

TWENTY SEVENTH ANNUAL REPORT 2010-2011

BOARD OF DIRECTORS

Ramesh Chaudhary	Chairman
Sandeep Kanoria	Managing Director
Amit Chaudhary	Director
Sanjeev Jalan	Director
Sharwan Kanodia	Director
Prabir Sadhu	Director
Shrikant Kasat	Director
Pradeep Tulsyan	Director

REGISTERED OFFICE

D-8, Sanskruti Prangan,
S. No. 131, Baner – Balewadi Road,
Baner Pune 411 046

WORKS

241, Village Bebedohal,
Tal. Maval, Dist. Pune 411 507

BANKERS

Bank of Baroda

AUDITORS

M/S V.K. Jindal & Co.
D-58/33, B-7, I Floor, Krishi Export Plaza, Sigara,
Varansai – 221010

REGISTRAR & SHARE TRANSFER AGENT

M/s. Sharex Dynamic (India) Limited.
Unit-1, Luthra Industrial Premises, I Floor, 44-E,
M Vasanti Marg, Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400072

GANGA PAPERS INDIA LIMITED

(Formerly known as Kasat Paper And Pulp Limited)

Regd. Office: D-8, Sanskruti Prangan, S.No. 131, Baner-Balewadi Road,
Baner, Pune – 411046

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of the Company will be held on Friday the 30th day of September 2011 at 10.30 A.M. at the Registered Office of the Company at D-8, Sanskruti Prangan, S.No. 131, Baner – Balewadi Road, Baner Pune - 411 046 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended 31st March 2011 and the report of the Director's and the Auditor's thereon.
2. To appoint a Director in place of Mr. Pradeep Tulsyan, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint a Director in place of Mr. Shrikant Kasat, who retires by rotation and being eligible offers himself for re-appointment
4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Company's Auditors, M/s V.K Jindal & Co Chartered Accountants, Varanasi be and are hereby re-appointed as auditors of the Company to hold office from the Conclusion of this meeting until the conclusion of the next Annual general meeting of the Company and that the Board of Directors be and is hereby authorised to fix their remuneration for the said period.

SPECIAL BUSINESS:

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

“RESOLVED THAT, pursuant to Sec. 198, 269, 309 read with schedule XIII and other applicable provisions; if any of the Companies Act, 1956 and in terms of resolution passed at the Annual General Meeting held on 29.09.2007, the approval of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Sandeep Kanoria as Managing Director of the Company; as approved by the Board of Directors on recommendations of the remuneration committee as follows:-

Remuneration:

Mr. Sandeep Kanoria shall be entitled for the remuneration of Rs. 60,000 with effect from October 01, 2010 to March 31, 2011 and Rs. 30,000 with effect from April 01, 2011 to March 31, 2012.

RESOLVED FURTHER THAT In the case of absence or inadequacy of profits (including case of loss) for any year or proportionately for part of any year Mr. Sandeep Kanoria shall be paid minimum remuneration subject to section 198 read with Part II of Section II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to change remuneration and perquisites including monetary value thereof, as specified in above resolution or allow any other facilities, perquisites from time to time, to the extent the Board of Directors may consider and as may be authorised in accordance with the provisions of the Companies Act, 1956 for the time being in force or any statutory modifications or re-enactment thereof and / or in rules and regulations promulgated there under.

RESOLVED FURTHER THAT in the event of any relaxation by the Central Government in the guidelines or ceilings of managerial remuneration, the Board of Directors of the company be and is hereby authorised to increase the remuneration and / or perquisites to the Managing Director in its absolute discretion within such guidelines or ceilings and the consent of the Company as required for the same under various provisions of the Companies Act, 1956, be and is hereby granted.

RESOLVED FURTHER THAT the Commission as approved may be paid in one or more installments during the year subject to final adjustment on the basis of audited annual accounts.”

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place: Pune

Date: 30.07.2011

SD/-

Ramesh Chaudhary

Chairman

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF A COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**

2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM TUESDAY, SEPTEMBER 27, 2011 TO FRIDAY, SEPTEMBER 30, 2011

3. MEMBERS ARE REQUESTED TO NOTIFY THE COMPANY IMMEDIATELY IF THERE IS ANY CHANGE IN THEIR ADDRESSES.

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

Item No 5

The members at their annual general meeting held on 29.09.2007 had approved the appointment of Mr. Sandeep Kanoria. As per the terms of the said appointment, it was agreed between the Company and Mr. Sandeep Kanoria, that no remuneration will be payable to Mr. Sandeep Kanoria and shall be reviewed and revised from time to time.

The Remuneration Committee and the Board of Directors of the Company has reviewed the performance of the Company and remuneration payable. It has been recommended by the Remuneration Committee that the pattern of the remuneration payable to Mr. Sandeep Kanoria be revised as set in Point No. 5 of the Notice without altering the other terms and conditions approved by the Shareholders of the Company.

The revision of the terms of the remuneration of Mr. Sandeep Kanoria is mentioned in the resolution. The Board of Directors of your Company recommends the resolution as set in Point No. 5 of the Notice for your approval.

None of Director of the Company other than Mr. Sandeep Kanoria is concerned or interested in the resolution.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place: Pune
Date: 30.07.2011

SD/-
Ramesh Chaudhary
Chairman

**INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT FOR
APPOINTMENT/REAPPOINTMENT OF DIRECTORS**

Particulars	Mr. Pradeep Tulsyan	Mr. Shrikant Kasat
Date of Birth	01.07.1958	17.04.1960
Date of Appointment	26.03.2009	11.03.1985
Qualifications	B.Com	B. Sc, MBA
Expertise in Specific functional area	Vast Experience in Manufacturing Industry	Vast Experience in Paper Industry
Directorship held in other Public Companies (excluding Foreign Companies)	Nil	Nil
Membership/ Chairmanships of committees of other Public Companies (including only Audit Committee and Shareholders Grievance Committee)	Nil	Nil
No. of Shares held in the Company	Nil	Nil

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Regd. Office: D-8, Sanskruti Prangan, S.No. 131, Baner-Balewadi Road,

Baner, Pune – 411046

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 27th Annual Report together with audited accounts for the financial year ended 31st March, 2011.

1. FINANCIAL RESULTS

The financial performance of the company for the period under review was as follows:

Particulars	Amount (Lacs)	
	2010-2011	2009 – 2010
Total Income	5870.37	4181.27
Total Expenditure	5431.33	3935.83
Profit before depreciation, tax and prior period items	439.04	245.44
Less: Depreciation	52.97	78.05
Less: Prior period items	Nil	0.250
Profit/ (Loss) for the year before tax	386.07	167.14
Tax expenses	6.35	0.170
Profit/ (Loss) after tax	379.71	166.97

2. OPERATIONS

The operations of the Company are improving day by day and the management is very aggressively striving to achieve the full production capacity. There has been significant increase in the production by 22% over last year but still the full capacity is still to be achieved. The management is taking all necessary steps including various modifications in the plant to ensure the full and efficient running of the plant.

Your Directors feel that this current year is going to be brighter for the Indian industry seeing the lot of potential in the Indian economy.

3. FIXED DEPOSITS

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

4. DIRECTORS

The Board of the Company is duly constituted; there has been no change in the composition during the year. There are 7 (seven) Non-executive Director out of which 4 (four) are independent and 1 (one) Executive Director.

In accordance with the provisions of the Companies Act and the Articles of Association of the Company, Mr. Pradeep Tulsyan and Mr. Shrikant Kasat, Directors retires by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

5. AUDITORS

M/s V K Jindal & Co. Chartered Accountants, the Auditors of the Company will retire at Annual General Meeting and are eligible for re-appointment. The members are requested to appoint auditors for the current year to hold office till the conclusion of next Annual General Meeting.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars under Section 217(1)(e) of the Companies Act, 1956 to the extent applicable to the Company regarding conservation of energy, technology and foreign exchange earning and outgo is given as Annexure (I) to the Report.

7. PARTICULARS OF EMPLOYEES

The Company does not have any of its employees drawing remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

8. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

A comprehensive Management's Discussion and Analysis Report is made a part of this Annual Report.

