

SHAKTI PRESS LTD.

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PACKAGING A FORTUNE

SHAKTI PRESS LIMITED

Registered Office : 'Shakti House', Wardha Road,
Nagpur - 440 012

ANNUAL REPORT 1998-99

Annual General Meeting

Saturday, January 22nd, 2000

At 4.00 P.M.

AT U-116, MIDC INDUSTRIAL AREA,

NAGPUR - 440 016

The Company has made Bus arrangement for attending the
6th Annual General Meeting from the Registered Office,
which will leave at 3.30 P.M.

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SHAKTI PRESS LIMITED

BOARD OF DIRECTORS

Shri Suresh Kumar R. Sharma
Shri Raghav K. Sharma
Shri Deepak S. Dhote
Shri Sadanand B. Hajare
Shri Unmesh G. Dhote
Shri M.T. Chiddarwar

Chairman
Managing Director
Jt. Mg. Director

Nominee Director, SICOM Ltd.

COMPANY SECRETARY

Mrs. Neeta Buche

AUDITORS

M/s. L.B. Hajare & Co.
Chartered Accountants
Nagpur

BANKERS

The United Western Bank Ltd.
Sitabuldi Branch, Nagpur - 440 012

SHARE DEPARTMENT

'Shakti House', Wardha Road,
Nagpur-440 012

REGISTERED OFFICE

'Shakti House'
Wardha Road,
Nagpur-440 012
Tel:525518,523153
Fax No.:(0712) 538972

Works : U-116, MIDC,
Hingna, Nagpur.

**NOTICE**

Notice is hereby given that the Sixth Annual General Meeting of the Members of Shakti Press Limited will be held on Saturday, the 22nd January, 2000 at 4.00 p.m. at U-116, MIDC Industrial Area, Nagpur - 440 016 to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 30th June, 1999 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Sadanand B. Hajare, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 & 316(2) read with Schedule XIII and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded for the appointment of Mr. Raghav K. Sharma as Managing Director of the Company for a period of 5 years w.e.f. 01.07.1999 upon the terms and conditions set out hereunder and the Board of Directors are hereby authorised to revise and/or accept any variation in the under mentioned terms and conditions of remuneration within the maximum limits prescribed in Schedule XIII to the Companies Act, 1956.

Salary	: Rs. 5,000/- per month.
Commission	: 1% per annum of the net profits of the Company subject to a ceiling of an amount equal to annual salary.
Perquisites	: Perquisites shall be allowed in addition to salary and commission restricted to an amount equal to the annual salary.

RESOLVED FURTHER THAT pursuant to Section 309(3) read with Section 198 & Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the remuneration as aforesaid, except the commission be paid and provided as minimum remuneration, notwithstanding the absence or inadequacy of profits in any accounting year of the Company during the term of office of Mr. Raghav Sharma.

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

"RESOLVED THAT in accordance with the provisions of Section 81, 81(1A) and any other applicable provisions, if any, of the Companies Act, 1956, the Foreign Exchange Regulation Act 1973(FERA), the Articles of Association of the Company and the listing agreements entered into by the Company with The Stock Exchanges where the shares of the Company are listed and subject to



approval of the Securities And Exchange Board Of India (SEBI), the Reserve Bank of India(RBI) and such other approvals, permissions and sanctions as may be required under applicable laws, rules and regulations and subject further to such terms, conditions, alterations, modifications, changes and variations, if any, that may be specified under any such approvals, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the 'Board'), be and is hereby authorised to accept, consent of the Company be and is hereby accorded to the Board and the Board is hereby authorised to issue, offer and allot Equity Shares of face value of Rs. 47,98,000/ (Rupees Forty seven lacs ninety eight thousand only) or its equivalent in foreign currency on Rights basis , to the Members and/or to such person(s), whether shareholders of the Company or not, including but not limited to promoters/directors, their friends, relatives and associates, Foreign Institutional Investors(FIIs), Mutual Funds, Non Resident Indians or persons of Indian origin(NRIs) Overseas Corporate Bodies (OCBs) predominantly owned by NRIs(as may be permitted under applicable regulations) and/or such other person/s, entity/ies, body/ies as may decided by the Board through Public Issue and/or by way of Private placement and/or by way of Preferential Offer to take place within such time and such premium and on such terms as may be permitted in accordance with the prevailing rules/guidelines in this regard and on such other terms as the Board may deem necessary and at such time as the Board may in their absolute discretion think fit.

