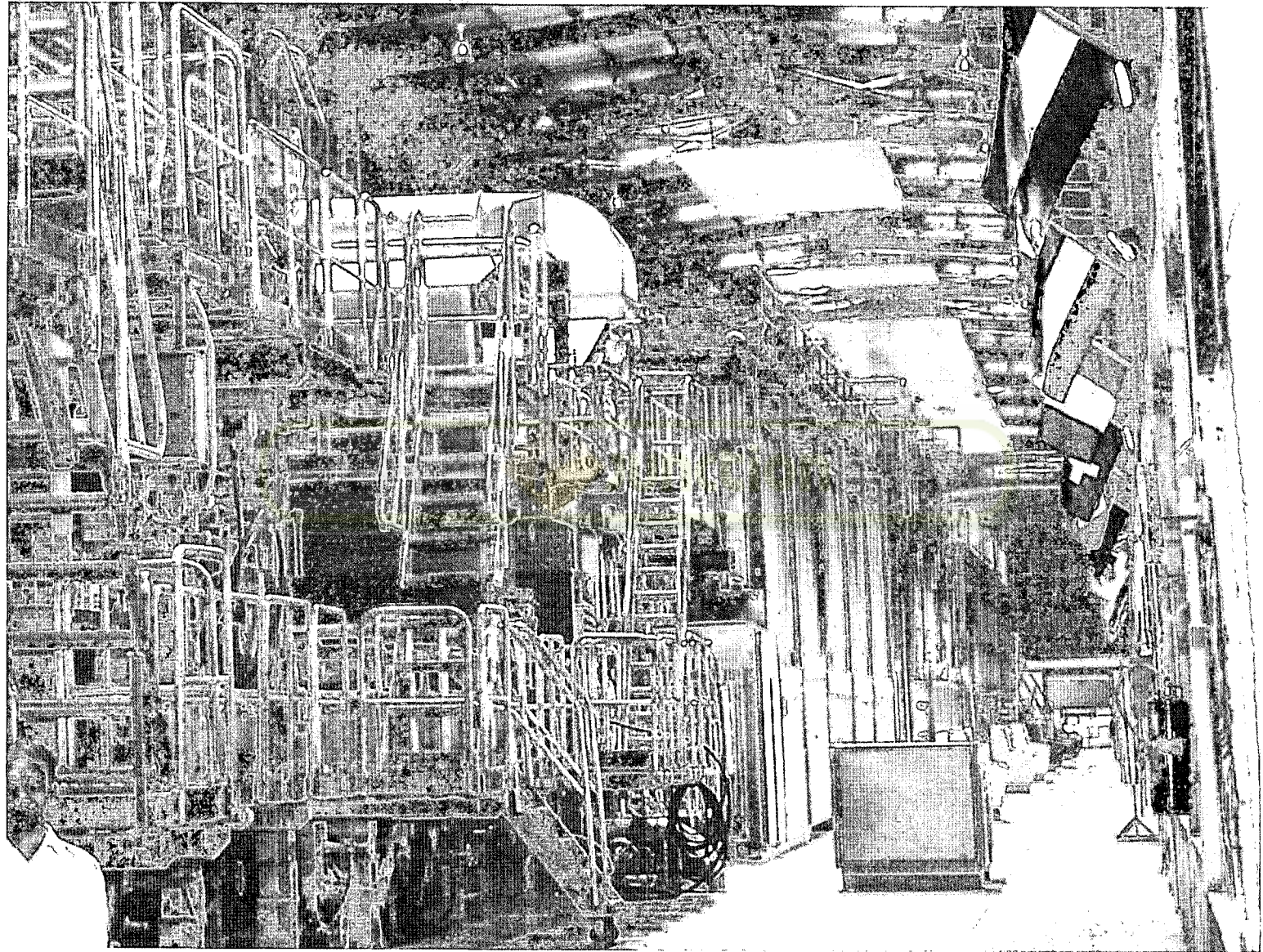
Regd. Office:

P.O. Central Pulp Mills-394 660,
Fort Songadh, Distt. Tapi (Gujarat)

25th October 2007

By Order of the Board

S.C. Gupta
CGM & Company Secretary



*To us, the customer is not at the end of the value chain.
The customer is the origin of all that we are.*

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Board of Directors

HARI SHANKAR SINGHANIA

Chairman

HARSH PATI SINGHANIA

Managing Director

OM PRAKASH GOYAL

Whole-time Director

ARUN BHARAT RAM

DHIRENDRA KUMAR

GAJANAN KHAITAN

R. V. KANORIA

S. K. PATHAK

SHAIENDRA SWARUP

UDAYAN BOSE

Offices

Registered Office

P. O. Central Pulp Mills - 394 660

Fort Songadh

Dist. Tapi (Gujarat)

Administrative Office

Nehru House,

4, Bahadur Shah Zafar Marg

New Delhi - 110 002

Bankers

State Bank of India

Bank of Maharashtra

Canara Bank

Axis Bank

Company Website

www.jkpaper.com

Plants

JK Paper Mills

Jaykaypur - 765 017

Rayagada (Orissa)

Central Pulp Mills

P. O. Central Pulp Mills - 394 660

Fort Songadh

Dist. Tapi (Gujarat)

Auditors

Lodha & Co.

Chartered Accountants

New Delhi

S. S. Kothari Mehta & Co.

Chartered Accountants

New Delhi

Company Secretary

S. C. Gupta



"We take immense pride in our four decade association with J.K. Paper. Their willingness to understand our business needs coupled with innovative solutions are some of the key things that have helped this relationship grow stronger."

Mr. Navin Shah and Mr. Raju Gala, Navneet Publications (India) Limited, Mumbai