9. CORPORATE GOVERNANCE

Pursuant to the clause 49 of the Listing agreement with the stock exchanges, Corporate Governance Report is made a part of this Annual Report.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors states:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) That the Directors had 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.

- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the annual accounts on a going concern basis.

11. ACKNOWLEDGMENT

Your Directors express their special thanks to the Customers, Suppliers, Members, and Employees for their continued support. Your directors also gratefully acknowledge the co-operation and assistance received from Bank of Baroda, Central and State Government authorities for their continued support and valuable assistance.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place: Pune
Date: 30.07.2011

SD/-
(Ramesh Chaudhary)
CHAIRMAN

ANNEXURE (I) TO THE DIRECTORS' REPORT

Particulars under Companies (Disclosure of particulars in the reports of Board of Directors) Rules, 1988 for the year ended 31st March 2011.

1. CONSERVATION OF ENERGY

- a) Energy Conservation Measures Taken:
- I. Variable Frequency Drives installed in order to save power.
 - II. Various equipments of the Plant are tried to be running at optimum levels to save energy.
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: NIL
- c) Impact of the measures (a) & (b) above, for reduction of energy consumption and consequent impact on the cost of production of goods: The Company will achieve savings in energy consumption.
- d) Total energy consumption and energy consumption per unit of production as Form A of the Annexure to the rules in respect of industry specified in the Schedule thereto:

FORM A

	Current Year	Previous Year
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased		
Unit	10,935,431 kwh	10,030,058 kwh
Total Amount	Rs. 5,94,96,462/-	Rs.5,18,33,680/-
Rate/unit	Rs. 5.44/unit	Rs. 5.16/unit
(b) Own Generation		
(i) Through Diesel Generator	--	--
(ii) Through steam turbine / generator	3,832,265 kwh	3,232,486 kwh

2. Coal (specify quality and where used)		
Quantity (tonnes)	15806.39 MT	11163 MT
Total Cost	Rs.5,94,45,593/-	Rs.3,84,27,882/-
Average Rate	Rs. 3761/-	Rs. 3442/-
3. Furnace Oil	Nil	Nil
4. Others	Nil	Nil
B. Consumption per unit of production		
Products (with details) unit		
Electricity	568.98 unit/MT	623.73 unit/ MT
Furnace Oil	--	--
Coal (specify quality)	608.9 Kg/MT	524.99 Kg /MT
Others (specify)	--	--

2. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure:

1. Research & Development (R & D)

- a) Specific areas in which R & D carried out by the Company: None
- b) Benefits derived as a result of the above R & D: Not Applicable
- c) Future plan of action: Not yet finalized
- d) Expenditure on R & D : Nil

2. Technology absorption, adaptation and innovation: NIL

- a) Efforts in brief, made towards technology absorption, adaptation and innovation: N.A.
- b) Benefits derived as a result of the above efforts: N.A.
- c) Technology imported during the last five years: N.A.

3. FOREIGN EXCHANGE EARNINGS & OUTGO

- a) The Company has not commenced any major export activities and the earnings in foreign currency during the previous year was nil and during the year under review is also nil.
- b) Total CIF Value of Imports during the previous year was Rs. 9,61,44,763/- and during the year under review it was Rs. 11,70,49,294 /-.

MANGEMENT DISCUSSION & ANALYSIS REPORT

1 INDUSTRY STRUCTURES & DEVELOPMENT

The financial year 2010 – 11 began amidst global financial slowdown. The recovery was achieved despite a negative growth in agricultural sector. Manufacturing sector was the growth driver for this recovery.

Your Company has been working through this demanding situation to ensure that we move forward and this attempt is meeting with success at various ends. The Company sticks to its commitment of working with the aim to earn more profitability.

2 OPERATIONS & FINANCIAL PERFORMANCE

The operations of the Company are improved and the management is striving to achieve better results. There has been increase in the production by 22% over last year. The management is taking all necessary steps including various modifications in the plant to ensure the full and efficient running of the plant.

The summarized performance of Company during the year was as under:

Particulars	2010 – 11	2009-10
Sales (Rs. In Lacs)	5831.02	4170.47
EBIDTA (Rs. In Lacs)	495.92	320.90

3 INTERNAL CONTROL SYSTEM & ITS ADEQUACY

The effort of the Company to strengthen its internal control systems and their adequacy has yielded fruitful results. The system of internal control is working towards development of transparent and efficient policies for strict adherence to management rules and policies as well as ethical conduct within the organization. The internal control systems are further designed to ensure reliability in financial records and other records for preparing financial information.

The Company places prime importance on the effective internal audit system. The internal audit programme is aligned to the previous years' observations, suggestions from statutory auditors, existing systems and procedures, financial limits and also risk areas which are identified and reviewed. The internal audit report are discussed and reviewed by the Audit Committee.

4 OUTLOOK

During the year under review, we have succeeded to a greater extent in fulfilling the demands of our consumers and we hope that in the financial year 2012, we continue with our endeavors and grow even faster. Ganga Papers India Ltd.(GPIL) commits you that we will put all efforts in successfully running this plant and to make your Company one of the highest paper producing Company in India as we say that "Making Paper is our Passion"

5 CAUTIONARY STATEMENT

The management of Ganga Papers India Ltd. (GPIL) has prepared this report and is responsible for the same. Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulation and the management has based them on its current expectations and its projection about future events. Actual result might differ materially from those either expressed or implied.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

Your Company maintains standard of corporate conduct towards its shareholders, customers, employees, all other stakeholders and society in general. The Company has always focused on good corporate governance, which is key driver of sustainable growth and long term value creation for shareholders. The Corporate Governance is more about creating organisation excellence leading to increasing employee and customer satisfaction and shareholders value.

To that effect, Ganga Papers India Limited has adopted practices mandated in Clause 49 of listing agreement and has established procedures and systems to be fully compliant with it.

2. BOARD OF DIRECTORS

The Board of Directors of your Company consists of 8 (eight) Directors including a Managing Director and 7 (seven) Non – Executive Directors out of which 4 (four) are independent Directors.

Mr. Pradeep Tulsyan and Mr. Shrikant Kasat, Directors of the Company are retiring by rotation at the forthcoming Annual General Meeting and are eligible for re – appointment.

Following is the current position of the directorship

Name of Director	Category	No. of other Directorships and Committee Memberships/ Chairmanships		
		Directorships	Committee Memberships	Committee Chairmanships
Ramesh Chaudhary (Chairman)	Promoter, Non-Executive	Nil	Nil	Nil
Sandeep Kanoria (Managing Director)	Promoter, Executive	Nil	Nil	Nil
Amit Chaudhary	Promoter, Non-Executive	Nil	Nil	Nil

Sanjeev Jalan	Non-Executive Independent	Nil	Nil	Nil
Sharwan Kanodia	Non-Executive Independent	Nil	Nil	Nil
Prabir Sadhu	Non-Executive Independent	Nil	Nil	Nil
Shrikant Kasat	Non-Executive	Nil	Nil	Nil
Pradeep Tulsyan	Non-Executive Independent	Nil	Nil	Nil

- excluding private, foreign and companies registered under section 25 of the Companies Act, 1956
- None of the Directors is a member of more than 10 Board – level Committees of public companies in which they are Directors, nor is a chairman of more than five such Committees.

NUMBER OF BOARD MEETINGS

During the year, six (6) Board Meetings were held on 10.06.2010, 21.06.2010, 31.10.2010, 30.10.2010, 31.01.2011 and 15.03.2011.

DIRECTORS' ATTENDANCE RECORD

Table 1 gives the composition of the Board, the category of the Directors and their attendance record as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF BOARD MEETINGS ATTENDED	LAST AGM
Ramesh Chaudhary (Chairman)	Promoter, Non-Executive	6	Yes
Sandeep Kanoria (Managing Director)	Promoter, Executive	6	Yes
Amit Chaudhary	Promoter, Non-Executive	6	Yes

Sanjeev Jalan	Non-Executive Independent	6	Yes
Sharwan Kanodia	Non-Executive Independent	6	Yes
Prabir Sadhu	Non-Executive Independent	6	Yes
Shrikant Kasat	Non-Executive	0	No
Pradeep Tulsyan	Non-Executive Independent	6	Yes

INFORMATION PLACED BEFORE THE BOARD.

