

SHAKTI PRESS LIMITED

23<sup>rd</sup> ANNUAL REPORT

2015-16

CIN: L22219MH1993PLC071882

Form B  
(Pursuant to Clause 31(a) of the Listing Agreement)

1	Name of the company	SHAKTI PRESS LTD
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2016
3	Type of Audit observation	<p>Qualified Report</p> <p>We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.</p> <p>a) As told by Management Rs. 4,62,38,812.88/- worth of Debtors are more than 3 years old, the same being Time barred should have been Written off, but no provision for the same had been provided in books of accounts. The same is the case with major portion of Sundry Creditors, as per the management the same is under settlement process.</p> <p>b) The details of Quantitative inventory is not being fully maintained, more particularly in terms of raw material consumption, work in progress &amp; finished goods output, hence it is not possible for us to ascertain the exact valuation are therefore we are relying on the valuation of inventory provided by the management.</p> <p>c) The Bank credit facilities availed from SBI have become NPA as per RBI guidelines and consequently the said bank had stopped charging interest from 01.07.2008 on its credit Facilities. However till 31.03.2013 Company had been booking the interest part as liability amounting to Rs.1,32,82,292.00/-. However during the year ending 31.03.2014 &amp; 31.03.2015 Company has not provided for the provision of interest payable on the total outstanding amount, which is not in accordance with the generally accepted accounting principles.</p> <p>d) The balances of SBI CC A/c appearing in the books of accounts are not in accordance with the bank statements and are subject to reconciliation in process.</p> <p>e) The TDS payable by Co. amounting to Rs. 5,82,611.50/- for the period 2002-2009 , as per the management the same is due to unintentional incorrect accounting in the past. As per the management rectification steps for the same is under process.</p>

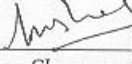
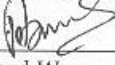
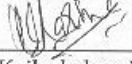
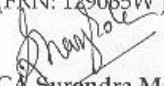


		<p>f) The company had written off account worth Rs.34,74,568.13/- as bad debts and Rs. 10,00,000/- as excise duty(for the period 2007-07) wrongly accounted. As per the management the same is irrecoverable (Debtors) as on date. The Company had written off Rs. 5,00,000/- on account of TDS Receivable(for the period 2002-07) being wrongly accounted for.</p> <p>g) The company has not amortized its Brand value over its useful life, it seems that they have not been following the provisions of AS-26.</p> <p>h) The management has not been recognizing deferred tax asset/liability, it is observed that the provisions of AS-22 are not followed. However as the Company is a loss making entity and application would normally result in Deferred Tax Asset creation and the same should be created only if there is <b>virtual certainty supported by convincing evidence</b> of sufficient future maintainable profits to realise such deferred tax asset, the same can be considered.</p> <p>i) Share Application Money Amounting to Rs. 85,12,000/- is seen standing due for allotment, which is not in accordance with the provisions of Companies act, 1956 &amp; latter Acts. As per the management, the allotment is not possible as the BSE has suspended Companies trading in its Stock Exchange, the shares against the same will be allotted as soon as permitted.</p> <p>j) The company had not complied with schedule II of Companies Act, 2013 in relation to depreciation of Fixed Assets, as per the management the rates applied are in accordance to the remaining useful life of the asset. Management had obtained an Expert Certificate for the same.</p> <p>k) Company had taken unsecured loan amounting to Rs.9,54,760/- &amp; Rs.10,25,825/- from Mr. Suresh Sharma &amp; Smt. Kalpana Sharma respectively. The same is not in accordance with the provisions of Companies Act, 2013 and previous Acts.</p>
4	Frequency of observation	Observation appeared for <u>Second</u> time



5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Director's report	<ul style="list-style-type: none"><li>a) Continuous follow-up and legal proceedings for recovery of same are going on, hence not treated as Bad Debts.</li><li>b) In Our type of Industry, it is not possible to maintain and ascertain Quantitative Inventory and its value in exact proportion.</li><li>c) The settlement proceedings with the banks are under consideration and is expected to settle during the current year.</li><li>d) As mentioned above, the settlement proceedings are under consideration, interest had not been charged as the same had been applied for Waiver.</li><li>e) The Balance in TDS payable account is due to incorrect entries of Previous years, and there is no such liability standing against us from Income Tax Department.</li><li>f) Bad Debts are written off on the basis of general prediction. Excise duty written off as there is no such receivable to the Company from Excise Department, the same is due to wrong accounting in previous years. TDS payable had also been written off as the same is not a liability and is just a mistake in accounting.</li><li>g) The brand valuation of the Company is still expected to stands up to the amount mentioned in the balance sheet.</li><li>h) The provision for deferred tax is not mandatory in case of Loss making Company.</li><li>i) As the company is suspended from Stock exchange, the allotment of shares to the members is not possible. The same will be allotted at the earliest as soon as the suspension stands revoke.</li><li>j) Company is following the old rates specified in the Previous Acts, as it is of the opinion that the rates mentioned in previous acts are appropriate and reflects the balance life of assets more accurately. The company had</li></ul>
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		<p>obtained a certificate from an Expert regarding life of assets.</p> <p>k) Unsecured Loan from Mr. Suresh Sharma &amp; Smt Kalpana Sharma are standing in their accounts since long time when Mr Suresh Sharma was director of the Company and same is under dispute, hence not repaid till date.</p>
6	<p>To be signed by-</p> <p>a) Managing Director</p> <p>b) Chief Financial Officer</p> <p>c) Audit Committee Chairman</p> <p>d) Auditors of the Company</p>	<p> Raghay Sharma</p> <p> Bernard Wong</p> <p> Kailashchand Sharma</p> <p>Refer our Audit Report dated 28th May, 2016 on the standalone financial statements of the Company Shakti Press Ltd</p> <p>For MOTWANI &amp; Co. Chartered Accountants (FRN: 129065W)</p> <p> CA Surendra Mangrole Partner (Membership No. 152268)</p>
7	Place & Date	<p>Nagpur 28<sup>th</sup> May 2016</p>

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

**Shri Raghav Sharma (DIN 00588740)**  
Chairman & Managing Director

**Shri Deepak Dhote (DIN 00156108)**  
Joint Managing Director

**Shri Nitin Dhote (DIN 01927677)**  
Whole Time Director

**Smt Shailja Sharma (DIN 05210871)**  
Whole Time Director

**Shri Shreedhar Parate (DIN 00542525)**  
Independent Director

**Shri Sunder Venkatraman (DIN 02153123)**  
Independent Director

**Shri Kailashchandra Sharma (DIN 02431885)**  
Independent Director

**Shri Ashutosh Potnis (DIN 02575429)**  
Independent Director

### **CHIEF FINANCIAL OFFICER** **Bernard Wong**

### **STATUTORY AUDITORS**

**M/s. Motwani & Co**

First Floor, Block No 310, Sadodaya Plaza,  
Near Ram Mandir, Opp May Hospital,  
CA Road,  
Nagpur 440012

### **BANKERS**

**Arvind Sahakari Bank Limited**  
Digdoh, Hingna, Nagpur- 440 016

### **REGISTERED OFFICE**

"Shakti House"  
Wardha Road,  
Nagpur-440 012 (INDIA)  
Tel. (+) 91- 712- 2423153, 2425518  
Email: [shaktipresslimited@gmail.com](mailto:shaktipresslimited@gmail.com)  
Website: [Shaktipresslimited.com](http://Shaktipresslimited.com)

### **WORKS**

U – 116, MIDC Industrial Area, Hingana Road,  
Nagpur – 440 016

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.)  
Village: Kolari, Tahsil: Chimur  
Ph.07104-235445, 236347,  
Fax - 07104-237694.

