

SHAKTI PRESS LIMITED

19<sup>th</sup> ANNUAL REPORT

2011-12

**BOARD OF DIRECTORS**

|                          |   |                         |
|--------------------------|---|-------------------------|
| SHRI SURESH SHARMA       | - | NON EXECUTIVE CHAIRMAN  |
| SHRI RAGHAV K. SHARMA    | - | MANAGING DIRECTOR       |
| SHRI DEEPAK S. DHOTE     | - | JOINT MANAGING DIRECTOR |
| SHRI NITIN S. DHOTE      | - | WHOLE TIME DIRECTOR     |
| SHRI KAILASHCHAND SHARMA | - | INDEPENDENT DIRECTOR    |
| SHRI SUNDER VENKATRAMAN  | - | INDEPENDENT DIRECTOR    |
| SHRI SHREEDHAR PARANDE   | - | INDEPENDENT DIRECTOR    |
| SHRI ASHUTOSH POTNIS     | - | INDEPENDENT DIRECTOR    |

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**AUDITORS**

**M/s L. B. HAJARE & Co**  
CHARTERED ACCOUNTANTS  
NAGPUR

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**BANKERS**

**STATE BANK OF INDIA, NAGPUR**

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**REGD OFFICE**

**"SHAKTI HOUSE",  
WARDHA ROAD,  
NAGPUR – 440 012.**  
Shakti\_offset@dataone.in  
shaktipresslimited@gmail.com  
Shaktipresslimited.com

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**WORKS**

U – 116, MIDC Industrial Area, Hingana Road,  
Nagpur – 440 016  
shakti\_press@dataone.in

Kh. No. 49, Tah. Hingna, Vill. Mondha  
Kanoli Bara Road, Nagpur (M. S.)

Kh. No. 69, Village - Mondha, Tah. Hingna,  
Kanoli Bara Road, Nagpur (M. S.)

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**REGISTRAR &  
TRANSFER AGENT**

LINK INTIME INDIA PRIVATE LTD  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai – 400 078 Ph 022 25963838  
**Email:** mumbai@linkintime.co.in  
sujata.poojary@linkintime.co.in

### **NOTICE TO MEMBERS**

**NOTICE IS HEREBY GIVEN THAT**, the 19th Annual General Meeting of the members of the Company will be held at U - 116, Hingana M.I.D.C. Industrial Area, Nagpur – 440 016 (Maharashtra) on Monday, 24<sup>th</sup> December, 2012 at 10.00 A. M. to transact, with or without modification as may be permissible, the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 30<sup>th</sup> June, 2012 and Profit & Loss Account for the year ended 30<sup>th</sup> June 2012, along with the Auditor's Report and Director's Report thereon.
2. To appoint the Director in place of Shri Sunder Venkatraman retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint the Director in place of Shri Shreedhar Parande retires by rotation, and being eligible offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT**, M/s. L. B. Hajare & Co., Chartered Accountants, the retiring Statutory Auditors be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting on such remuneration and reimbursement of expenses as the Board of Directors may fix on the basis of recommendation made by Audit Committee in that behalf in consultation with the said Auditors, in connection with the Company's Audit."

#### **SPECIAL BUSINESS:**

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

**"RESOLVED THAT**, in terms of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any amendment to or enactment thereof) and also subject to the approval of statutory authorities, if any, as may be required and subject to such alterations and modifications, if any, that may be effected by the above authorities in that behalf, Shri Deepak Dhote be and is hereby re-appointed as a Joint Managing Director of the Company for a period of 3 years w. e. f. 1<sup>st</sup> November 2012, upon the terms and conditions as to remuneration appended to explanatory statement and that the Board of Directors / Committee be and are hereby authorised to alter and vary such terms and conditions in accordance with the laws in force from time to time as may be agreed to by the Board of Directors / Committee of the Board.

**RESOLVED FURTHER THAT, Shri Deepak Dhote**, shall not be liable for the retirement by rotation during his tenure as Executive Director of the company.

**RESOLVED FURTHER THAT**, where in any financial year during the currency of the term of office, the Company has no profits or its profits are inadequate it may pay to Shri Deepak Dhote remuneration by way of salary and perquisites as specified above except the commission, in accordance with Schedule XIII to the Companies Act, 1956.