Among other information supplied to the Board includes:

- Annual operating plan & budget and any update thereof.
- Quarterly results for the Company
- Minutes of the meeting of the Audit Committee and other committees of the Board.
- Any show cause notice, prosecution notices and penalty notices

3. COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the terms of reference of audit committee include:

- Approve internal audit programme,
- Review with statutory auditors their findings, observations, suggestions, internal control systems and major accounting policies followed by the Company.

The minutes of the Audit Committee meetings are circulated to the Board of Directors.

Composition:

As on 31st March, 2011 the Audit Committee of Ganga Papers India Limited, consisted of Mr. Sanjeev Jalan (Chairman) independent Director, Mr. Sharwan Kanodia, independent Director and Mr. Amit Chaudhary, non-executive Director

The Committee met 4 (four) times on 21.06.2010, 31.07.2010, 30.10.2010 and 31.01.2011.

Table 2: Attendance record of Audit Committee members for 2010 - 11

NAME OF DIRECTOR	CATEGORY	STATUS	NO. OF MEETING	
			HELD	ATTENDED
Mr. Sanjeev Jalan	Independent	Chairman	4	4
Mr. Sharwan Kanodia	Independent	Member	4	4
Mr. Amit Chaudhary	Non-executive	Member	4	4

b) REMUNERATION COMMITTEE

The remuneration committee is responsible to periodically review the remuneration structure for the members of the Board, considering and finalizing the remuneration and commission payable to the Managing Director and recommending to the Board of Directors and such other matters as the Board may from time to time request the remuneration committee to examine and recommend / approve.

Composition

As on 31st March 2011 the Remuneration Committee of Ganga Papers India Limited consisted of Mr. Sanjeev Jalan (Chairman) Non executive Independent Director, Mr. Shrawan Kanodia Non executive Independent Director and Mr. Amit Chaudhary, Non executive Director.

During the year the Remuneration Committee meeting was held on 30.10.2010 and 15.03.2011.

Table 3: Attendance record of Remuneration Committee members for 2010 - 11

NAME OF DIRECTOR	CATEGORY	STATUS	NO. OF MEETING	
			HELD	ATTENDED
Mr. Sanjeev Jalan	Independent	Chairman	2	2
Mr. Sharwan Kanodia	Independent	Member	2	2
Mr. Amit Chaudhary	Non-executive	Member	2	2

Remuneration Policy and Details of Remuneration

- Mr. Sandeep Kanoria has been the Managing Director of the Company from 08.06.2007 however he was not drawing any remuneration, as the company is reviving and making profits, the Company had decided to pay Managerial remuneration to Mr. Sandeep Kanoria with effect from 1st October 2010 at Rs. 60,000 per month and Rs. 30,000/- per month to Mr. Sandeep Kanoria with effect from 1st April 2011.
- There is no Stock Option Scheme of the Company for any director.

c) **INVESTOR GREIVANCE COMMITTEE**

The Board of Directors constituted Investors / Shareholders Grievance Committee at the Meeting of the Board of Directors held on 8th June 2007. The Committee was formed to approve the matters relating to allotment of securities, issue of duplicate certificates, review and redressal of investor grievance.

The committee comprises of the following:

Table 4

SR. NO	NAME OF THE DIRECTOR	CATEGORY
1	Mr. Amit Chaudhary	Chairman (Non Executive)
2	Mr. Sharwan Kanodia	Member (Non-Executive, Independent)

Mr. Amit Chaudhary is a compliance officer of the company. The Company had no requests/ transfers pending at the close of the financial year 2011.

Non Executive Director's Shareholding

None of the Non Executive Directors of the company hold any shares of the company.

4. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings is as mentioned below:

Date	Location	Time
30.09.2008	D-8, Sanskruti Prangan, Baner – Balewadi Road, Baner Pune 411 046	10.30 A.M
30.09.2009	D-8, Sanskruti Prangan, Baner – Balewadi Road, Baner Pune 411 046	10.30 A.M
30.09.2010	D-8, Sanskruti Prangan, Baner – Balewadi Road, Baner Pune 411 046	10.30 A.M

No Postal Ballot was conducted during the year.

No Special Resolutions were passed in the above meetings by postal ballot and the same is not proposed to be conducted.

5. DISCLOSURES

(i) Related Party Transactions

During the year related party transactions have been disclosed as part of Accounts as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India and is disclosed under Point 7 of Schedule 16 of the Accounts. The Audit Committee reviewed the basis & the transactions.

(ii) Non Compliance

During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock exchanges or any statutory authority for non-compliance of any matter related to the capital markets. However, the Company has not complied with the following:

- a. The Company has not dematerialized its shares. The Company is submitting its application to NSDL for connectivity.
- b. The Stock Exchange, Mumbai has suspended trading of the Company

(iii) Whistle Blower Policy:

The company does not have any whistle blower policy in force.

(iv) Compliance with Mandatory and Non-mandatory items:

The company has complied with mandatory and non-mandatory requirements.

6. MEANS OF COMMUNICATION

- The Audited results of the Company for the period ended on 31.03.2011 were published in national daily newspapers -The Free Press Journal (English edition) and Navshakti (Marathi edition)
- The Company sends notices to the shareholders regarding convening of General Meetings and Communication with the Stock Exchanges, SEBI and the Registrar of

Companies, Pune by Registered Post and fax. The Company is in the process of developing its website.

- The Company does not display the official news releases; and the presentations made to the Institutional Investors and Analysts.

7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

- (i) Date and Time: 30.09.2011 at 10.30 A.M
- (ii) Venue: D-8, Sanskruti Prangan, Baner-Balewadi Road, Baner Pune - 411046
- (iii) Financial year: 1st April, 2010 to 31st March, 2011.
- (iv) Date of Book Closure: 27.09.2011 to 30.09.2011 (both days inclusive)
- (v) Dividend payment date: The Board has not recommended any dividend.

8. LISTING ON STOCK EXCHANGES & STOCK CODE

The Company's shares are listed on the following stock exchanges:

1. Bombay Stock Exchange Limited: 531813
2. Pune Stock Exchange Limited
3. Ahmedabad Stock Exchange Limited: 30042

Listing Fees for the year 2010-11 has been paid to the Bombay Stock Exchange.

- **Market Price Data:** Not Available*
- **Performance in comparison to broad-based indices:** Not Available*

*: No quotations are available on any of the Stock Exchanges, where shares of the company are listed.

- **Registrar and Transfer Agents:** Your Company has appointed M/s. Sharex Dynamic (India) Limited as its Registrar & Transfer Agent. It is SEBI registered Registrar & Transfer Agent. The entire work relating to processing and transfer of shares has been transferred to M/s. Sharex Dynamic (India) Limited.

M/s. Sharex Dynamic (India) Limited.

Registered office: 17/B, Dena Bank Building, II Floor, Horniman Circle,

Fort, Mumbai - 400001

Phone: 022-22641376/22702485

Fax : 022-22641349

Branch Office: Unit-1, Luthra Industrial Premises, I Floor, 44-E,

M Vasanti Marg, Andheri-Kurla Road, Safed Pool,

Andheri (E), Mumbai – 400072

Phone: 022-28515606 / 28515644

Fax: 022-28512885

- **Share Transfer System:**

Shareholders/Investors are requested to send documents related to share transfer directly to our Registrar and Share Transfer Agent. The transfer of shares gets registered within 10-15 days of receipt of transfer documents, if all the documents are in order.