### **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:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### **GRIEVANCE REDRESSAL DIVISION**

[shaktipresslimited@gmail.com](mailto:shaktipresslimited@gmail.com)

**NOTICE**

**NOTICE**, is hereby given that, **Twenty-third Annual General Meeting** of the Members of the Shakti Press Limited, will be held on **Friday, September 30, 2016 at 11.00 a.m;** at U - 116, Hingna M.I.D.C. Industrial Area, Nagpur – 440 016 (Maharashtra), to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 and the Statement of Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors, thereon.
2. To appoint a Director in place of **Shri Raghav Sharma (DIN 00588740)** who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Shri Nitin Dhote (DIN 01927677)** who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

**“RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of Companies Act, 2013 and Rules made there under, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by Board of Directors at their Board Meeting held on 30<sup>th</sup> August 2016, the appointment of M/s. Pilla Mathur Manuja & Co, Chartered Accountants, (FRN 124471W), in place of M/s Motwani & Co, Chartered Accountant, (129065W) as the statutory auditors of the Company to hold office till the conclusion of the (28<sup>th</sup>) Annual General Meeting to be held in the Calendar year 2021 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017 as may be determined by the audit committee in consultation with the auditors.”

**SPECIAL BUSINESS:**

5. **To re-appoint Shri Nitin Dhote (DIN 01927677) as the Whole-time Director of the Company w.e.f. January 14, 2016 to hold office for a period of three (3) consecutive years** and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), applicable provisions of the Articles of Association of the Company, the Company do hereby approve the re-appointment of **Shri Nitin Dhote (DIN 01927677)** as the Whole-time Director of the Company, for a further period of three(3) years effective 14<sup>th</sup> January, 2016 on the terms and conditions including payment of existing remuneration as minimum remuneration as set out in the explanatory statement annexed hereto, with liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions of re-appointment including payment of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 2013 read with Schedule V and/or any modifications / amendments thereof.

**RESOLVED FURTHER THAT**, in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of **Shri Nitin Dhote (DIN 01927677)** as the Whole-time Director of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration.

**RESOLVED FURTHER THAT, Shri Nitin Dhote (DIN 01927677)**, shall be liable for the retirement by rotation during his tenure as Executive Director of the company.

**RESOLVED FURTHER THAT**, the Board of Directors 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.”

The terms and conditions including remuneration as specified hereunder:

**Salary:** Salary of Rs. 9,500/ Per month.

All other expenses incurred by the appointee, in connection with the business of the company to be reimbursed.”

**RESOLVED FURTHER THAT**, the Board of Directors 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.”

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740

**CHAIRMAN & MANAGING DIRECTOR**



**Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

**Item No: 05**

The tenure of Shri Nitin Dhote as the Whole-time Director of the Company expired on 13<sup>th</sup> January 2016. 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 Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> January 2016 had approved and recommended to the Board of Directors/Members of the Company recommend to reappointment of Shri Nitin Dhote as the Whole-time Director of the Company with effect from 14<sup>th</sup> January 2016 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 30<sup>th</sup> August 2016 has recommend to the Members of the Company the re-appointed of Shri Nitin Dhote as the Whole-time Director of the Company with effect from 14<sup>th</sup> January 2016 for a period of three (3) years.

The terms and conditions including remuneration as specified hereunder:

- i. Terms and Conditions governing the employment of Shri Nitin Dhote are as per Rules of the Company applicable from time to time.
- ii. Remuneration pay of Rs. 9,500 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 Nitin Dhote, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to the Whole-time Director by way of salary or other benefits in accordance with the Schedule V of the Companies Act, 2013.

The Members therefore requested to confirm the re-appointment of Shri Nitin Dhote as the Whole-time 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 other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, except Shri Nitin Dhote is deemed to be concerned or interested in the resolution, which pertains to his re-appointment and Shri Deepak Dhote being relative of Shri Nitin Dhote is deemed to be concerned or interested in the resolution set out.

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740  
**CHAIRMAN & MANAGING DIRECTOR**

**NOTES**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 3) MEMBER / PROXY SHOULD BRING THE ATTENDANCE SLIP ENCLOSED HEREWITH, DULY FILLED IN, FOR ATTENDING THE MEETING.
- 4) The proxy shall not have the right to speak at the meeting.
- 5) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the Special Businesses to be transacted at the meeting is annexed hereto.
- 6) Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Directors proposed to be appointed/ re-appointed in this meeting are annexed to this notice.
- 7) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September 2016 to Friday, 30th September 2016 (both days inclusive)
- 8) All relevant documents referred in the Explanatory Statement shall be open for inspection, upto two days prior to the said meeting, at the Registered Office of the Company on all working days during 12.00 PM to 02.00 PM and at the meeting.
- 9) Members holding shares in physical form are requested to address all their correspondences including change of address, mandates etc. to the Registrar and Transfer Agents (RTA) viz. M/s. Linkintime India Pvt Ltd, registered office at, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai – 400078; and the Members holding shares in dematerialized form are requested to approach their respective Depository Participants for the same.
- 10) Since shares of the Company are listed on the Stock Exchanges compulsorily in demat mode, shareholders holding shares in physical mode are strictly advised to get their shares dematerialized.
- 11) The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically. Shareholders holding shares in physical form may kindly register their e-mail IDs to the RTA by sending an e-mail at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The Annual Report of the Company and other documents proposed to be sent through e-mail will also be made available on the Company’s website i.e. [www.shaktipresslimited.com](http://www.shaktipresslimited.com). Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.
- 12) **E-Voting:**
  - i. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Listing Regulations, the Company is pleased to provide the e-voting (remote e-voting) facility to its members and the business set out in the notice may be transacted through the remote e-voting.
  - ii. The Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote at the AGM through ballot for all businesses specified in the notice.
  - iii. However, the Members who have exercised their right to vote by remote e-voting may attend the AGM but shall not be entitled to vote at the AGM.
  - iv. **Voting rights of the member/ beneficial owners (for remote e-voting and voting at AGM) shall be reckoned on shares registered in the name of the member/ beneficial owners as on the cut-off date i.e. 23<sup>rd</sup> September, 2016. A person who is not a Member on the cut-off date shall treat this notice for information purposes only.**
  - v. The Company has engaged the services of Central Depository Services Limited (“CDSL”) as the Agency to provide e-voting facility.
  - vi. The Board of directors has appointed Mr. Kaustubh Onkar Moghe (ACS No. 31541) Practicing Company Secretary, as the Scrutinizers for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner and he have communicated his willingness to be appointed for the said purpose.
  - vii. The Scrutinizers after scrutinizing the votes cast at the meeting and through remote e-voting, not later than forty eight hours of conclusion of the Meeting, will make a consolidated scrutinizers’ report and submit the same to the Chairman/ a person duly authorised by the Chairman in this regards, who shall declare the results. The results declared along with the consolidated scrutinizers’ report shall be placed on the website of the Company viz.