**RESOLVED FURTHER THAT**, Shri Raghav Sharma, Managing Director and Shri Nitin Dhote Whole Time Director of the Company be and are hereby authorised for the purpose of giving effect to the above resolution, to take all such actions and give all such directions, or do all such acts, deeds, matters and things as may be necessary in this regard and further to execute all such deeds, documents and writings as may be necessary in this regard.”

**By order of the Board  
For SHAKTI PRESS LIMITED**

**Place: NAGPUR**

**Dated: 10<sup>th</sup> November 2012**

**Raghav Sharma  
MANAGING DIRECTOR**

- 1. A MEMBER ENTITLED TO ATTEND AND TO VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE MEMBER OF THE COMPANY.**
- 2. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
3. The Register of Members and Share Transfer Books, etc of the Company will remain closed from 20<sup>th</sup> December 2012 to 24<sup>th</sup> December 2012 both days are inclusive.
4. Transfers or Transmission requests received during the period of Book Closure shall be considered after reopening of the books.
5. Members are requested to quote Folio Numbers in all correspondences. Members holding shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holding in one folio.
6. Shareholders seeking to require information about accounts to be explained at the meeting are required to furnish the queries to the Company at least 10 (Ten) days in advance of the Annual General Meeting.
7. The shares of the Company are listed with the Bombay Stock Exchange and the Delisting application is pending with the Delhi Stock Exchange Assoc. Ltd and Madras Stock Exchange Ltd.
8. The Ministry of Corporate Affairs, Govt. of India, as a part of its “Green initiative in the Corporate Governance”, has issued Circular No. 17/2011 dated 21/04/2011 and Circular No. 18/2011 dated 29/04/2011, permitting service of documents by companies to its shareholders, through electronic mode instead of physical mode. The Company request to its shareholders to registered their Email Id and in case of change in Email Id to update same with Depository and R&TA of the Company.

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

**Item No. 6:**

The tenure of Mr. Deepak Dhote as Joint Managing Director of the Company expired on 31<sup>st</sup> October 2012. In view of his long association with the Company the Board of Directors considers it desirable in the interest of the Company that the Company should continue to avail of the Benefits of his services. The Remuneration committee at their meeting held on **1st October, 2012** had approved and recommended to the Board of Directors/Members of the Company re-appointment of Shri Deepak Dhote as Joint Managing Director of the Company with effect from 01<sup>st</sup> November 2012 for a period of three (3) years on the payment of the following terms and conditions. The Board of Directors in their meeting held on 15th October 2012 has considered and approved the re-appointed of Shri Deepak Dhote as the Joint Managing Director of the Company with effect from 01<sup>st</sup> November 2012 for a period of three (3) years subject to consent of the Members of the Company at the ensuing General meeting and requisite permission and approval required if any.

The terms and conditions including remuneration as specified hereunder :

- i. Terms and Conditions governing the employment of Shri Deepak Dhote are as per Rules of the Company applicable from time to time.
- ii. Remuneration pay of Rs. 25,000 per month with the authority to Board to revise / alter from time to time.
- iii. Perquisites and Benefits as per the as per Rules of the Company prevailing from time to time."

**Minimum Remuneration : ( In case of no profits / profits are inadequate)**

Notwithstanding the above, wherein any financial year during the currency of term of office of Shri Deepak Dhote, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to the Joint Managing Director by way of salary or other benefits **in accordance with the Schedule XIII to the Companies Act, 1956.**

The Members therefore requested to confirm the re-appointment of Shri Deepak Dhote as a Joint Managing Director of the Company on the aforesaid terms and conditions with the authority to Board / Committee to revise / modify the same from time to time.

None of the Directors of the Company except Shri Deepak Dhote are interested in above said resolution.

**Brief Profile of Director Seeking Appointment / Re-appointment:**

**Shri Deepak Dhote**

Shri Deepak Dhote is Post Graduate in Commerce. He is having vast experience in business and management. He has a successful track record and having experience in printing and stationary Industry for more than twenty five(25) years. He has Directorship in Shakti Offset Pvt Ltd and Sri Krsna Cardboards Pvt Ltd. He is holding 2,87,788 equity shares of the Company as on 30th June 2012. He is also on the Board of Shakti Offset Pvt Ltd, Sri Krsna Cardboard Pvt Ltd and Sankalp Industrial Services Pvt Ltd as on 30th June 2012.