9. DISTRIBUTION OF SHAREHOLDING:

Distribution Schedule

Distribution of shareholding as on 31st March, 2011

Shareholding of Nominal Value of Rs.	Shareholders Number	Shareholders % to Total	Share Amount. In Rupees	Share Amount % to Total
Upto 5,000	179	87.32	110310	0.10
5,001 to 10,000	6	2.93	50500	0.05
10,001 to 20,000	3	1.46	46400	0.04

20,001 to 30,000	-	-	-	-
30,001 to 40,000	1	0.49	33400	0.03
40,001 to 50,000	1	0.49	50000	0.05
50,001 to 1,00,000	-	-	-	-
1,00,001 and above	15	7.32	107598250	99.73
Total	205	100	107888860	100

Shareholding Pattern (as on 31st March, 2011)

Category	No. of Shareholders	No. of shares	% of shareholding.
A. Promoters' holding			
1. Promoters			
- Indian Promoters	11	10210266	94.637
- Foreign Promoters	Nil	Nil	Nil
2. Person acting in concert	Nil	Nil	Nil
Sub Total (A)	11	10210266	94.637
B. Non Promoters' holding			
3. Institutional Investors.			
a. Mutual Funds and UTI	2	26650	0.247
b. Banks, Financial Institutions ,Insurance Companies, Central/ State Govt	1	500000	4.634
c. FIIs	Nil	Nil	Nil
Sub Total (B)	3	526650	4.881
4. Others	Nil	Nil	Nil
a. Private Corporate Bodies.	5	18450	0.171
b. Indian Public	185	33500	0.311
c. NRIs/ OCBs	1	20	0.000
d. Any others	Nil	Nil	Nil
Sub Total(C)	191	51970	0.482
Grand Total (A+B+C)	205	10788886	100

- **Dematerialisation of Shares:**

The shares of your Company are not dematerialized. The Company is in process to avail connectivity from NSDL.

- **Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not issued.

- **Plant Locations:** 241, Village Bebedohal, Tal. Maval, Dist. Pune 411 507

- **Address for correspondence:** Shareholders' correspondence can be addressed to:
M/s. Sharex Dynamic (India) Limited.

Registered office: 17/B, Dena Bank Building,
II Floor, Horniman Circle,
Fort, Mumbai - 400001
Phone: 022-22641376/22702485
Fax: 022-22641349

Branch Office: Unit-1, Luthra Industrial Premises,
I Floor, 44-E, M Vasanti Marg,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400072
Phone: 022-28515606 / 28515644
Fax: 022-28512885

- **Name Designation and Address of the Compliance officer:**

Mr. Amit Chaudhary, Director of the Company is appointed as the Compliance officer of the Company. He may be contacted at:

Ganga Papers India Limited
D-8, Sanskruti Prangan
Baner – Balewadi Road, Baner, Pune 411 046
Phone: 020-66206581
Fax : 020-66206582
Email: gangapapers@gmail.com

10. **OTHER INFORMATION**

- **CEO/CFO Certification:**

Pursuant to provision of sub-clause V of Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, the Managing Director/ Manager (CEO) and the whole time Finance Director (CFO) have issued a certificate to the Board of Directors for the financial year 2010-2011.

- **Risk Management**

The Company has laid down a broad framework to assess and understand various types of risks associated with the business. It lays down its hands towards suggesting and implementing various ways to minimize and evade such risks for the smooth functioning of the business.

- **Accounting Standards**

The Company has adopted accounting treatments which are in conformation with those prescribed by the Accounting Standards.

- **Insider Trading**

The Company has a comprehensive code of conduct with its Directors, Management and Executives to prevent insider trading as required by the SEBI regulation. In this regards, the Company lays down certain procedures and disclosures to be made while dealing with the securities of the Company

ANNEXURE I

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause 49 I(D) of the Listing Agreement with the Bombay Stock Exchange Limited, I hereby confirm that all the Board of Directors and Senior Management personnel of the Company have affirmed to the compliance with the Code of Conduct for the year ended 31st March, 2011.

For **GANGA PAPERS INDIA LIMITED**

SD/- -

(Sandeep Kanoria)

MANAGING DIRECTOR

Date: 30.07.2011

Place: Pune

ANNEXURE II

AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE

To the Members of

GANGA PAPERS INDIA LIMITED

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into, by the company, with Stock Exchanges of India, for the financial year ended 31st March 2011.

The Compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on Such a review and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as Stipulated in Clause 49 of the said Listing Agreement except for the details mentioned in the report on Corporate Governance.

We Further state that, such compliance is neither as assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
V.K.Jindal & Co.
Chartered Accountants

SD/-
V.K.JINDAL
Partner
Membership No: 70666

Date: 30.05.2011

Place: Pune

**AUDITORS REPORT TO THE MEMBERS OF
GANGA PAPERS INDIA LIMITED**

1. We report that we have audited the attached Balance Sheet of Ganga Papers India Limited as at 31st March 2011 and the relative Profit & Loss Account of the Company for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above , we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.

- (v) On the basis of written representation received from the directors, as on 31st March 2011 and taken on record by Board of Director's we report that none of the director's is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act,1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account read with the notes on accounts and the significant accounting policies, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India.
- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011
- b. In the case of the Profit & Loss, of the Profit for the period ended on that date and
- c. In the case of cash flow statement of the cash flows for the year ended on that date.

For V.K.Jindal & Co.
Chartered Accountant

Date: 30.05.2011

Place: Pune

SD/-
(V.K. Jindal)
Partner

Annexure to Auditor's Report

(Referred to in paragraph 3 of our Report of even date)

1. The Company has maintained proper record to show full particulars including quantitative details and situation of fixed assets. We are informed that the management has physically verified these fixed assets at reasonable intervals and no material discrepancies between the book records and physical verification have been noticed on such verification. There was no substantial disposal of fixed assets during the year.

2. The Stocks of finished goods, stores, spare-parts and raw materials and trading goods of the Company have been physically verified by the management. We are informed that the management has made the physical verification at reasonable intervals during the year. In our opinion, and according to the information and explanation given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business.

3. (a) The Company has not granted any loan to the parties covered in the register maintained u/s 301 of the Companies Act. 1956.
(b) The Company has taken unsecured loan from the parties listed in the register maintained u/s 301 of the Company Act 1956. The maximum amount outstanding during the year was Rs. 9,03,73,859.00/- and the year end balance of loans taken from such parties was Rs. 8,99,73,859.00/-. No interest have been paid on such loans taken, however the other terms and conditions in which loans have been taken from the parties listed in the register maintained under section 301 of the Companies Act 1956 are not Prima facie prejudicial to the interest of the company.

4. In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.

5. According to the information and explanation given to us, we are of the opinion that there are no counter arrangements referred to in section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposit during the year from the Public and hence compliance with directives issued by the Reserve Bank of India, the provision of the section 58A and section 58AA of the Companies Act, 1956 and the applicable rules framed there under does not arise.
7. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of business.
8. We are informed that the Central Government has prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the products of the Company. In our opinion, adequate accounts and records have been maintained by the Company.
9. The Company is normally regular in depositing undisputed statutory dues including provident fund, sales tax, excise duty and other statutory dues with the appropriate authorities. As informed to us the provision of E.S.I. Act are not applicable to the Company.

As per the information and explanation given to us there are no dues outstanding of sales tax, income tax and excise duty on account of any dispute except sales tax dues for the year 1995-96 Rs. 5,41,377/-

10. The Company has accumulated losses of Rs.24,99,08,225.38/- at the end of the financial year and has not incurred any cash losses during the year ended 31.03.11. And as per information given by the management Revised (Modified) fresh Revival Scheme have been submitted with B.I.F.R. in January 2010 . The case is pending to be taken up by the Hon' able court

11. In our opinion and according to the information & explanation given to us, the company has not defaulted in repayment of dues to bank and /or financial institutions. The Company has not issued debentures during the year.
12. According to the information and explanation given to us the Company has not granted any loans and advances on the basis of security by the way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanation given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual fund /societies.
14. As informed and explained to us the Company has not dealt/traded in securities or debentures during the year. In our opinion and according to information and explanation given to us, proper records have been maintained of the transactions and contract relating to dealing /trading in share or other investment and timely entries have been made therein. The share and other investments have been held by the Company in its own name.
15. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not obtained any fresh term loan. All previous term loans have been repaid by the company.
17. We have been informed by the Management that the funds raised for short term basis have not been used for long term investments and vice-versa.
18. The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based on the information and explanation furnished by the Management there were no frauds on or by the Company noticed or reported during the year.