[www.shaktipresslimited.com](http://www.shaktipresslimited.com) and on the website of CDSL viz. [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.

**The instructions for shareholders voting electronically are as under:**

- a) The voting period begins on 27<sup>th</sup> September, 2016 at 10.00 a.m. and ends on 29<sup>th</sup> September, 2016 at 05.00 p.m. During this period shareholders of the Company, as on cut-off date i.e. 23<sup>rd</sup> September, 2016, may cast their votes electronically. The e-voting module shall be disabled by CDSL thereafter.
- b) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29<sup>th</sup> September, 2016.
  - i. Shareholders who have already voted electronically prior to the meeting date would not be entitled to vote at the meeting venue.
  - ii. To cast the vote through remote e-voting, shareholders are requested to log on to [www.evotingindia.com](http://www.evotingindia.com).
  - iii. Click on Shareholders.
  - iv. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - v. Enter the Image Verification as displayed and Click on Login.
  - vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier for any company, then your existing password is to be used for log in.
  - vii. If you are a first time user, please follow the steps given below

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• In the PAN field, members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number.</li> <li>• The sequence number is printed on the address label affixed to the annual report and will also be mentioned in an e-mail to be sent to the shareholders whose e-mail ID's are registered</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Rajesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth (in dd/mm/ yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for "SHAKTI PRESS LIMITED"
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting their 23<sup>rd</sup> Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2016 together with the Independent Auditor's Report thereon.

**1. FINANCIAL PERFORMANCE/ OPERATIONS:**

Financial Results	Year ended on 31-March-2016	Year ended on 31-March-2015
Sales Turnover	92,502,086	78,632,024
Other Income	477,901	1,702,830
<b>Total Income</b>	<b>92,979,986</b>	<b>80,334,854</b>
<b>Profit Before Interest, Depreciation and Tax (PBIDT)</b>	<b>5,647,889</b>	<b>(2,666,218)</b>
Interest & Financial Expenses	36,47,888	3,668,851
Depreciation	15,281,840	15,250,306
Profit / (Loss) Before Tax	<b>(17,596,630)</b>	<b>(21,585,375)</b>
<b>Profit / (Loss) After Tax</b>	<b>(17,596,630)</b>	<b>(21,585,375)</b>

**2. DIVIDEND**

For the year ended on March 31, 2016, in the view of the losses, the Directors regret their inability to recommend any dividend.

**3. OPERATIONS OF THE COMPANY**

During the year, the Company achieved a sale turnover of Rs 925.02 lacs as compare to Rs 786.32 Lacs for previous year. The profit of the company continues in the negative. The net loss for the year 2015-16 is Rs **-175.96** lacs.

**4. CHANGE IN NATURE OF BUSINESS**

During the year under review, there was no change in the nature of the business of the Company.

**5. REVISION OF FINANCIAL STATEMENT**

During year under review there has been no revision of financial statement in the relevant financial year.

**6. MATERIAL EVENTS OCCURRING AFTER BALANCE SHEET DATE**

During period under review there are no material changes and commitments that may affect the financial position of the company except below

The Company had filed Compromise Proposal for Rs. 15.00 Crores for Settlement of Loan Account No's. 32738050751. The debit balance in our captioned accounts for Rs. 10,84,00,000 (Rupees Ten Crores Eighty-four Lakhs only). Offer amount for said settlement is Rs 15.00 crores out of which the Company had paid a sum of Rs 1,50,00,000 (10% of the above offer, i.e. Rs.15,00,00,000) upfront amount in no lien account, by demand draft of Rs 1,00,00,000 on 31st December 2015 and Rs 50,00,000 on 04th January 2016, and remaining amount Rs 13,50,00,000 to be paid within ninety(90) days from the date of acceptance of aforesaid proposal or 16th December 2016 whichever is earlier. The remaining amount Rs 13,50,00,000 shall be paid from sale of asset with prior approval of the Bank. The decision of Bank's committee on said proposal is still pending till date of this report.

**7. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

The Company do not have subsidiaries, joint ventures or associate Companies.

**8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure:

- i. that all assets and resources are used efficiently and are adequately protected;
- ii. that all the internal policies and statutory guidelines are complied with; and
- iii. the accuracy and timing of financial reports and management information is maintained.

**9. REHABILITATION STATUS**

The Hon'ble BIFR, New Delhi in their meeting held on 02<sup>nd</sup> July 2015, observed that the possession of the assets of the Company has been taken over by the SBI under 13(4) of SARFAESI Act. In terms proviso of Section 15(1) of the Sick Industrial Companies Special Provisions) Act, 1985, reference case 78/2013 of the Company filed before the BIFR was **abated**. The Board of Directors in their meeting held on 29<sup>th</sup> July 2015 considered and took on record abatement of reference filed before BIFR, New Delhi. The Board unanimously resolved that the Company do prefer and appeal before Hon'ble Appellate Authority for Industrial & Financial Reconstruction (AAIFR) against order passed by the BIFR, New Delhi. The Hon'ble AAIFR, New Delhi vide their letter dated 01<sup>st</sup> September 2015 informed that appeal has been registered and assigned No 78/15 and same will be heard on 17<sup>th</sup> September 2015 at 11.00 AM at the office premises of AAIFR. In hearing of Hon'ble AAIFR, New Delhi, the Authority observed that, the condition for abatement as required under 3<sup>rd</sup> proviso to section 15(1) of SICA are fulfilled and thereby appeal before Hon'ble AAIFR is disposed of.

**10. SETTLEMENTS**

During the year under review, the Company's Compromise One Time Settlement (OTS) is under process with the State Bank of India (SBI), SAM branch, Mumbai, which the management expect to conclude soon.

**11. TRANSFER TO RESERVES**

The Company has not transferred any amount to the general reserve account during the reporting period.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

**13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The Company has not entered into any transaction of material nature with related parties that may have any potential conflict with the interest of the Company. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure A** to the Board's report.

**14. NAME CHANGE**

During the year under review, the Company do not had change in name of the Company.

