



MOHIT PAPER MILLS LIMITED

**SIXTEENTH ANNUAL REPORT
2007 - 2008**



MOHIT PAPER MILLS LIMITED

MOHIT PAPER MILLS LIMITED

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

Mr. Sandeep Jain

EXECUTIVE / WHOLE TIME DIRECTOR

Mr. Sushil Kumar Patedar

NON EXECUTIVE DIRECTOR

Mrs. Anju Jain

INDEPENDENT DIRECTORS

Mr. Rakesh Kansal

Mrs. Rashmi Kansal

Mr. Devender Shankar Vishnoi

COMPANY SECRETARY

Mr. Anant Vats

AUDITORS

M/s Ajay Shreya & Company

Chartered Accountants

New Delhi

BANKERS

Bank Of Baroda

REGISTERED OFFICE

15A/13, Upper Ground Floor,

East Patel Nagar,

New Delhi-110008.

WORKS:

9 Km. Stone,

Nagina Road, Bijnor -246701 (U.P.)

REGISTRAR & TRANSFER AGENT

Intime Spectrum Registry Limited

A-40, 2nd Floor, Near Batra Banquet Hall,

Naraina Industrial Area, Phase-II

New Delhi-110028



MOHIT PAPER MILLS LIMITED

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 16th Annual General Meeting of the Members of MOHIT PAPER MILLS LIMITED will be held on Tuesday, the 30th Day of September, 2008 at 10.00 A.M. at Junction 36, 16/36, Junction of Joshi Road & Rohtak Road, Karol Bagh, New Delhi-110005 to transact the following business.

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the Financial Year ended March 31, 2008 along with the Report of auditors thereon as well as the Director's Report and for that purpose to consider and if thought fit, to pass with or without modifications, if any the following as an ORDINARY RESOLUTION:

"RESOLVED THAT the Company's Audited Balance Sheet as at March 31st, 2008, the Audited Profit and Loss Account and the Audited Cash Flow Statement for the financial year ended on that date together with Director's and Auditor's Report thereon be and are hereby approved and adopted."

2. To consider and if thought fit to, pass, with or without modifications, if any, the following as an ORDINARY RESOLUTION:

"RESOLVED THAT Mrs. Anju Jain, who retires from the office of Director by rotation in pursuance of Section 256 of the Companies Act, 1956, in this Annual General Meeting be and is hereby re-elected as a Director of the Company, whose office shall be liable to retirement by rotation."

3. To consider and if thought fit to, pass, with or without modifications, if any, the following as an ORDINARY RESOLUTION:

"RESOLVED THAT Mr. Devendra Shankar Vishnoi, who retires from the office of Director by rotation in pursuance of Section 256 of the Companies Act, 1956, in this Annual General Meeting be and is hereby re-elected as a Director of the Company, whose office shall be liable to retirement by rotation."

4. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an ORDINARY RESOLUTION:

"RESOLVED THAT M/s Ajay Shreya & Co., Chartered Accountants, the retiring auditors of the Company, be and are hereby re-appointed 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 on remuneration to be decided by the Board of Directors."



MOHIT PAPER MILLS LIMITED

B. SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to section 163 of the Companies Act, 1956, and other applicable provisions, if any of the Companies Act, 1956, the Register of Members, Index of Members, Register of Debentures, Index of Debentures, shall be kept at the following address instead of at the Registered office of the Company.

Intime Spectrum Registry Limited
A-40, 2nd Floor, Near Batra Banquet Hall
Naraina Industrial Area,
Phase II, New Delhi-110028."

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

"RESOLVED THAT pursuant to the provisions of Section 293 (1)(d) and other applicable provisions of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the Company to Borrow, from time to time, any sum or sums of money which together with the money's already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed aggregate of the paid up- capital of the company and its free reserves not set apart for any specific purpose, provided that the total amount of moneys so borrowed shall not, at any time exceed the limit of Rs. 40 crores (Rupees Forty Crores only).

"RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required"

BY ORDER OF THE BOARD OF DIRECTORS
ANANT VATS
(COMPANY SECRETARY)

PLACE: NEW DELHI
DATED: 31.07.2008

**MOHIT PAPER MILLS LIMITED****NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of company. The instrument appointing proxy should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. The information as required to be provided under the Listing Agreement entered into with Stock Exchanges regarding the directors who are proposed to be appointed/re-appointed and the related explanatory statement pursuant to section 173(2) in respect of the business under item no. 5 -6 as set out above are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, 27th Day of September to ,Tuesday 30th Day of September (both days Inclusive).
4. Members are requested to notify to the Company any change in their address quoting ledger folio number.
5. Members who hold shares in Dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Members / Proxies are requested to bring copy of the Annual Report with them, as copies of the Report will not be distributed at the meeting.
7. Members / Proxies should fill the Attendance Slip for attending the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS
(COMPANY SECRETARY)

PLACE: NEW DELHI
DATED : 31.07.2008



MOHIT PAPER MILLS LIMITED

ANNEXURE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Intime Spectrum Registry Limited is the Registrar and Share Transfer Agent for the company and all the work relating to transfer, transmission and Demat of the Shares is been handled by them so for the convenience of all it is proposed to keep the Register of Members etc. at the address as mentioned in the Resolution.

So Your approval is sought by the Special Resolution on the proposal of the Board of Directors.

None of the Directors are interested directly or indirectly in the said resolution.

ITEM NO. 6

In view of the planning of expansion and increase in the cost of raw materials, the company requires additional term loans and working capital facilities.