For and on behalf of
V.K.Jindal & Co.
Chartered Accountants

SD/-
V.K.JINDAL
Partner

Date: 30.05.2011

Place: Pune

Membership No: 70666

GANGA PAPERS INDIA LIMITED

Balance Sheet as at 31st March, 2011

	SCH	As on 31.03.2011	As on 31.03.2010
I. SOURCES OF FUNDS			
1. Shareholders Funds			
a. Share Capital	1	107,888,860.00	107,888,860.00
b. Reserve & Surplus	2	144,157,672.72	144,157,672.72
		252,046,532.72	252,046,532.72
2. Loan Funds			
a. Secured Loans	3	85,877,761.80	23,942,397.40
b. Unsecured Loans	4	194,047,563.36	195,447,563.36
		279,925,325.16	219,389,960.76
3. Deferred Tax (Net)		7,315,497.56	6,680,133.56
Total		539,287,355.44	478,116,627.04
II APPLICATION OF FUNDS			
1. Fixed Assets			
a. Gross Block	5	386,943,242.46	381,361,057.09
b. Less: Depreciation		321,836,871.62	316,539,684.09
c. Capital Work-in Progress		3,357,999.00	
Net Block (a+b+c)		68,464,369.84	64,821,373.00
2. Investment	6	154,750.00	154,750.00
3. Current Assets, Loans & Advances			
a. Inventories	7	113,287,875.00	75,360,730.00
b. Sundry Debtors		55,463,785.00	51,283,468.00
c. Cash and Bank Balances		66,048,362.23	3,226,488.92
d. Other Current Assets		35,139,760.46	9,589,780.21
e. Loans and Advances		18,614,235.39	4,735,353.75
		288,554,018.08	144,195,820.88
Less : Current Liabilities and Provisions	8		
a. Liabilities		64,813,335.86	16,559,697.00
b. Provisions		2,980,672.00	2,376,490.00
		67,794,007.86	18,936,187.00
Net Current Assets (a-b)		220,760,010.22	125,259,633.88
4. Profit and Loss Account	9	249,908,225.38	287,879,870.16
Total		539,287,355.44	478,115,627.04
Notes to the Accounts	16		

Subject to our separate report of even date

For V.K. Jindal & Co.
Chartered Accountants

For and on behalf of the Board of the
Ganga Papers India Limited

Sd/-
(V.K.JINDAL)
Partner

Sd/-
Ramesh Chaudhary
Chairman

Sd/-
Sandeep Kanoria
Managing Director

Date: 30.05.2011
Place: Pune

GANGA PAPERS INDIA LIMITED

Profit & Loss Accounts for the period ending at 31st March,2011

	SCH	As on 31.03.2011	As on 31.03.2010
I. INCOME			
Gross Sales		626,571,106.00	436,089,413.00
Less Excise Duty & VAT		<u>43,468,436.00</u>	<u>19,041,683.65</u>
Net Sales	10	583,102,670.00	417,047,729.35
Other Income		<u>3,934,768.00</u>	<u>1,079,988.00</u>
Total Income		587,037,438.00	418,127,717.35
II. Expenditure			
Material Consumed & Manufacturing Expenses	11	518,792,543.74	374,888,677.65
Employee's Emoluments	12	2,966,065.57	1,515,161.92
Selling & Distribution Expenses	13	8,966,319.14	6,770,986.32
Other Expenses	14	2,831,991.90	2,223,301.32
Financial Expenses	15	<u>9,576,321.34</u>	<u>8,184,620.60</u>
Total Expenditure		543,133,241.69	393,582,747.81
Profit before Depreciation and Tax		<u>43,904,196.31</u>	<u>24,544,969.54</u>
Less: Depreciation		5,297,187.53	7,805,070.00
Miscellaneous Expenditure written off		0.00	0.00
Prior period item		0.00	25,079.00
Profit for the year before Tax		<u>38,607,008.78</u>	<u>16,714,820.54</u>
Less: Tax Expenses Current Tax		0.00	0.00
Deferred Tax		635,364.00	17,083.00
Profit for the year after Tax		<u>37,971,644.78</u>	<u>16,697,737.54</u>
Profit transfer to Balance Sheet		<u>37,971,644.78</u>	<u>16,697,737.54</u>
Basic & Diluted Earnings Per Share(Rs.)		3.52	1.55
Notes to the Accounts	16		

Subject to our separate report of even date

For V.K. Jindal & Co.
Chartered Accountants

Sd/-
(V.K.JINDAL)
Partner

For and on behalf of the Board of the
Ganga Papers India Limited

Sd/-
Ramesh Chaudhary
Chairman

Sd/-
Sandeep Kanoria
Managing Director

Date:30.05.2011

Place: Pune

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March 2011

	As on 31.03.2011	As on 31.03.2010
Shedule '1' : Share Capital		
Authorised :		
11,000,000 Equity Share of Rs. 10/-each	<u>110,000,000.00</u>	<u>110,000,000.00</u>
Issued,Subscribed and Paid Up :		
10788886 Equity Share of Rs. 10/-each	107,888,860.00	107,888,860.00
Total	<u><u>107,888,860.00</u></u>	<u><u>107,888,860.00</u></u>
 Shedule '2' Reserves & Surplus		
Capital Reserve		
State subsidy received from SICOM	4,500,000.00	4,500,000.00
Capital Reduction Account	103,800,972.72	103,800,972.72
Capital Reserve Account	<u>6,026,500.00</u>	<u>6,026,500.00</u>
	<u>114,327,472.72</u>	<u>114,327,472.72</u>
 Share Premium	 29,830,200.00	 29,830,200.00
Total	<u><u>144,157,672.72</u></u>	<u><u>144,157,672.72</u></u>
 Shedule '3' Secured Loans		
Working Capital		
From Bank of Baroda, Cash Credit Account (Secured against the hypothecation of Stock & Book Debts)	(1,642,780.20)	15,727,242.40
From Bank of Baroda, Buyers Credit	87,520,542.00	8,215,155.00
Total	<u><u>85,877,761.80</u></u>	<u><u>23,942,397.40</u></u>

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March 2011

	As on 31.03.2011	As on 31.03.2010
Schedule '4' : Unsecured Loans		
Interest free Deferred Sales Tax Loan	104,073,704.36	105,073,704.36
Inter Corporate Deposit	89,173,859.00	89,573,859.00
Loan from Director	800,000.00	800,000.00
Total	<u>194,047,563.36</u>	<u>195,447,563.36</u>
 Schedule '5' : Fixed Assets		
Fixed Assets (as per annexure)	68,464,369.84	64,821,373.00
Total	<u>68,464,369.84</u>	<u>64,821,373.00</u>
 Schedule '6' Investments		
Unquoted Investments:		
Investment in Equity Shares in Shri Laxmikrupa Urban Co-Op.Bank Ltd. (5000 Shares of Rs. 10/-each fully paid up)	50,000.00	50,000.00
Investment in Equity Shares in Shri Sadguru Jangali Maharaj Bank Ltd. (1995 Shares of Rs. 50/-each fully paid up)	99,750.00	99,750.00
Investment in Equity Shares in Janta Sahakari Bank Ltd. (50 Shares of Rs. 100/-each fully paid up)	5,000.00	5,000.00
Total	<u>154,750.00</u>	<u>154,750.00</u>