**15. INSURANCE**

Fixed and Current Assets of the Company are adequately insured.

**16. OUTLOOK FOR NEW SEASON**

The Boards of Directors are trying their best to improve the performance of the Company and hopeful of achieving decent turnover in future.

**17. DIRECTOR'S RETIRING BY ROTATION**

- a. In terms of Articles of Association of the Company and as per Section 152(6) of the Companies Act, 2013 provides that 2/3<sup>rd</sup> of the Board of Directors is considered to be Directors liable to retire by rotation, of which 1/3<sup>rd</sup> shall retire at every Annual General Meeting of the Company as per Section 152(6) (e) of the Companies Act, 2013 and the Company shall have an option to re-appoint the retiring Director or appoint someone else in his place.
- b. This year Shri Raghav Sharma and Shri Nitin Dhote are liable to retire by rotation and being eligible offer himself for re-appointment at this Annual General Meeting. The Board of Directors recommends his re-appointment for consideration of the Shareholders.
- c. The tenure of Shri Nitin Dhote as the Whole-time Director ended on 13<sup>th</sup> January, 2010. The remuneration committee and Board of Directors of the Company considered and recommended to Directors/Members for their approval to reappoint Shri Nitin Dhote as the Whole-time Director of the Company with effect from 14<sup>th</sup> January 2016 for a period of three (3) years. The Board of Directors of the Company considered and recommended to Members for their approval to reappoint Shri Nitin Dhote as the Whole-time Director of the Company with effect from 14<sup>th</sup> January 2016 for a period of three (3) years.
- d. The brief resume and other details relating Directors who are proposed to be appointed and re-appointed, as required to be disclosed under Clause 49 of the Listing Agreement, is incorporated in the annexure to the notice calling 23<sup>rd</sup> Annual General Meeting of the Company.

**18. MANAGEMENT'S DISCUSSION AND ANALYSIS**

In terms of the provisions of Clause 52 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report as **Annexure B** to the Board's report.

**19. EVALUATION OF BOARD'S PERFORMANCE**

During the year, pursuant to Section 134, 149 and Schedule IV of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board had adopted a formal mechanism for evaluating its own performance and that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through an evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. A separate exercise was carried out to evaluate the performance of the individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment etc.

The evaluation of all the Directors including independent Directors was carried out by the entire Board, except for the Director being evaluated. Performance evaluation of the Board, Chairman and the Non-Independent Directors was carried out by the Independent Directors in their meeting held on 10<sup>th</sup> January, 2016.

The members of the Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> January, 2016 evaluated the performance of every Director of the Company.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees and on the basis of the report of the said evaluation, the present term of appointment of Independent Directors was continued with the Company.

**20. DECLARATION BY INDEPENDENT DIRECTORS**

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Section 149(6) of the Companies Act, 2013 and the Listing Agreement.

**21. KEY MANAGERIAL PERSONNEL**

Pursuant to the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions and rules of the Companies Act, 2013, the following existing executives of the Company were designated as the Key Managerial Personnel of the Company by the Board in term of 2(51) of the Companies Act 2013.

- a. Shri Raghav Sharma, Managing Director(MD)
- b. Shri Deepak Dhote, Joint Managing Director(JMD)
- c. Shri Nitin Dhote, Whole time Director(WTD)
- d. Smt Shailja Sharma, Whole time Director(WTD)
- e. Shri Bernard Wong, Chief Financial Officer (CFO).

**22. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- (b) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (c) 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 and loss of the company for that period;
- (d) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (e) the directors had prepared the annual accounts on a going concern basis and
- (f) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**23. BOARD MEETINGS**

During the year under review, the Board of Directors of the Company had met six times and the gap between two consecutive board meetings was within the limits prescribed by the Companies Act, 2013 and Listing Regulations.

The details of the meetings are more specifically given in the Corporate Governance Report which forms a part of this Annual Report.

**24. SHARE CAPITAL**

As at June 30, 2014 the Authorised Share Capital of the Company was Rs. 11.00 Crores and the paid-up Equity Share Capital stood at Rs. 6.52 Crores. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity shares.

**25. LISTING OF SHARES**

During the year, the Shares of the Company were listed on The Bombay Stock Exchange Limited, Mumbai under Scrip Code No. 526841. The scrip of the Company has suspended from trading from Bombay Stock Exchange wef 03<sup>rd</sup> August 2015 due to penal reason. The Company from time to time complied with requirements under Listing Agreement. The Company had filed revocation of suspension of trading of company's scrip which under progress.

**26. CORPORATE GOVERNANCE CERTIFICATE**

Your Company is committed to achieve the highest standards of Corporate Governance. It has taken adequate steps to ensure that the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange are complied with.

A separate statement on corporate governance is enclosed as a part of the Annual Report along with the Auditor's Certificate on its compliance as **Annexure C** to the Board's report.

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

With respect to Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014, due to no Own Processing operations and only the residual Job Work activities in the solvent extraction plant, the Conservation of energy and Technology absorption are not applicable. A separate statement of Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as **Annexure D** to the Board's report.

**28. PARTICULARS OF EMPLOYEES**

In respect of particulars of employees pursuant to Section 196 & 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there were no employees employed throughout the year and were in receipt of remuneration over the maximum limit prescribed under these sections.

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Directors	Designation	Ratio to median remuneration
Shri Raghav Sharma	Managing Director	2.78
Smt Shailja Sharma	Whole-time Director	2.78

Note: Non-Executive & Independent Directors were not paid any other remuneration other than setting fees for Meeting.

- b) The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

During the year under review there is revision/increment in remuneration of Shri Raghav Sharma as

Name of the Directors	2015-16	2014-15	% in increase in remuneration
Shri Raghav Sharma	3,00,000	2,40,000	20%

- c) The percentage increase in the median remuneration of employees in the financial year: **-NIL**  
d) The number of permanent employees on the rolls of Company: **26**  
e) The explanation on the relationship between average increase in remuneration and Company performance: During the year under review there is no revision/increment in remuneration  
f) Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Sr. No	Particulars	Amount in Rs.
01	Aggregate remuneration of key managerial personnel (KMP) in FY 2015- 16	6,00,000
02	Revenue	92979986
03	Remuneration of KMPs (as % of revenue)	0.64%
04	Profit before Tax (PBT)	(17596630)
05	Remuneration of KMP (as % of PBT)	-

- g) Variations in the Market Capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year & Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:  
The trading of Company's shares being suspended and company had incurred losses during the year under review, Market Capitalisation & PE Ratio can not be worked out.  
h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
During the year under review there is no revision/increment in remuneration  
i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Name of Executive Director	
	Shri Raghav Sharma	Smt Shailja Sharma
Remuneration in FY 2015 - 16	300000	300000
Revenue	92979986	92979986
Remuneration as % of revenue	0.32	0.32
Profit before Tax (PBT)	(17596630)	(17596630)
Remuneration (as % of PBT)	-	-

Particulars	Name of Key Managerial Persons	
	Shri Bernard Wong CFO	
Remuneration in FY 2015 - 16	287520	
Revenue	92979986	
Remuneration as % of revenue	0.31	
Profit before Tax (PBT)	(17596630)	
Remuneration (as % of PBT)	-	



- j) The key parameters for any variable component of remuneration availed by the directors: NIL
- k) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: **None**
- l) Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirms that the remuneration is as per the remuneration policy of the Company.
- m) The particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to Company.  
Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

## **29. HUMAN RESOURCES**

The company has adapted good practices to retain, encourage and develop skills of all the employees of the company.