**Shri Sunder Venkatraman:**

He is Post Graduate in Management and has more than twenty (20) years of experience in finance and accounts. He has lead various restructuring assignments and successfully carved out a niche for himself in extending helping hand to the companies who go through the restructuring modules. He has lead various restructuring assignments and successfully carved out a niche for himself in extending helping hand to the companies for their restructuring modules. He is holding 20 equity Shares of the Company. He is also on the Board of Destin Solutions Private Limited and Konkan Tyres Limited as on 30th June 2012.

**Shri Shreedhar Parande:**

Shri Shreedhar Mukund Parande has served Banking and Financial Service Industry for Thirty Eight years and he is having vast experience in the field of Finance and Banking. He is also Board of Khandwala Securities Limited, Accentia Technologies Limited, Enkorr Energy Limited, Todays Writing Instrument Limited, KPM Asset Alliance Private Limited and Anand Finance Strategic Advisor Private Limited as on 30th June 2012.

## DIRECTOR'S REPORT

**TO  
THE MEMBERS,  
OF SHAKTI PRESS LIMITED.**

Your Directors are pleased to present the Company's 19<sup>th</sup> Annual Report on the business and operation of the Company together with the Audited Statement of Accounts for the Period & Accounting year ended 30<sup>th</sup> June, 2012.

| Particulars  | For the year ended<br>30 <sup>th</sup> June, 2012<br>(Rupees' 000)<br><br>(12 Months) | For the year<br>ended<br>30 <sup>th</sup> June, 2011<br>(Rupees' 000)<br>(12 Months) |
|--|---|--|
| <b>Total Income .....</b>  | <b>130,203.705</b>  | <b>123027.125</b>  |
| <b>Profit / Loss before<br/>depreciation.....</b>                                  | <b>(5576.745)</b>   | <b>(2593.741)</b>  |
| <b>Depreciation.....</b>   | <b>12984.802</b>  | <b>12978.071</b>   |
| <b>Profit before tax for the<br/>year.....</b>                                     | <b>(7408.058)</b>   | <b>(10384.329)</b>   |
| <b>Balance of Profit and Loss Account brought<br/>Forward from last year .....</b> | <b>(110698.429)</b>   | <b>(100314.100)</b>  |
| <b>Provision for Dividend.....</b>   | -----   | -----  |
| <b>Corporate tax on dividend.....</b>  | -----   | -----  |
| <b>Transfer to General Reserve.....</b>  | -----   | -----  |
| <b>Balance carried to Balance Sheet .....</b>                                      | <b>(7408.057)</b>   | <b>(110698.429)</b>  |

### **DIVIDEND:**

Your Director place on record their sence of concern that on account of lose and carry forward of previous year's losses, your Directors are unable to declare any Dividend for for the year under review.

## **MANAGEMENT DISCUSSION & ANALYSIS:**

Your Directors are please to inform you that total income for the year ended 2011-12 is of Rs.13.02 Crores as Compare to Rs 12.30 for the year ended 2010-11. The Company during year earned Rs 93.13 Lacs from export of the products. The Company during the year under review has performed reasonably well. Further the Company is also continuously receiving encouraging response especially for the Packaging Unit in the domestic market. The Boards of Directors are trying their best to improve the performance of the Company and hopeful of achieving decent turnover in future.

## **INDUSTRY STRUCTURE & DEVELOPMENT:**

The Company is in the field of manufacturing of paper based printed packaging material including Labels, Duplex Board, Mono Cartons Corrugated Boxes etc and stationary items. As on date the Company is having three manufacturing units.

- 1) At U-116, M. I. D. C. Industrial Area Hingna (Printing Unit).
- 2) At Khasara No. 49, Mondha (Stationary Unit)
- 3) At Plot No 49, Khasara No 69, Mondha (Packaging Unit)

## **PROSPECTS:**

The Company is concentrating on the existing customers in Printing Division which is giving encouraging results. There is steady growth in the turnover of the Printing Unit which the management are confident to continue in the current year. The Management of the Company foresees bright future to the Company.

## **PERFORMANCE REVIEW & OUTLOOK:**

### **PRINTING OPERATION:**

The Printing Division of the Company having good operation during the year and successful in generating additional business from the existing customers. Your Directors are confident in the current year the Company will acquire more business from the existing customers in addition to new customers. However, the effect of global recession may have an adverse impact on the performance.

