



NAYAGARA
PAPER PRODUCTS (INDIA) LIMITED

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

10th

**Annual Report
1997-98**



Board of Directors

Shri K.V. Reddy
Chairman & Managing Director

Shri K.V. Ramana Reddy
Executive Director

Shri B. Sunder Rami Reddy
Director

Shri V. Sreenatha Rao
Director

Shri G. Ramakrishna Reddy
Whole-Time Director

Shri M. Nagaraja
Director

Auditors
M/s. Khaja Khader Khan & Company
Chartered Accountants
Nellore.

Bankers
Bank of Rajasthan Limited
Corporation Bank

Registered Office
6-3-347/14, Dwarakapuri,
Panjagutta,
Hyderaad - 500 082.

Registrars & Share Transfer Agents
M/s. Ikon Visions (P) Ltd.,
Flat No.33, Sanali Heavens,
8-3-948, Ameerpet, Hyderabad - 500 073.



Nayagara Paper Products (India) Limited**NOTICE**

NOTICE is hereby given that the Tenth Annual General Meeting of Nayagara Paper Products (India) Limited will be held on Wednesday, 30th September, 1998 at 10.00 A.M. at Sundaraiah Vignana Kendram, Bagh Lingampally, Hyderabad - 500 044 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit and Loss account for the year ended 31st March, 1998 and the Balance Sheet as on that date and the reports of the auditors and Directors thereon.
2. To declare dividend.
3. To elect a Director in place of Shri M. Nagaraja, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to Section 256(4)(a) of the Companies Act, 1956, the vacancy caused by the retirement of Shri V. Sreenatha Rao, Director shall not be filled up."

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

"RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956 Shri V.S.R. Moorthi be and is here by appointed as a Director of the Company subject to retirement by rotation."

for and on behalf of the Board

Date : 30th July, 1998.

Place : Hyderabad

K. V. Reddy
Chairman & Managing 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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The relative explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of business set out under Item No. 5 to 6 annexed hereto.
3. Instrument of proxies in order to be effective must be deposited at the Company's Registered Office not less than 48 hours before the meeting.
4. The Register of Members and Share Transfer books of the Company will remain closed from Friday 25th September 1998 to Wednesday, 30th September, 1998 (both days inclusive).
5. Members are requested to inform immediately the change, if any, of address registered with the Company.

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

ITEM NO : 5

Shri V. Sreenatha Rao, Director retires at the ensuing Annual General Meeting and desires not to be reappointed in view of his business Pre occupations. As the Board does not intend to fill up this vacancy, the members are requested to pass this resolution.

ITEM NO : 6

Shri V.S.R. Moorthi is a law graduate and has been associated with the company right from its inception. He has been instrumental in successful launching and growth of export business of the Company. The Board considers that his association would be of immense benefit to the company and recommends his appointment as Director for the approval of the members of the Company.

None of the Directors is interested or concerned in this resolution.

for and on behalf of the Board

Date : 30th July, 1998.

Place : Hyderabad

K. V. Reddy

Chairman & Managing Director

Nayagara Paper Products (India) Limited**DIRECTORS' REPORT**

To
The Members

Your Directors have pleasure in presenting the Tenth Annual Report with the Audited Statement of Accounts of the Company for the year ended 31st March, 1998.

Financial Results :

Your company is faring well and has achieved high level of production as well as sales realisation. Your company has achieved a turnover of Rs.3,243.64 lakhs and net profit of Rs. 210.34 lakhs as against Rs.2544.67 lakhs and Rs.209.58 lakhs respectively during the previous year.

	Rs. in lakhs	
	1997-98	1996-97
Income	3243.64	2544.67
Profit before tax	244.34	241.58
Provision for taxation	34.00	32.00
Profit after tax	210.34	209.58
Surplus brought forward from previous year	27.93	12.85
Provision no longer required	56.20	-
Available for appropriation	294.48	222.44
Less: Transfer to General Reserve	150.00	110.00
Proposed dividend @ 7%	28.30	84.50
Surplus carried to Balance Sheet	116.18	27.94

DIVIDEND :

Your Directors are pleased to recommend a dividend @7% for the year ended 1997-98 inclusive of dividend tax absorbing Rs.28.30 lakhs.

OPERATIONS :

During the year under review, the company's production has increased to 8902.90 Mt. as against 7715.13 Mt. while sales have gone up from Rs.25.29 crores to Rs.32.24 crores. The profit after tax touched Rs.2.10 crores as against Rs.2.09 crores during the previous year.

FUTURE PROSPECTS :

During the year under review, your Company has been successful in establishing dealer net work all over the Country and made reasonable dent in North Indian Markets also. In addition, your Company's efforts to enter export market yielded favourable results. During the current year, the Company has bagged sizeable orders in this regard.

In view of the above domestic and export performance on impressive lines, by and large and barring unforeseen circumstances, your company should be able to report more satisfying results in the coming years.

DIRECTORS :

Shri M. Nagaraja, Director retires by rotation and being eligible offers himself for reappointment. Shri V. Sreenatha Rao, Director retires by rotation and desires not to be reappointed in view of his business pre-occupations. The Board places on record the Valuable services rendered by him during his tenure as Director of the Company. The Board desires not to fill up this vacancy.