## **30. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. During the year under review, the Company had no woman employee.

## **31. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism/ Whistle Blower Policy has been established by the Company to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

## **32. RISK MANAGEMENT POLICY AND REPORT**

Your company has taken adequate measures to mitigate various risks impacting the Company, which includes the identification of various risk elements and steps for mitigation of the same.

## **33. AUDITORS**

M/s. Motwani & Co., Chartered Accountants, Nagpur, (Firm Registration No.129106W) resigned from the office of Statutory Auditor of the Company vide their letter dated 23<sup>rd</sup> August 2016. The Company received consent letter from M/s Pilla Mathur Manuja & Co to appoint Statutory Auditor of the Company for the financial year 2016-17 to 2020-21 subject to approval of the Members in the Annual General Meeting. Their appointment is the part of this notice.

## **34. COMMENTS ON THE AUDITORS' REPORT**

Pointwise reply is as follow:

The observations made in the Auditors Report are self explanatory and therefore, need not require any further comments.

- (a) Continue follow-up legal proceeding for recovery of same are going on, hence not treated as Bad debt
- (b) In printing industries, it is not possible to maintain and ascertain quantitative inventory and its value is not exact proportion
- (c) The settlement proceeding with the Bank are under consideration and is expected to settle during the current Period
- (d) As mentioned above the settlement proceeding is under consideration, interest had not been charged as the same had been applied for waiver.
- (e) The balance in TDS payable account is due to incorrect entries of previous year, and there is no such liabilities standing against as from Income Tax Department.
- (f) Bad debts are written off basis of general prediction. Excise duty written off as there is no such receivable to the company from excise Department, the same is due to wrong accounting in previous year. TDS payable had also written off as the same is not a liabilities and is just mistake in accounting.
- (g) The brand valuation of the Company is still expected to stand up to the amount.
- (h) The provision of deferred tax is not mandatory in case of loss making Company.
- (i) As the Company is suspended, the allotment of shares to the Members is not possible. The same will be allotted at the earliest as soon as the suspension stand revokes.
- (j) The Company is followed the old rate specified in the previous Act, as it is of that the rate mentioned in the previous act are appropriate and reflect the balance of life of assets more accurately. The Company had obtained the certificate from expert regarding life of assets.
- (k) Unsecured loan from Mr Suresh Sharma and Smt Kalpana Sharma are standing in their accounts since long time when Mr Suresh Sharma was Director of Company and same is under dispute, hence not repaid till date.

**36. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Kaustubh Moghe, Practicing Company Secretaries, Nagpur to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditors is enclosed as "Annexure F" to this report.

**37. COMMENTS ON THE SECRETARIAL AUDIT REPORT**

The Company also taken the services of practicing Company Secretary for issuance of secretarial Audit Report and also various certificate as required. In view of various provisions in the amended Company's Act and other related regulations, the Company has tried to comply with various provisions. However, as informed in the Secretarial Audit Report, certain non-compliances have been reported. The Company propose to appointed a full time Company Secretary who had designated as Compliance Officer of the Company and is also in a process of regularizing the non-compliances and to make default good.

**38. ENCLOSURES**

Annex-A: Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section.

Annex-B: Management Discussion and Analysis Report.

Annex-C: Energy Conservation, Technology Absorption and Foreign Exchanges Earnings and Outgo.

Annex-D: Report on Corporate Governance.

Annex - E: Extract of Annual Return as of 31st March, 2016 in the prescribed Form MGT-9.

Annex - F: Secretarial Auditors Report.

**39. APPRECIATION & ACKNOWLEDGEMENT**

The Directors acknowledge with thanks co-operation and unstinted support and co-operation received from the State Bank of India(SBI), Arvind Sahakari Bank Ltd., suppliers, customers, shareholders of the Company, during the year under review. The Directors also record their appreciation of the dedication of all the employees of the Company.

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur

Date: August 30, 2016

(Raghav Sharma)

00588740

**CHAIRMAN & MANAGING DIRECTOR**

**Annexure A: forming part of Director's report**  
**Form No. AOC-2**

(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

<b>1. Details of contracts or arrangements or transactions not at arm's length basis:</b>	
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/ arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the	
value, if any	
(e) Justification for entering into such contracts or arrangements or	
Transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as	
required under first proviso to section 188	NOT APPLICABLE
<b>2. Details of material contracts or arrangement or transactions at arm's length basis:</b>	
NOT APPLICABLE	
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the	
value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any	NOT APPLICABLE

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740  
**CHAIRMAN & MANAGING DIRECTOR**

**Annexure B: forming part of Director's report**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

**CAVEAT**

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or that the opinion expressed therein contain its perceptions on most of the important trends having a material impact on the Company's operations.

The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Indian Economy is estimated to have an increased growth rate with China. The agricultural and allied sector has recovered from decline in previous years. Lot of emphasis has been given by the Government of development of Agriculture and Education Sector. This shall boost the Paper Industry. GDP Growth rate is expected to be at 8%, growth in consumption of paper is expected to be at 8%. At present the paper industry is facing crucial face, due to abnormal rise in cost of raw-materials, chemicals, consumables and power. The Prices of the Paper have shown improvement than previous years. To be globally more competitive Indian paper industry needs the following:

1. Sustained availability of good quality of raw material (forest based) and bulk import of waste paper to supplement the raw materials supplies.
2. Adequate modernization of the manufacturing facilities.
3. Improvement of Infrastructure.
4. Quality Improvements and reduction in cost of production.
5. Import policy conducive for import of material, equipment, raw-materials and technology.

**OPPORTUNITIES**

The potential of growth for the industry lies in development of the economy, rising literacy rates, consumerism and standard of living. All these factors are in a positive move in India at present, which gives a good picture to the scenario of paper industry. With the increased focus on education and agriculture, the future of Indian Paper Industry looks good.

**THREATS**

The main cause of fall in the profitability of many Indian paper manufacturers can be attributed to the fall in rupee value, increased cost of raw material, fuel consumables etc.

**INTERNAL AUDIT ADEQUACY**

The Company's Internal Audit Section operates under the guidance of a qualified Chartered Accountant on consultancy basis, to ensure internal checks and balances in finance and accounting aspects.