### **STATIONARY DIVISION:**

The Company was able to make a foray in the local retail market through the mega stationery stores opened in the heart of the city. The Company was also able to stablise the Stationary Division after recession by diversifying into other stationary related items like copier paper, diaries and note pads, printed published books.

### **PAKAGING OPERATION:**

This division has received sizeable orders from the new customers it had identified last year. This would result in sizeable growth in the turnover in the current year apart from adding more business from existing customers.

Further the Company's management is making best efforts to increase the margin by adopting the cost cutting methods in operations of the Company. Your Directors have been successful in improving the positions of the Company and are hopeful for better future.



## **CORPORATE AFFAIRS:**

### **FINANCIAL FACILITIES:**

The Company is having financial facilities with the State Bank of India and the same is under SAM (Stress Asset Management). Due to recession and downward trend in the market, the performance of the Company was adversely affected. The Management of the Company are trying their best to improve the position of the Company and requested the Banker for further facilities and the same is under consideration with the State Bank of India. Further the restructuring proposal is also under consideration with State Bank of India and your Directors are hopeful for the same by which the Company will be benefited.

### **COST MANAGEMENT:**

In the era of competition and recession, the management has successful in adopting Cost Cutting measures in the Company and are able to achieve the marginal success during the year under review. However, the Costing have indispensable area of concern in the Company in relation to the nature of operation. The cost cutting operation is under supervision of Shri Deepak Dhote, Joint Managing Director of the Company.

### **LISTING OF SHARES:**

The Equity shares of the Company listed on Bombay Stock Exchange Ltd, Delhi Stock Exchange Assoc. Ltd and Madras Stock Exchange Ltd. The Board of Directors of the Company has resolved in their meeting held on 31<sup>st</sup> January 2010 to Voluntary delist Company's scrip from the Delhi Stock Exchange Association Ltd and the Madras Stock Exchange Ltd as there is no trading of Company's shares at the said Exchanges. The Delisting application is pending with both Delhi & Madras Stock Exchange and all necessary documents for delisting have already been submitted.

### **CORPORATE COMPLIANCES:**

During the year under review, the Company has duly filed all necessary Papers, documents, forms, etc with various authorities under the provisions of Companies Act, 1956, Rules, Listing Agreement, SEBI Laws, etc.

### **TRANSFER OF UNPAID / UNCLAIMED DIVIDEND TO IEPF:**

The last Unclaimed / Unpaid Dividend for the Financial Year 2001- 02 have been transferred to Investor Education & Protection Fund of the Central Government according to the provisions of the Companies Act, 1956. The total amount of unpaid / unclaimed dividend for the Financial Year 2001- 02 was Rs 1, 42,759/- which was required to be transferred after a period of seven years as per the Provisions of the Companies Act, 1956. The necessary forms/documents have already been filed with the Registrar of Companies, Maharashtra. Upto the there is no unclaimed / unpaid dividend lying with the Company and all unclaimed / unpaid dividend lying with the Company have already transferred to IEPF.

### **HUMAN RESOURCES:**

During the Year under review and having regards to the global recession trends, the Company has been working / operating with minimum staff and employees. However, with the increasing trend of turnover, the Company will recruit / employ the requisite number of staff / employees. Your Company is looking forward to transformed HRD systems in the coming years of operation.

## **INDUSTRIAL RELATIONS:**

During the year under review the overall industrial relations of the Company were cordial.

## **DIRECTORS:**

During the year under review, the Board of Directors has re-appointed Shri Deepak Dhote as a Joint Managing Director of the Company with effect from 1<sup>st</sup> November 2012 for a period of three years subject to approval of members at ensuing Annual General Meeting of the Company and requisite permission and approval required if any.

Shri Sunder Venkatraman and Shri Shreedhar parande, Directors of the Company, retires by rotation at ensuing Annual General Meeting (AGM) and being eligible, offer themselves for re-appointment. Accordingly, their re-appointment forms part of the notice of ensuing Annual General Meeting (AGM).

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your directors state as under:-

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation;
- ii) that the directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit of the Company for that period;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the Annual Accounts on a going concern basis.

## **AUDITORS:**

M/s. L. B. Hajare & Co., Chartered Accountants, Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a letter from M/s. L. B. Hajare & Co., Chartered Accountants to the effect that their appointment as auditors, if made, would be within the limits u/s 224 (1-B) of the Companies Act, 1956.