RESOLVED FURTHER THAT if any portion of Equity Shares offered on Rights basis remains unsubscribed, the Board be and is hereby authorised to dispose of the same to such person(s) and in such manner, that the Board may decide in its absolute discretion, as it may consider in the best interest of the Company whether such person(s) are the shareholders of the Company or not.

RESOLVED FURTHER THAT an Equity Shareholder, eligible to the Rights Offer will be free to renounce his entitlement of Equity Shares wholly or in part in favour of any other person(s).

RESOLVED FURTHER THAT an Equity Shareholder, eligible to the Rights Offer, will also be eligible to apply for additional Equity Shares over and above his entitlement provided he has applied for all the Equity Shares offered to him without renouncing them in whole or in part in favour of any person(s).

RESOLVED FURTHER THAT the allotment of Equity Shares to Non-resident Shareholders will be subject to the sanction of the Reserve Bank of India under the Foreign Exchange Regulation Act,1973.

RESOLVED FURTHER THAT the new Equity Shares to be allotted shall rank pari passu in all respects with the then existing Equity Shares of the Company, save and except for the dividend which will be paid prorata from the date of allotment.

RESOLVED FURTHER THAT the Equity Shares to be so allotted shall be listed on The Stock Exchanges at Mumbai,Ahmedabad,Delhi and Chennai, where the Company's existing shares are listed.

RESOLVED FURTHER THAT the Equity Shares to be allotted shall be transferable and transmittable in the same manner and to the same extent and subject to the same restrictions and limitations as in the case of existing Equity Shares of the Company and the provisions relating to the transfer and transmission in respect of Equity Shares in the Articles of Association of the Company shall apply mutatis mutandis to these Equity Shares.

RESOLVED FURTHER THAT the rights, privileges and conditions attached to the Equity Shares

SHAKTI PRESS LIMITED

may be varied, modified or abrogated with the consent of the holders of the Equity Shares by Special Resolution(s) passed at separate meeting(s) of the holders of the Equity Shares from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing, the Board be and is hereby authorised inter-alia and from time to time to finalise and prescribe the form of letter of offer and forms of application, to determine the amount payable on application, allotment and by way of further calls, if any, in respect of the Equity Shares, to determine the allotment, if necessary, in consultation with The Stock Exchanges and to appoint Lead Managers, Consultants, Advisers, Bankers, Agents for the purpose and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions and the size of the present issue as required or suggested by SEBI or such other authorities or agencies concerned or as the Board may decide in its absolute discretion (including the price of the Equity Shares to be issued or the ratio or number of Equity Shares to be offered which may result in a change in the total amount of the Present issue) in the best interest of the Company without requiring any further approval of the members and to do all such acts, deeds matters or things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to raising of resources as authorised herein, issue or allotment of Equity Shares, as it may, in its absolute discretion consider necessary, expedient, usual or proper in or about the premises and that all or any of the powers conferred on the Board by or pursuant to this resolution may be exercised by the Board or such Committee thereof as the Board may constitute in this behalf."

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 17th January, 2000 to 22nd January, 2000 (both days inclusive) for purpose of dividend, if any.
4. Members are requested to notify immediately change of address, if any and to send all communication pertaining to the shares to the Company's Share department at "Shakti House", Wardha Road, Nagpur-12.
5. Members are requested to quote their Register Folio Number in all their correspondence with the Company to facilitate prompt action.
6. The dividend, if declared, will be paid to those members whose names appear in the Register of members of the Company on 22nd January, 2000.
7. Share holders desiring any information as regards the Accounts are requested to write to the Company at least seven days in advance of the date of Annual General Meeting so as to enable the information to be kept ready.
8. Members are requested to bring their copy of the Annual Report along with them to the meeting.