**FINANCIAL REVIEW**

Financial Results	Year ended on 31-March-2016	Year ended on 31-March-2015
<b>Total Income</b>	<b>92,979,986</b>	<b>80,334,854</b>
Profit /(Loss) Before Tax	<b>(17,596,630)</b>	<b>(21,585,375)</b>
<b>Profit /(Loss) After Tax</b>	<b>(17,596,630)</b>	<b>(21,585,375)</b>

**HUMAN RESOURCES RELATIONS**

Human resource is the best resource of all the resources because it is the one which can properly take advantage of the other resources. It is the company' belief that Human Resources is the driving force towards progress and success of the company. The Company seek to motivate and retain its professionals by offering reasonable compensation and opportunity to grow in the organization. The total permanent employees strength of the company was 26 on 31st March 30, 2016. Industrial relations remain cordial during the year.

**FORWARD LOOKING STATEMENT-CAUTIONARY STATEMENT**

Statements in the management discussion and analysis describing the Companies objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed and implied. Important matters that effects the company's performance is the economic conditions of demand and supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740

**CHAIRMAN & MANAGING DIRECTOR**

**Annexure C: Forming Part of the Director's Report**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

With respect to Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

	CURRENT YEAR 2015-16	PREVIOUS YEAR 2014-15
<b>a) POWER AND FUEL CONSUMPTION :</b>		
<b>1. ELECTRICITY</b>		
a) Purchased		
Units(KWH)...		
(Rs.)...	Rs 47,05,025	Rs 45,19,450
Rate / Unit (Rs./KWH).....	Rs.6.15	Rs.6.15
b) Own Generation		
Through Diesel.		
Units (KWH).....		
Units per ltr. of diesel oil.....		
Cost/unit (Rs.).....		
Through Steam Turbine/Generator		
Units.....	--	--
Units per ltr. of fuel oil/gas.....	--	--
Cost/ unit (Rs.).....	--	--
<b>2. COAL FOR DOMESTIC USE</b>		
<b>(B grade for boiler)</b>		
Qty. (M.T)	--	--
Total Cost (Rs.)	--	--
Average Rate (Rs.)		
<b>3. FURNACE OIL</b>		
Quantity (K. Litres).....	--	--
Total cost (Rs. in Lacs).....	--	--
Average Rate (Rs./K. Litres).....	--	--
<b>4. OTHERS/INTERNAL GENERATION .....</b>		
(Give Details)	--	--
Total Cost	--	--
Rate/unit	--	--
<b>b) CONSUMPTION PER UNIT OF PRODUCTION :</b>		
<b>PARTICULARS</b>		
	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
	<b>2015-16</b>	<b>2014-15</b>
Electricity (units)	--	--
Coal (B Grade)	--	--
Furnace Oil	--	--
Other (specify)	--	--
Own power	--	--

**On behalf of the Board  
For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740  
**CHAIRMAN & MANAGING DIRECTOR**

**Annexure D: forming part of Directors' Report**

**REPORT ON CORPORATE GOVERNANCE**  
(Pursuant to Clause 49 of the Listing Agreement)

Your Directors are pleased to present the Company's Report on Corporate Governance for the financial year ended March 31, 2016.

**1. Company's Philosophy on Code of Governance:**

The vision and mission statement of the Company is to be a world class printing industry. Your corporation believes that Corporate Governance is a key element in improving the economic efficiency of a firm. Good Corporate Governance also helps to ensure that organization takes into account the interests of a wide range of constituencies, as well as communities. Your Company is abide by transparency and full accountability of Management on various issues pertaining to the Company's business thereby protecting the interest of the shareholders.

**2. Board of Directors**

The Board of Directors of the Company consists of Professionals and Technically qualified Individuals. The Board works through its various committees constituted to oversee specific operational areas. There are three committees constituted by the Board of Directors namely Audit Committee, Nomination and Remuneration Committee, Stakeholder's relationship committee. The total strength of Board as on March 31, 2016 is 8 Directors including 4 Promoter Directors and 4 Independent Directors.

**BOARD OF DIRECTORS**

**a) Composition:**

The Board of Directors of the Company as of March 31, 2016 consisted of:

Non-Executive Directors	Executive Directors
Shri Kailashchandra Sharma - Non-Promoter Independent Director	Shri Raghav Sharma - Promoter - Non Independent Director
Shri Shreedhar Mukund - Non-Promoter Independent Director	Shri Deepak Dhote - Promoter - Non Independent Director
Shri Sundar Venkatraman - Non-Promoter Independent Director	Shri Nitin Dhote - Promoter - Non Independent Director
Shri Ashutosh Potnis - Non-Promoter Independent Director	Smt Shailja Sharma - Promoter - Non Independent Director

**b) Meetings of the Board of Directors**

The Board of Directors met six times during the year under review on following dates:

- (1) 15/05/2015                      (2) 14/08/2014                      (3) 20/08/2015                      (4) 02/09/2015  
(5) 14/11/2015                      (6) 13/02/2016

**c) Attendance of each Director at Meeting of Board of Directors and last AGM of the Company:**

Directors	Designation	No. of Board Meeting Held	No. of Board Meeting attended	Attendance at Last AGM	No. of Directorship in other Cos. incl. Pvt. Cos.	No. of membership in various committees of other Cos.
Shri Raghav Sharma	Chairman & Managing Director	6	6	Y	3	NIL
Shri Deepak Dhote	Jt Managing Director	6	0	Y	4	NIL
Shri Nitin Dhote	Whole Time Director	6	0	N	1	NIL
Smt Shailja Sharma	Whole Time Director	6	6	Y	5	NIL
Shri Kailashchandra Sharma-	Independent Director	6	6	Y	1	NIL
Shri Shreedhar Parande	Independent Director	6	0	N	8	NIL
Shri Sundar Venkatraman	Independent Director	6	0	N	3	2
Shri Ashutosh Potnis	Independent Director	6	6	Y	1	NIL

**4. Audit Committee**

The Audit Committee of the Directors considers matters generally specified in the clause 49 (ii) (D) of the Listing Agreement i.e. suggesting to the Board of Directors, the accounting policies and procedures, Accounting Standards to be implemented.

Members of the Audit committee are as follows:

Sr No	Name of the Director	Category	Nos. of meeting Attended
1.	Ashutosh Potnis	Non-Executive (Independent) Director	04
2.	Kailashchand Sharma	Non-Executive (Independent) Director	04
3.	Sunder Venkatraman	Non-Executive (Independent) Director	NIL

The Audit Committee held four (4) meetings during the financial year under review on

- (1) 15/05/2015                      (2) 14/08/2015                      (3) 14/11/2015                      (4) 13/02/2016

#### 5. Nomination and Remuneration Committee

The Board of Directors has constituted a Remuneration Committee for the purpose of deciding appointment/ re-appointment of Managing Directors/ Whole Time Directors etc and remuneration and compensation payable to them. The Members of the Committee are as follows:

Sr No	Name of the Director	Category	Nos. of meeting Attended
1.	Ashutosh Potnis	Non Executive (Independent Director)	01
2.	Sunder Venkatraman	Non-Executive (Independent) Director	NA
3.	Kailaschand Sharma	Non-Executive (Independent) Director	01
4.	Deepak Dhote	Executive Director	01

The Nomination and Remuneration Committee held one (1) meeting during the financial year under review on 10<sup>th</sup> January 2016.

