



SHAKTI PRESS LIMITED

57th
ANNUAL
REPORT
1999-2000

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MULTI COLOUR OFFSET PRINTERS & PACKAGERS

BOARD OF DIRECTORS

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

Chairman
Managing Director
Jt. Mg. Director

COMPANY SECRETARY

Mr. V. Ramchandran

AUDITORS

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

BANKERS

The United Western Bank Ltd.
Sitabuldi Branch, Nagpur - 440012

SHARE DEPARTMENT

' Shakti House', Wardha Road,
Nagpur - 440012

REGISTERED OFFICE

' Shakti House'
Wardha Road,
Nagpur- 440012
Tel : 525518,523153
Fax No. : (0712) 538972

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

NOTICE

Notice is hereby given that the Seventh Annual General Meeting of the Members of Shakti Press Limited will be held on Saturday, the 30th of December, 2000 at 4.00 p. m. at U-116, MIDC Industrial Area Nagpur - 440016 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 30th June, 2000 and The Profit and Loss Account for the year ended on that date together with the Reports of the Director's and Auditors' thereon.
2. To declare dividends on Equity Shares.
3. To appoint a director in place of Mr. Unmesh Dhote, who retires by rotation and being eligible, offers himself for reappointment.
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 a Ordinary Resolution.

"RESOLVED THAT pursuant to the provision of section 94 (1) (a) of the Companies Act, 1956, and other applicable provisions, if any the Authorised Share Capital of the Comapny be and is hereby increased from Rs. 4 Crores divided into 40 Lakh Equity Shares of Rs . 10/- each to Rs. 8 Crores Divided into 80 Lakh Equity Shares of Rs 10/ each.

RESOLVED FURTHER that the existing Clause V of the Memorandum of Association of the Company be and is hereby deleted and in its place the following Clause be substituted.

" The Authorised Capital of the Company is Rs. 8 Crores divided into 80 Lakh Equity Shares of Rs. 10/ - each."

In view of the above, to pass the following Resolution as Special Resolution

" RESOLVED THAT pursuant to the provisions of section 31 (i) of the Companies Act, 1956, the existing Article 2 of the Articles of Association of the Company be and is hereby deleted and in its place the following Article 2 be substituted therefor

" The Authorised Capital of the Company is Rs. 8 Crores divided into 80 Lakh Equity Shares of Rs. 10/- each."

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, of 1956 , The Foreign Exchange Management Act ,1999, 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 subjected 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 (here in after 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. 4, 47,98,000/- (Four Crores Forty Seven Lacs Ninety Eight Thousand only) or its equivalent in foreign currency on Right basis, to the members and/ or to such person (s) , whether share holders of the Company or not, including but not limited to promoters / directors, their friends relatives and associates, Foreign Institutional Investors (FII), Mutual funds, Non Resident Indians or persons of Indian origin (NRI s) Overseas Corporate Bodies (OCBs) predominantly owned by NRIs (as may be permitted under applicable regulations) and / or such other persons, entity/ ies, body/ ies as may be decided by the Board through public Issue and/ or by way of private placement and / or by way of Preferential Offer to take place with in such time and such premium and on such other 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 Share holders of the Company or not.

RESOLVED FURTHER THAT an Equity Shareholder, eligible to the Rights offer

will be free to renounce his entitlement of the 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 Management Act.1999 .

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 allotted shall be listed on the Stock Exchanges at Mumbai, Ahmedabad, Delhi, and Chennai where the Company's existing Share 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 limitation 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 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 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 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 the 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 there of as the Board may constitute in this behalf,"

7. To pass, with or without modification the following resolution as an Ordinary Resolution.

" RESOLVED THAT the Board of Directors be and is hereby authorised in accordance with section 293 (1) (d) of the Companies Act, 1956 and the Articles of the Company to Borrow any sum or sums of money from time to time at their discretion, not with standing that the money to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the Company 's bankers in the ordinary course of the business) exceeds at any time the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) provided that such sums shall not exceed 30. 00 Crores (Rupees Thirty Crores only) and that the Board of Directors be and is hereby authorised to arrange or fix the terms and condition of all such monies borrowed from time to time as to interest, repayment, security or otherwise as they may in their discretion think fit."