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March 2011

	As on 31.03.2011	As on 31.03.2010
Schedule '7' Current Assets ,Loans & Advances:		
a.Inventories :		
Inventories as taken, valued and certified by the management		
i.Raw Materials	64,817,495.00	42,069,948.00
ii.Packing Materials	411,070.00	1,133,302.00
iii.Consumable Stores	27,500,783.00	19,979,669.00
iv.Materials in process	9,576,160.00	568,000.00
vi.Finished goods	10,982,367.00	11,609,811.00
Total	113,287,875.00	75,360,730.00
b.Sundry Debtors :		
(Unsecured and considered good, unless otherwise stated)		
i.Outstanding over 6 months	1,663,433.00	2,524,066.00
ii.Others	53,800,352.00	48,759,402.00
	55,463,785.00	51,283,468.00
c.Cash and Bank Balance:		
Cash in Hand	44,998.00	1,415,451.00
Bank Balances		
i.Balance with Scheduled Banks in Current Account	62,506,210.23	38,491.92
ii.Balance with Scheduled Banks in Deposit Account	3,497,154.00	1,772,546.00
Total	66,048,362.23	3,226,488.92
d.Other Current Assets:		
i.Balance with Revenue Authorities	1,181,117.00	2,220,311.75
ii.VAT Receivable	7,369,468.46	7,369,468.46
iii. Foreign Currency USD Receivable	26,589,175.00	0.00
Total	35,139,760.46	9,589,780.21
e.Loans and Advances:		
(Unsecured and considered good, unless otherwise stated)		
i.Advances recoverable in cash or kind or for value to be received	11,910,059.39	3,303,209.75
ii.Sundry Deposit	1,432,144.00	1,432,144.00
iii. Advance to Suppliers of Machinery	5,272,032.00	0.00
Total	18,614,235.39	4,735,353.75
Total	288,554,018.08	144,195,820.88

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March 2011

	As on 31.03.2011	As on 31.03.2010
Schedule '8' Current Liabilities & Provisions:		
a. Current Liabilities:		
Sundry Creditors for supplies	34,235,693.86	13,939,563.00
Other Current Liabilities	3,150,707.00	2,620,134.00
Forward Contract Amount Payable	27,426,935.00	0.00
	<u>64,813,335.86</u>	<u>16,559,697.00</u>
Provision for Expenses	2,980,672.00	2,376,490.00
Total	<u><u>67,794,007.86</u></u>	<u><u>18,936,187.00</u></u>
Schedule '9' Profit and Loss Account:		
Profit and Loss Account:		
Balance as per last Balance Sheet	287,879,870.16	304,577,607.70
Less: Profit/Loss transferred from P/L A/c	38,607,008.78	16,697,737.54
Current tax Liabilities	0.00	0.00
- Deffered tax	635,364.00	0.00
Total	<u><u>249,908,225.38</u></u>	<u><u>287,879,870.16</u></u>
Schedule '10' Sales & Other Income:		
Sales		
Sale of Paper	582,196,598.00	417,017,304.35
Sale of Scrap	0.00	30,425.00
Sale of Waste Paper (High seas)	906,072.00	0.00
	<u>583,102,670.00</u>	<u>417,047,729.35</u>
Other Income:		
i. Output Insurance Charges	1,199,951.00	736,390.00
ii. Foreign Exchange Gain	2,395,455.00	275,963.00
iii. Foreign Exchange Discount	122,722.00	0.00
iv. Interest Received on FDR	216,640.00	67,635.00
Total	<u><u>3,934,768.00</u></u>	<u><u>1,079,988.00</u></u>

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March 2011

	As on 31.03.2011	As on 31.03.2010
Schedule '11' Materials Consumed and manufacturing Expenses		
Raw Materials Consumed:		
Opening Stock		
i.Raw Materials	42,069,948.00	30,842,126.00
ii.Packing Materials	1,133,302.00	1,147,428.00
iii. Consumable Stores	13,058,343.00	15,062,878.00
Sub Total a	56,261,593.00	47,052,432.00
Add:Purchases		
i.Raw Materials	392,761,620.61	254,491,299.52
ii.Packing Materials	5,808,179.43	2,928,957.51
iii. Consumable Stores	23,028,041.99	16,684,471.96
Sub Total b	421,597,842.03	274,104,728.99
Less: Closing Stock		
i.Raw Materials	64,817,495.00	42,069,948.00
ii.Packing Materials	411,070.00	1,133,302.00
iii. Consumable Stores	16,171,553.00	13,058,343.00
Sub Total c	81,400,118.00	56,261,593.00
A : Consumption of Raw Materials (a+b+c)	396,459,317.03	264,895,567.99
Manufacturing Expenses:		
i.Wages and Labour Charges	987,190.78	979,333.16
ii.Water Charges	3,671,819.00	4,110,144.00
iii.Manufacturing charges	3,875,701.00	3,189,472.00
iv.Power & Fuel	119,018,926.93	90,824,161.00
v.Machinery Repairs & Maintanance	2,759,421.00	2,058,835.50
vi.Factory Repairs & Maintanance	400,884.00	97,833.00
B.Total Manufacturing Expenses	130,713,942.71	101,259,778.66
(Increase /Decrease in Stocks:		
Stocks at close		
i.Work in process	9,576,160.00	568,000.00
ii.Finished Goods	10,982,367.00	11,609,811.00
Sub Total a	20,558,527.00	12,177,811.00
Stock at Opening		
i.Work in Process	568,000.00	10,877,800.00
ii. Finished goods	11,609,811.00	10,033,342.00
Sub Total b	12,177,811.00	20,911,142.00
C:(Incrases) /Decrease in Stocks:(b-a)	-8,380,716.00	8,733,331.00
Total (A+B+C)	518,792,543.74	374,888,677.65

GANGA PAPERS INDIA LIMITED

The Accounts as at and for the year ended 31st March, 2011

SCH	As on 31.03.2011	As on 31.03.2010
Schedule '12' Employees Emoluments		
Salaries, Wages, Bonus etc	1,474,687.57	1,175,136.92
Security Service Charges	1,027,378.00	667,156.00
Contribution to Labour Union	104,000.00	340,025.00
Director Remuneration	360,000.00	0.00
	<u>2,966,065.57</u>	<u>1,515,161.92</u>
Schedule '13' : Selling & Distribution Expenses :		
Commisson on Sales	2,970,998.00	3,723,072.00
Rebate & Discount	1,822,676.14	1,152,000.32
Short Weight Deduction on Sales	4,011,695.00	1,782,224.00
Freight Outward	160,950.00	113,690.00
Total	<u>8,966,319.14</u>	<u>6,770,986.32</u>
Schedule '14' : Other Expenses :		
Printing & Stationary	81,519.90	68,945.32
Rates & Taxes	716,931.00	626,766.00
Telephone & Postage Expenses	290,077.00	236,408.00
Insurance	155,566.00	82,529.00
Legal & Professional charges	368,474.00	324,195.00
Travelling & Conveyance	420,062.00	128,643.00
Listing and Filing Fees	16,957.00	0.00
Interest on Duties & Taxes	1,113.00	2,571.00
Vehicle Running & Maintenance	174,545.00	0.00
Audit Fees and expenses	27,575.00	27,575.00
Miscellaneous Expenses	605.00	5,325.00
Advertisement Expenses	257,169.00	53,188.00
Charity & Donation	210,000.00	0.00
Dipawali Expenses	111,398.00	0.00
Total	<u>2,831,991.90</u>	<u>2,223,301.32</u>
Schedule '15' : Financial Costs :		
Interest & Commitment Charges		
i. Bank Interest	5,688,979.00	7,545,929.00
ii. Bank Charges	2,669,811.34	638,691.60
iii. Foreign Exchange Loss	1,186,589.00	0.00
Iv. Foreign Exchange Premium	30,942.00	0.00
Total	<u>9,576,321.34</u>	<u>8,184,620.60</u>