#### Details of Remuneration/Sitting Fees paid to Directors during the Financial Year 2015-16:

Names	Salary	Perquisites	Others	Sitting Fees	Total
Shri Raghav Sharma	3,00,000	--	--	--	3,00,000
Shri Deepak Dhote	--	--	--	--	--
Shri Nitin Dhote	--	--	--	--	--
Smt Shailja Sharma	3,00,000	--	--	--	3,00,000
Shri Kailashchandra Sharma	--	--	--	22,000	22,000
Shri Shreedhar Parande	--	--	--	--	--
Shri Sundar Venkatraman	--	--	--	--	--
Shri Ashutosh Potnis	--	--	--	22,000	22,000

Sitting fees of Rs 2000 per meeting paid only to non executive Director.

Executive Director Shri Deepak Dhote and Shri Nitin Dhote not paid remuneration as they had not attend office whole year.

#### 6. Stakeholder's relationship Committee

##### Objective :

This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. Especially it looks after grievances of shareholders and investors Complaints like dematerialisation / rematerialisation of shares, transfer of shares, transmission of shares, non-receipt of share certificates and/or balance sheet, dividend(s) etc. and timely redressal of their grievance thereto.

The members of the Committee are as follows

Sr No	Name of the Director	Category	Nos. of meeting Attended
1.	Ashutosh Potnis	Non-Executive (Independent) Director	NA
2.	Kailashchand Sharma	Non-Executive (Independent) Director	NA
3.	Sunder Venkatraman	Non-Executive (Independent) Director	NA

During the year under review no meeting held, the Company do not have received any complaint from stakeholder.

#### 7. Details of Directors seeking appointment / re-appointment

Name of the Director	Shri Raghav Sharma	Shri Nitin Dhote
Age	58 years	44 years
Qualifications, experience, brief resume of the Director & Nature of his expertise	Shri Raghav Sharma is Post-graduate in Business administration. He is a founder promoter of the Company. He has wide experience of over 30 years in the administration, management of Public Institutions and having good public contacts.	
Relationship with other directors and key Managerial Personnel	Husband of Smt Shailja Sharma, Whole-time Director	Brother of Shri Deepak Dhote, Jt Managing Director
Names of the Listed entities in which the director holds directorships	NIL	NIL
Chairman / Member of the Committees of the Board of Directors as on 31.03.2016	NIL	NIL
Number of Board Meetings attended during FY 2015-16	6	NIL
Date of first appointment on the Board of the Company	10-05-1993	14-01-2007
Shareholding in the Company as on 31.03.2016	4,26,467	12,000

**8. General Body Meetings**

Location and time where last three Annual General Meetings were held:

Year	Venue	Date	Time
2014-15	U -116, MIDC, Hingna, Nagpur - 440 006	30 <sup>th</sup> September, 2015	10.00 a.m
2013-14	U -116, MIDC, Hingna, Nagpur - 440 006	30 <sup>th</sup> September, 2014	10.00 a.m
2012-13	U -116, MIDC, Hingna, Nagpur - 440 006	30 <sup>th</sup> December, 2013	02.00 p.m

**9. Postal Ballot Resolution**

All Resolutions are generally passed by way of show of hands. No Resolution was put though postal Ballot last year.

**10. Certificate by CEO/CFO**

The Board of Directors recognises Shri Bernard Wong, as CFO for the limited purpose of compliance under the listing agreement. In terms of revised Clause 49 of Listing agreement, the Board of Directors has obtained the necessary certificate from CFO, which states that, the financial statements present a true and fair view of the Company's affairs and are compliant with existing accounting standards, internal control and disclosure.

**11. Disclosure regarding transactions with Promoters / Directors or Management**

There is no materially significant transaction made by the Company with its Promoters, Directors or the Management or their relatives etc., which have potential conflict with the interest of the Company at large.

**12. Means of Communication**

The quarterly Financial Results are generally published in the national Daily newspaper "Indian Express" in English and Local Marathi Daily "Loksatta", which are widely circulated. The Company does not furnish the information to each shareholder individually.

**13. Shareholders' General Information**

**a) Annual General Meeting:** Annual General Meeting of the Company will be held on Friday, 30 September 2016 at 10.00 a.m at U - 116, Hingana M.I.D.C. Industrial Area, Nagpur – 440 016 (Maharashtra).

**b) Date of Book Closure:** Saturday, 24<sup>th</sup> September 2016 to Friday, 30<sup>th</sup> September 2016 (both days inclusive); for the purpose of Annual General Meeting.

**c) Financial Calendar (Tentative):**

<b>Annual General Meeting</b>	<b>: September 30, 2016</b>
Results for the quarter ending on September 2016	: Second Week of November 2016
Results for the quarter ending on December 2016	: Second Week of February 2017
Results for the quarter ending on March 2017	: Second Week of May 2017

**d) Listing on Stock Exchange:**

The Company's Shares have been listed on the Bombay Stock Exchange Limited, Mumbai under Scrip Code No. 519477. The Company's Trading of Security was suspended by the Stock Exchange due to certain non-compliance. The Company scrip also listed on Delhi Stock Exchange Ltd under file no 7920 and Madras Stock Exchange Ltd.

**e) Dematerialisation of Securities: (NSDL & CDSL)**

The Company's scrip is under electronic – Demat mode and having connectivity with both the Depositories viz: National Security Depository Services Limited (NSDL) and Central Depository Services India Limited (CDSL) through Registrar and Transfer Agent (RTA) Link Intime India Private Limited, who is acting as a Common Agency. Total 29,18,591 Equity Shares have been dematerialised as on 31<sup>st</sup> March 2016 representing of the total issued (listed) 35,20,200 Equity Shares and Unlisted 3,00,000 Non-Cumulative Preference Shares of the Company. The International Securities Identification Number (ISIN) of the Company is INE 794C01016.

About 82.91% of the shares have been dematerialized as on 31<sup>st</sup> March 2016.

Further Shareholders having physical holdings hereby requested from the Company to dematerialise their holdings for convenience of the company's share transactions.

**f) Stock Price Data:**

**High & low during each month of last financial year and number of shares traded.**

The Company's shares were suspended from trading wef 03<sup>rd</sup> August 2015 from Bombay Stock Exchange due to penal reason.

**g) Details of Shareholders' Complaints**

Details of investor complaints received and resolved during the year ended 31<sup>st</sup> March, 2016 are as follows.