The increasing business operations and future growth plans of the Company would necessitates restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at anytime the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs.40 crores.

In this connection the consent of the members of the company is sought pursuant to Section 293 1(d) of the Companies Act, 1956 to borrow money in excess of the aggregate of paid up capital and free reserves.

None of the Directors of the Company are interested in the resolution

BY ORDER OF THE BOARD OF DIRECTORS

ANANT VATS
(COMPANY SECRETARY)

PLACE : NEW DELHI
DATED : 31.07.2008



INFORMATION REQUIRED TO BE FURNISHED AS PER THE LISTING AGREEMENT

1.	NAME	Mrs. Anju Jain
	AGE	42 Years
	QUALIFICATION	Post Graduate
	EXPERIENCE	15 Years Experience in Administration
	OTHER DIRECTORSHIPS	NIL
	DESIGNATION	Promoter Non- Executive Director

At the ensuing Annual General Meeting Mrs. Anju Jain shall retire by rotation and being eligible offer herself for re-appointment

2.	NAME	Devendra Shankar Vishnoi
	AGE	38 Years
	QUALIFICATION	Chartered Accountant
	EXPERIENCE	11 Years Professional Experience
	OTHER DIRECTORSHIPS	NIL
	DESIGNATION	INDEPENDENT DIRECTOR

At the ensuing Annual General Meeting Mr. Devendra Shankar Vishnoi shall retire by rotation and being eligible offer himself for re-appointment



MOHIT PAPER MILLS LIMITED

DIRECTOR'S REPORT

To the Members,

The Board of Directors have pleasure in presenting the 16th Annual Report together with the Audited Accounts of the company for the year ended, 31st March, 2008.

The working of the company during the year under review has been highlighted below:

1. FINANCIAL RESULTS

	CURRENT YEAR 31.3.2008	(Amount/Rs.) PREVIOUS YEAR 31.03.2007
Sales & other Income	49,88,78,341	42,26,26,376
Operating Profit before		
Interest & depreciation	4,84,33,528	3,47,12,299
Interest & Finance Charges	1,11,12,162	78,94,458
Depreciation	2,20,78,128	1,83,56,727
Net of Adjustments:		
i. Depreciation on revalued Assets	32,89,347	38,09,987
ii. Amount transferred from capital reserve	32,89,347	38,09,987
Net Profit	1,52,43,238	84,61,114

The company has not transferred any amount to the reserves during the current year except the surplus in the Profit & Loss Account for the year ended on 31.3.2008, which has been carried over in the Balance Sheet.

Net Turnover for the year was Rs.49.88 crores as against 42.26 crores in the previous year.

Profit before Depreciation, Interest and Taxes was Rs. 4.84 crores as against Rs.3.47 crores in the previous year.

2. DIVIDEND

The Directors do not recommend any dividend for the year under review.

3. PUBLIC DEPOSITS UNDER SECTION 58 A

During the year, the company has not accepted any Public Deposits during the year under review.



4. CORPORATE OVERVIEW

During the year under review the Company has been able to enhance its production from 14953 M.T. to 18215 M.T. The increase is due to the fact that in previous year the production of soda ash has started late during the year.

In Current year the increase in production has been possible due to the efficiency of the technical staff and labour. The quality of paper has improved, operating expenses have been stable during the year. The main aim of the company is with regard to quality up-gradation and reduction in prices.

5. DIRECTORS

During the year Mr. Sandeep Jain was appointed as the Chairman and Managing Director of the Company in place of Mr. Surendra Kumar Jain with effect from 13.08.2007.

Mr. Ashok Agarwal and Mr. S.K. Jain have resigned from their Directorship during the year.

Mr. Sushil Kumar Patedar who was the Additional Director is been appointed as Whole Time Director with effect from 28.09.2007

6. INSURANCE

The Assets of the company including Buildings, Plant & Machinery, Stocks and Stores have been adequately secured.

7. AUDITORS

M/s AJAY SHREYA & CO. CHARTERED ACCOUNTANTS, Auditors of the Company, retire from their office. They are eligible for re-appointment and have furnished certificate to the effect that their appointment if made will be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956. Your directors recommend their re-appointment for the Accounting Year 2008-2009.

8. AUDITORS REPORT

The Auditor's Report on the Accounts is self-explanatory and no comments are required.

9. DISCLOSURE OF PARTICULARS UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956.

Under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, the detailed information is enclosed as per Annexure (A).



MOHIT PAPER MILLS LIMITED

10. DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2008 the applicable Accounting Standards had been followed and there has been no material departures;
- ii. That the selected accounting policies were applied consistently and the directors made judgments 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 the end of financial year and of the profit of the company for the year under review;
- iii. That 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 for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on 'going concern basis'.

11. CORPORATE GOVERNANCE

Your Company has complied with all the mandatory requirements of Corporate Governance. A detailed report on Corporate Governance and Management Discussion and Analysis forming part of the Director's Report is enclosed as Annexure (B).

12. PARTICULARS OF EMPLOYEES

None of the employee of the Company was in receipt of total remuneration of Rs. 24,00,000/- during the financial year under review or Rs. 2,00,000/- per month. Hence, the information U/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not required to be furnished.

13. SAFETY AND ENVIRONMENT

The company continued to maintain a good safety record. The plants of the company are environment friendly and maintain all safety measures.

14. INDUSTRIAL RELATIONS

Industrial relations remained cordial during the year. The company received full cooperation and support from all its employees without which it would not have been possible to achieve record performance.