8. To pass, with or without modification, the following as an Ordinary Resolution,

" RESOLVED THAT the consent be and is hereby accorded to the Board of Directors of the Company in terms of section 293 (1) (a) and any other applicable provisions if any of the Companies Act, 1956 for mortgaging and / or charging all the movable and immovable properties of the Company where so ever situated, present or future and the whole of the under taking of the Company in favour of bankers and/ or financial institutions or persons for securing the repayment of term loan, cash credit advances or other such borrowing facilities received or to be received together with interest thereon, subject to the condition that the total of above borrowings shall not exceed Rs. 30 Crores. at any point of time".

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 BE HALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. PROXIES 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 24th December, 2000 to 30th December, 2000 (both days inclusive) for the 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 No. 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 30th of December, 2000.
7. Shareholders desiring any information as regards the Account are requested to write to the Company at least seven days in advance of the date of the 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 : 04. 11. 2000

RAGHAV SHARMA
(Managing Director)

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 recomend the Resolution for your approval. None of the Directors of the Company is in any way concerned or intrested in the said resolution.

Item No . 7

The Members in the Annual General Meeting held on 15. 12.97 have authorised the Board in terms of Section 293 (1) (d) of the Companies Act . 1956 for borrowing upto 20.00 Crores. In view of consistent growth of the Company and its turn over as well as expansion plans the financial requirement have also been increased. It is therefore required to pass a resolution for increasing the borrowing powers of the Board in terms of section 293 (1) (d) of the Companies Act. 1956.

The Directors therefore recommend passing the resolution under this item, with or without modification.

None of the Directors are interested in the above resolution.

Item No. 8

The Company is required to borrow monies from various agencies in the normal course of its business for working capital and capital expenditure. For the purpose the Company is required to create Mortgage on Assets of the Company to secure the amount borrowed.

It is therefore required to pass a resolution for granting the powers to the Board in terms of section 293 (1) (a) of the Companies Act. 1956 .

The Directors. therefore recommend passing the resolution under this item. with or without modification.

None of the Directors is intrested in the above resolution.

PLACE : NAGPUR
DATED : 04. 11. 2000

By Order of the Board
RAGHAV SHARMA
(Managing Director)

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the Seventh Annual Report together with Audited Statement of Accounts of the Company for the year ended 30th June, 2000.

FINANCIAL RESULT

	1999- 2000	1998- 1999
Sales turnover	1238. 98	1116.52
Gross Profit	198.44	184. 36
Less : Depreciation	33. 55	32. 81
Less : Income Tax Provision	11.00	9. 50
Net Profit	153. 89	142. 05
Surplus available for appropriation	286. 56	283. 01
Appropriations:		
Transfer to General Reserve	100. 00	100.00
Provision for Dividend	54. 91	50.34
Balance to be carried forward	131. 65	132.67

DIVIDEND

Your Directors recommend a Dividend of 13% for the year ended June 30, 2000 which if aproved by the members at the forth coming Annual General Meeting will be paid to those members whose names appear in the Register of members of the Company as on 30. 12. 2000

PERFORMANCE

Your Company has completed its Sixth year of operations and it has achieved its' optimum utilisation. The turnover for the year under report is Rs. 1238. 98 Lacs as against Rs 1116. 51 Lacs during the preceding year. Your Directors are pleased to inform you that the Company has adequate orders in hand for the current financial year.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year under review, However in view of its expansion program for which huge amount may be required at Cheaper cost, your Board of Directors has decided to invite Deposits from the public. Steps have already been taken in this regard.

EXPANSION

The Company has been in the process of implementing the expansion programme. The total cost of the expansion comes to around Rs. 24. 25 Crores. Out of this Rs. 24. 25 Crores, Rs 16 Crores is proposed to be availed from Banks Financial Institutions. etc, Rs. 4.48 crores by way of further issue of Capital, Rs. 1. 77 crores by way of unsecured loans. The rest will come from internal accruals, The Company has already purchased 1,65, 000 Sq. ft. of land. The Company has also entered into contact with M/S. Kirby Building Systems India Ltd. Hyderabad for manufacture & supply of pre- fabricated steel Building at a total cost of Rs. 71.29 Lacs.

DIRECTORS

In accordance with the Companies Act , 1956 and the Articles of Association of the Company, Mr. Unmesh Dhote retires by rotation and is eligible for re- appointment.

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 as well as their consent for being re- appointed as Auditors.

PARICULARS 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 steps to ensure Y2K Compliance The costs incurred to meet Y2K requirements is negligible.

PARTICULARS WITH REGARD TO CONSERVATION OF ENERGY RESEARCH & DEVELOPMENT & FORIEGN EXCHANGE EARNING & OUT GO

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 the Directors Report.