By Order of the Board

PLACE : NAGPUR
DATED : 25th October, 1999

NEETA BUCHE
(Company Secretary)

Registered Office :

'SHAKTI HOUSE' Wardha Road, Nagpur-440 012



**ANNEXURE TO NOTICE****Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956:****Item No. 5**

The Board of Directors, in its meeting held on 28th August, 1999 has re-appointed Mr. Raghav Sharma as Managing Director of the Company on the terms and conditions as set out in the proposed resolution under item no. 5 of the Notice.

The appointment is subject to the approval of the shareholders in General Meeting. The remuneration payable to Mr. Raghav Sharma by way of salary, commission and perquisites is within the ceilings laid down in Schedule XIII of the Companies Act, 1956.

The Board recommends the resolution for approval of shareholders. Except Shri Raghav Sharma and Shri Suresh Kumar Sharma, none of the Directors are concerned or interested in the resolution.

Item No. 6

The Company has undertaken expansion project at village Mondha and in order to part finance these project as well as to meet the Company's long term working capital requirement it is proposed to issue further equity capital of the Company. The terms and conditions to issue such shares are mentioned in the Special resolution under this item.

Your Directors recommend the resolution for your approval. None of the Directors of the Company is in any way concerned or interested in the said resolution.

By Order of the Board

PLACE : NAGPUR
DATED : 25th October, 1999

NEETA BUCHE
(Company Secretary)

Registered Office :

'SHAKTI HOUSE'
Wardha Road,
Nagpur-440 012





DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Sixth Annual Report togetherwith audited statement of accounts of the Company for the year ended 30th June, 1999.

FINANCIAL RESULTS

(Rupees In Lacs)

	1998-99	1997-98
Sales Turnover	1116.52	1013.39
Gross Profit	184.36	149.89
Less : Depreciation	32.81	27.69
Less : Income Tax Provision	9.50	6.75
Net Profit	142.05	115.45
Surplus available for appropriation	283.01	283.56
Appropriations :		
Transfer to General Reserve	100.00	100.00
Provision for Dividend	50.34	42.59
Leaving a balance to be carried forward	132.67	140.96

DIVIDEND

Your Directors recommend 13% dividend for the year ended June 30, 1999, which if approved by the members at the forthcoming Annual General Meeting, will be paid to those members whose names appear in the register of members of the Company as on 22nd January, 2000.

PERFORMANCE

Your Company has completed its Fifth year of operations and it has achieved its optimum capacity utilization. During the year under review the total sales were Rs. 1,116.52 Lacs. The capacity of all the machines has been utilized to their optimum levels. The capacity utilization as planned has been achieved. The Company has successfully achieved the status of continuous Industry as was proposed to be done in the previous year.

FIXED DEPOSIT

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



DIRECTORS

During the year under review, there is no change in the Board of Directors of the Company. In accordance with the Companies Act, 1956, and the Articles of Association of the Company, Mr. Sadanand B. Hajare retires by rotation and is eligible for re-appointment.

AUDITORS' REPORT & AUDITORS :

The Company's Auditors M/s. L.B. Hajare & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and have informed their eligibility to be reappointed as Auditors.

PARTICULARS OF EMPLOYEES :

As required, Pursuant to the provision of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, there were no employees whose particulars are required to be given.

YEAR 2000 COMPLIANCE (Y2K)

The Company has taken all the necessary steps to ensure Y2K Compliance. The costs incurred to meet Y2K requirements is negligible.

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY RESEARCH & DEVELOPMENT & FOREIGN EXCHANGE EARNING & OUTGO

Information as required under Section 217(i) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 is as per Annexure "A" and forms part of Directors' Report.

STOCK EXCHANGES:

Your Company's shares are listed on the Stock Exchanges at Mumbai, Delhi, Ahmedabad and Chennai. The annual listing fees have been paid by the Company and there are no dues.

ACKNOWLEDGEMENT

Your Directors wish to thank SICOM Ltd., and the Company's Bankers The United Western Bank Ltd., for all their co-operation and help extended to the Company. Your Directors also wish to thank the suppliers, customers, share holders and all others associated with the Company. Your Directors wish to place on record their appreciation for the devoted services rendered by the employees at all levels of the Company.

For and on behalf of the Board

PLACE : NAGPUR
DATED : 25th October, 1999

S.K. SHARMA
(Chairman)