GANGA PAPERS INDIA LIMITED

Cash Flow Statement As On 31.3.2011

For The Year

For The Year

2010-11

2009-10

A. Cash Inflow (Outflow) from the operating Activities Net Profit After		
<u>Tax And Ordinary Activity (A) Adjustments For Add/(Less)</u>	386.07	167.14
DEPRECIATION	52.97	78.05
DEPRECIATION ON ASSETS WRITE OFF	0.00	0
PROVISION FOR FBT	0.00	0.25
FINANCIAL CHARGES	83.59	81.85
INTEREST ON FDR	(2.17)	(0.68)
FOREIGN EXCHANGE FLUCTUATION	(13.01)	(2.76)
OTHER INCOME	(12.00)	(7.36)
SUB TOTAL ADJUSTMENT (B)	109.39	149.35
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES (A)+(B)ADJ	495.46	316.49
INVENTORIES	(379.27)	115.90
SUNDRY DEBTORS	(41.80)	(36.21)
OTHER CURRENT ASSETS	(255.50)	(7.22)
LOANS & ADVANCES	(138.79)	31.98
CURRENT LIABILITIES	482.54	55.57
PROVISION FOR EXPENSES	6.04	(29.92)
WORKING CAPITAL LOAN FROM BANKS	619.35	(378.09)
SUB TOTAL ADJUSTMENT (D)	292.57	(247.99)
CASH GENERATED FROM OPERATIONS E (C-D)/(C+D)	788.03	68.50
FINANCIAL CHARGES	(83.59)	(81.85)
OTHER INCOME	12.00	7.36
SUB TOTAL (F)	(71.59)	(74.49)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	716.44	(5.99)
EXTRAORDINARY ITEMS/ PRIOR PERIOD ITEAM	0.00	(0.25)
FOREIGN EXCHANGE FLUCTUATION	13.01	2.76
CAPITAL REDUCTION	0.00	0
SUB TOTAL ADJUSTMENT FOR (E)	13.01	2.51
NET CASH FROM OPERATING ACTIVITIES	729.44	(3.48)
B. <u>Cash Inflow (Outflow) from the Investment Activities</u>	0.00	
CAPITAL EXPENDITURE	(89.40)	(87.77)
INTEREST RECEIVED	2.17	0.68
NET Cash Inflow (Outflow)from the Investment Activities	(87.24)	(87.09)
C. <u>Cash Inflow (Outflow)from the Financial ACTIVITIES</u>	0.00	
INCREASE/(DECREASE)IN SECURED LOANS	0.00	0
INCREASE/(DECREASE)IN FIXED AND BANK DEPOSIT	(641.92)	96.48
INCREASE/(DECREASE)IN UNSECURED LOANS	(14.00)	(4.10)
ISSUE OF SHARE CAPITAL	0.00	0
NET Cash Inflow (Outflow) USED In the Financial ACTIVITIES	(655.92)	92.38
Net CASH & CASH EQUIVALENT	(13.70)	1.81
CASH & CASH EQUIVALENT AS AT (OPENING BALANCES)	14.15	12.34
CASH & CASH EQUIVALENT AS AT (CLOSING BALANCES)	0.45	14.15

Subject to our separate report of even date

For and on behalf of the Board of the
Ganga Papers India Limited

For V.K. Jindal & Co.

Chartered Accountants

Sd/-
(V.K.JINDAL)
Partner

Sd/-
Ramesh Chaudhary
Chairman

Sd/-
Sandeep Kanoria
Managing Director

Date:30.05.2011

Place: Pune

GANGA PAPERS INDIA LIMITED

Schedule Forming part of the Accounts as at and for the year ended 31st March,2011

Annexure to Schedule no. '5' : Fixed Assets

DESCRIPTION OF ASSETS	GROSS BLOCK			TOTAL	DEPRECIATION			CLOSING	NET BLOCK	
	OPENING	ADDITIONS	DEDUCTI		OPENING	DURING	DEDUCTIO		PREVIOUS	CURRENT
	01.04.20010	(Rs.)	(Rs.)			YEAR		31-03-2010	31-03-2011	
Freehold Land	5559300.00	-	-	5559300.00	-	-	-	-	5559300.00	5559300.00
Leasehold Land	6080.00	-	-	6080.00	-	-	-	-	6080.00	6080.00
Building	65308392.45	-	-	65308392.45	22566292.04	2091969.00	-	24658261.04	42742100.41	40650131.41
Plant & Machinery	297715981.15	4569308.37	-	302285289.52	284487697.79	2753000.18	-	287240697.97	13228283.36	15044591.55
Electrical Installations	7869827.87	184,000.00	-	8053827.87	5195113.10	294390.61	-	5489503.71	2674714.77	2564324.16
Furnitures, Fixtures & Office Equipment	4865840.62	0.00	-	4865840.62	4280312.67	126323.74	-	4406636.41	585527.95	459204.21
Vehicle	35635.00	828,877.00	-	864512.00	10268.49	31504.00	-	41772.49	25366.51	822739.51
Capital Work In Progress		3357999.00	-	3357999.00	0.00	0.00	-	0.00	0.00	3357999.00
Total	381361057.09	8940184.37	-	390301241.46	316539684.09	5297187.53	-	321836871.62	64821373.00	68464369.84

GANGA PAPERS INDIA LIMITED
SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH 2011
SCHEDULE '16': NOTES ON ACCOUNTS

A) STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:

a) Accounting Convention:

The financial statements are prepared under historical cost convention, revenues are recognized and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses except the following:

- Gratuity benefits which are accounted on cash basis as per the practice consistently followed by the Company.

b) Fixed Assets and Depreciation:

- Fixed assets are stated at the original cost inclusive of expenses related to acquisition and related per-operative expenses.
- Depreciation is provided on straight-line method in accordance with the provision of section 205(2) (b) of the Companies Act, 1956.
- Depreciation on assets added/ disposed of during the year is provided on Pro-rata basis from the date of addition or up to the date of disposal.

c) Investment:

Long Term Investment are stated at cost less provision, if any, for diminution in value of permanent nature, wherever applicable.

d) Inventories:

The Inventories are valued as follows:

- Stores & Spares : At cost or net realizable value whichever is lower.
- Raw Materials : At cost or net realizable value whichever is lower.
- Finished Goods : At cost or market price whichever is lower.

- iv) Work in Progress : At cost or net realizable value whichever is lower.
- v) Consumables : At cost or net realizable value whichever is lower.

e) Retirement Benefits:

Retirement benefits except gratuity are accounted on accrual basis. Gratuity is accounted on cash basis.

f) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the rates, which are in force at the time transactions are effected. Exchange differences arising on foreign currency transactions are recognized as income or as expense in the period in which they arise, monetary items outstanding at the year end are reported at the exchange rate prevailing at the end of the year and the difference in rate of exchange is recognized as an item of income or expense for the year.

g) Cenvat Accounting :

Cenvat benefit is reduced from the cost of purchase of Raw material. Cenvat benefit availed on capital goods are reduced from the cost of respective capital assets.

h) Sales:

The Sales are inclusive of excise duty & VAT.

i) Taxation:

Income Tax expense comprises Current Tax and Deferred Tax charged or credit. The Deferred Tax charged or credit is recognized using Current Tax rates. Where there is an Unabsorbed Depreciation or Carry Forward losses, Deferred Tax Assets are recognized only if there is virtual certainty of realization of such assets. Other Deferred Tax assets are recognized only to the extent there is a reasonable certainty of realization to future. Deferred Tax Assets/Liabilities are received as at each Balance Sheet date based on developments during the year and available Cash Loss, to reassess realization/ liabilities.

j) Lease:

Lease entered into on or after 1st April 2001 has been accounted for in accordance with the Accounting Standard 19 on “Leases” Issued by The Institute of Chartered Accountants of India.

k) Use of Estimates:

The preparation of Financial Statement in conformity with the Generally Accepted Accounting Principle requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statement and reported amount of revenue and expenses during the reported period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

B) NOTES TO ACCOUNTS

1. Bonus for the year has not been provided by the Company

2. The Company has received state subsidy from SICOM to the tune of Rs. 45,00,000/- for starting a industrial undertaking. The Company has further availed the benefits of interest free Sales Tax Deferral Loan for payment of Sales Tax collected under the various schemes promoted by the sales tax authorities amounting to Rs. 10,50,73,704/-Year End Balance is Rs.10,40,73,704/-

3. In the opinion of the management, current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.

4. Segment accounting disclosure as required by Accounting Standard 17, “Segmental Accounting” issued by The Institute of Chartered Accountants of India, is not disclosed separately since there is only one Segment.

5. Contingent Liabilities not provided for:

These, if any, are disclosed in the notes on accounts. Provision is made in the Accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the finalization of Accounts and have material effect on the position stated in the Balance Sheet.

6. Related Party Disclosure:

Related party disclosure, as required by Accounting Standard 18, "Related Party Disclosure" are given below-

a)

Sr.No.	Name of the related party	Nature of relationship
1	Ganag Pulp & Papers Pvt.Ltd.	Control Exist
2	Satabadi Vinimay Pvt.Ltd.	Control Exist

b) The Following transactions were carried out with the related parties in the ordinary course of business-

Ref.	Nature of Transaction	Value of transaction
a) Ganga Pulp & Papers Pvt.Ltd.	Unsecured Loan	8,91,73,859.00

7. Earning Per Share:

Profit computation for both, basic and diluted Earning per Share (EPS) of Rs. 10 each

Sr.No.	Particulars	31.03.2011
1	Net profit/(Loss) as per Profit & Loss A/c	3,79,71,644.78(Rs)
2	Weighted Average number of Equity Shares	1,07,88,886
3	Earning per Share	3.52(Rs)

8. Income Tax Provisions:

Consequent to issuance of Accounting Standard 22, "Taxes on Income" by the Institute of Chartered Accountants of India, which is mandatory in nature, the company has recognized deferred taxes which result from timing difference between the Book Profit and Tax Profit.

During the year the Company has not made any Provision for Income Tax in view of the availability of the benefits of carry forward losses as per the order of BIFR.

9. Secured Loans:

a) Working Capital Finance from Bank of Baroda is secured against hypothecation of stock of the Raw materials, Work-in- progress, finished goods, other inventories, book debts and Mortgage of fixed assets in favour of the bank. The loan is further guaranteed by following Directors of the Company individuals in their personal capacities.

- i) Mr. R.K. Chaudhary
- ii) Mr. Sandeep Kanoria
- iii) Mr. Amit Chaudhary

10. Party accounts are subject to confirmation and consequential adjustments, if any in the books.

11. In Terms of notification No.GSR 129 (E) dated 22.02.1999 issued by the Department of the Companies Affairs, Ministry of Law, Justice in Company Affairs, the company called for the information from creditors regarding their status as to small scale undertaking, in order to make the required disclosure. Due to non receipt of the same, no disclosure as to the names of small scale undertaking to whom the Company owes a sum exceeding to Rupees One Lac outstanding for more than one month has been made.

12. Break up of interest free deferred Sales Tax loan is as Under :

Particulars of Scheme	31.03.2011	31.03.2010
1983 Package Scheme of Incentives	7914421	8914421
1988 Package Scheme of Incentive	6273994	6273994
1988 (Additional) Package Scheme of Incentives	1188041	1188041
1993 Package Scheme of Incentives	75288621	75288621
Sales Tax Deferral 1993 (Additional) Scheme	13408627.67	13408627.67

13. Miscellaneous Notes :

- Previous Year's figures have been regrouped and rearranged wherever necessary to confirm with current year's presentation.

14. The company is a sick company registered with BIFR and the draft Revival Scheme (DRS) has been approved and circulated by BIFR. The company has implemented the stipulations under the said Scheme. The company has filed the Revised (Modified) Revival Scheme before B.I.F.R. in January 2010. The Hearing before Hon' able court is pending

15. Additional Information Pursuant paragraph 3 & 4 of part II of the Schedule VI of the Companies Act, 1956.

a) Licensed and Installed Capacity and Actual production :

Class of Goods	Unit	Licensed Capacity	Installed Capacity	Actual Production
Kraft Paper	MT	54,000	16,000	10,402.93
News Print	MT	60,000	15,000	15,551.75
Writing & Printing	MT	60,000	15,000	0.00

Note : Installed capacity depends upon the product mix, which has been certified by the management and accepted by the auditors without verification being a technical matter. The overall installed capacities are interchangeable and the aggregate installed capacity is 46,000 Mt. tons.

b) Consumption of Raw Materials :

Particulars	Quantity (MT)	Value (Rs)
Imported Waste Paper	8459.05	111378940.00
Indigenous Waste Paper	22683.86	242444477.00

c) Consumption of Stores & Others :

Particulars	Quantity (MT)	Value (Rs.)
Coal		59445593.43
Colour & Chemicals		15376608.92
Stores & Consumables		19005734.00

d) Stock and Turnover :

i) Manufacturing Item :

Class of goods	Opening Stock		Closing Stock		Turnover	
	Quantity	Value	Quantity	Value	Quantity	Value
Kraft Paper	341.59	6661181.00	256.145	5507118.00	10488.39	207149336.00
News Print	219.64	4858530.00	223.115	5475249.00	15548.28	374935808.00
Writing Printing	4.50	90100.00	0.00	0.00	4.50	111454.00

e) C.I.F. Value of Import :

Amount Rs.

i) Raw Material :

117049294/-

ii) Other

Nil

f) Earnings in Foreign Currency: Nil

g) Managing Directors remuneration, Perquisites Etc.:

	Particulars	31.3.2011	31.03.2010
a)	Remuneration to MD	360000.00	Nil
b)	Perquisites to MD	Nil	Nil

h) Auditors Remuneration :

	Particulars	31.03.2011	31.03.2010
a)	For Statutory Audit	27575	27575
b)	For Tax Audit	Nil	Nil

For V.K. Jindal & Co
Chartered Accountants

Sd/-
(V.K. JINDAL)
Partner

For and on behalf of the Board of the
Ganga Papers India Limited

Sd/- Sd/-
Ramesh Chaudhary Sandeep Kanoria
Chairman Managing Director

Date: 30.05.2011

Place Pune

APPLICATION OF FUNDS

Net Fixed Assets	68464	Investment	155
Net Current Assets	220760	Misc. Expenditure	Nil
Profit and Loss A/c	249908		

4. PERFORMANCE OF THE COMPANY

Turnover	583102	Total Expenditure	543133
Profit/(Loss) before Tax	38607	Profit/(Loss) after Tax	37971
Earning Per Share(Rs.)	3.52	Dividend Rate(%)	N.A

5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY:

Item code No.(ITC code) : 2804

Products Description : KRAFT PAPER

Item code No.(ITC code) : 2803

Products Description : NEWS PRINT PAPER

Item Code No.(ITC Code) : 2802

Product Description : WRITING PRINTING PAPER

**For and on behalf of the Board of the
Ganga Papers India Limited**

Sd/-

Sd/-

Ramesh Chaudhary
Chairman

Sandeep Kanoria
Managing Director

Date: 30.05.2011

Place Pune

GANGA PAPERS INDIA LIMITED TWENTY SEVENTH ANNUAL REPORT 10-11

Regd.off: D-8, Sanskruti Prangan, Baner Balewadi Road, Baner Pune – 46.

PROXY FORM

I / We _____ of _____ being a member (s) of Ganga Papers India Ltd. hereby appoint _____ of _____ or _____ falling him _____ of _____ as my/our proxy to attend and vote for me / us on my / our behalf at the **Twenty Seventh Annual General Meeting** of the Company to be held on Friday, the 30th September, 2011 and at any adjournment thereof.
Signed this _____ day of _____ 2011.

Member's Folio Number _____

Affix 15 paise Revenue stamp
Signature

No. of Shares held _____

------(Tear Here)-----

GANGA PAPERS INDIA LIMITED TWENTY SEVENTH ANNUAL REPORT 10-11

Regd.off: D-8, Sanskruti Prangan, Baner Balewadi Road, Baner Pune – 46.

Attendance Slip

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING)

I hereby record my presence at the **Twenty Seventh Annual General Meeting** of the Company at D – 8, Sanskruti Prangan, Baner Balewadi Road, Baner Pune 411 046 on Friday, the 30th September, 2011.

Name of the attending member (in Block Letters)

Name of the Proxy (To be filled in if the Proxy attends instead of the Member)

Signature of Member / Proxy _____

Member's Folio Number _____ No of Shares held _____

Notes:

1. Share holders/proxy holders are requested to bring the attendance slips with them duly completed when they come to the meeting and hand them over at the entrance after affixing their signatures on them.
2. The proxy form must be deposited at the Registered Office of the Company at D – 8, Sanskruti Prangan, Baner Balewadi Road, Baner Pune 411 046.