Complaints Pending as on 01/04/2015	Complaints Received during the year	Complaints Resolved during	Complaints Pending as on 31/03/2016
NIL	NIL	NIL	NIL

**h) Registrar and Transfer Agents**

Link Intime India Private Limited  
(Formerly Intime Spectrum Registry Limited)  
Pannalal Silk Mills Compound,  
C-13, L.B.S. Marg,  
Bhandup (W), Mumbai – 400 078.  
Tel. No. 91-22-55555454 & Fax 91-22-55555353  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



**i) Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company. They attend to share transfer formalities at least once in 15 days.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

**j) Shareholding Pattern & Distribution of Shareholding (as at 31<sup>st</sup> March, 2016)**

CATEGORY	<-----DEMATED----->		<----PHYSICAL---->		<-----TOTAL----->		
	SHARES	HOLDERS	SHARES	HOLDERS	SHARES	VALUES	PERCENT
Corporate bodies (promoter co)	710350	9	73000	1	783350	7833500.00	22.25
Clearing member	13482	7	0	0	13482	134820.00	0.38
Other bodies corporate	136700	29	55000	11	191700	1917000.00	5.44
Directors	667611	2	58644	2	726255	7262550.00	20.63
Government companies	83146	1	0	0	83146	831460.00	2.36
Non nationalised bank	6000	1	0	0	6000	60000.00	0.17
Non resident indians	10600	1	0	0	10600	106000.00	0.30
Non resident(non repatriable)	800	2	0	0	800	8000.00	0.02
Public	733277	922	402365	1221	1135642	11356420.00	32.26
Promoters	387925	4	600	1	388525	3885250.00	11.03
Relatives of director	167200	2	13500	3	180700	1807000.00	5.13
<b>Total</b>	<b>2917091</b>	<b>980</b>	<b>603109</b>	<b>1239</b>	<b>3520200</b>	<b>35202000</b>	<b>100.00</b>

**k) Distribution of Equity Shareholding as on March 31, 2015:**

Shareholding of Shares	Shareholders		Shares	
	Numbers	% of total nos.	Numbers	% of total capital
Upto 500	1970	88.77	272440	7.73
501 to 1000	84	3.79	71270	2.02
1001 to 2000	55	2.47	86920	2.46
2001 to 3000	36	1.62	91059	2.59
3001 to 4000	7	0.32	25187	0.71
4001 to 5000	10	0.45	47652	1.35
5001 to 10000	19	0.86	145751	4.14
10001 & Above	38	1.72	2779921	78.97
<b>Total</b>	<b>2219</b>	<b>100.00</b>	<b>3520200</b>	<b>100.00</b>

**l) ADRs/ GDRs:** The Company has not issued any GDR/ADR/Warrants or any convertible instruments/securities.

**m) Works (Plant Location):**

1. U – 116, MIDC Industrial Area, Hingana Road, Nagpur – 440 016
2. Kh. No. 49, Tah. Hingna, Vill. Mondha, Kanoli Bara Road, Nagpur (M. S.)
3. Kh. No. 69, Village - Mondha, Tah. Hingna, Kanoli Bara Road, Nagpur (M. S.)

**n) Address for Correspondence/ Compliance Officer:**

Shri Raghav Sharma  
Chairman/ Managing Director  
Registered Office: "Shakti House", Wardha Road, Nagpur-440 010 (M.S.)  
Ph. No. **91- 712- 2423153, 2425518**  
Website: [www.shaktipresslimited.com](http://www.shaktipresslimited.com)  
E-mail: [shaktipresslimited@gmail.com](mailto:shaktipresslimited@gmail.com)

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740  
**CHAIRMAN & MANAGING DIRECTOR**

**Part of Annexure D**  
**CERTIFICATION BY CHIEF FINANCIAL OFFICER**

To,  
The Board of Directors  
SHAKTI PRESS LTD

I hereby certify that for the financial year 2015-16 annual accounts, I have reviewed the financial statements and the cash flow and that to the best of my knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2015-16 which are fraudulent, illegal or violative.
4. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
5. I further certify that :
  - a. there have been no significant changes in internal control during the year,
  - b. there have been no significant changes in accounting policies during the year,
  - c. there have been no instances of significant fraud, of which we have become aware, involving management or an employee having significant role in the Company's internal control systems.

**Date:** 30.08. 2016  
**Place:** Nagpur

Bernard Wong  
**Chief Financial Officer**

**Part of Annexure D**  
**CERTIFICATE OF AUDITORS ON CORPORATE GOVERNANCE REPORT**

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To  
The Members of  
SHAKTI PRESS LIMITED

We have examined the compliance of conditions of Corporate Governance by Shakti Press Limited for the year ended March 31, 2016 as stipulated in Clause 49 of the erstwhile Listing Agreements and Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

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

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the erstwhile Listing Agreements and Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

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

Date : 28/05/2016

Place : NAGPUR

For **MOTWANI & CO.**  
(Chartered Accountants)  
Reg No. : 129065W

**CA Sundeep Motwani**  
(PARTNER)  
Membership No : 129106

<b>Annexure E: Forming Part of the Director's Report</b>					
<b>FORM NO. MGT 9</b>					
<b>EXTRACT OF ANNUAL RETURN</b>					
<b>as on financial year ended on 31.03.2016</b>					
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.</b>					
<b>I</b>	<b>REGISTRATION &amp; OTHER DETAILS:</b>				
i	CIN	L22219MH1993PLC071882			
ii	Registration Date	10/05/1993			
iii	Name of the Company	SHAKTI PRESS LTD			
iv	Category/Sub-category of the Company	Indian Non-Government Company			
v	Address of the Registered office & contact details	"Shakti House" Wardha Road, Nagpur-440 012 Tel. (+) 91- 712- 2423153, 2425518Email: shaktipresslimited@gmail.com Website: Shaktipresslimited.com			
vi	Whether listed company	Listed Company			
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Ltd C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078 Ph 022 25963838			
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>				
	All the business activities contributing 10% or more of the total turnover of the company shall be stated				
<b>SL No</b>	<b>Name &amp; Description of main products/services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the company</b>		
1	Printing and allied activities like screen printing other then textile,	22219	100.00%		
<b>III</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>				
Sr.No	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
<b>NA</b>					

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**A. Category Wise shareholding**

Category code	Category of Shareholder	Total number of Shares	Number of Shares held in physical form	Number of Shares held in dematerialized form	Total number of Shares	Number of Shares held in physical form	Number of Shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
		No. of Shares held at the end of the year[As on 31-March-2016]			No. of Shares held at beginning of the year[As on 01-April-2016]		
(A)	Promoter and promoter group						
[1]	Indian						
	Individuals / hindu undivided family	1295500	72744	1244756	1295480	72744	1222736
	Central government / state government(s)	0	0	0	0	0	0
	Bodies corporate	783350	73000	710350	783350	73000	710350
	Financial institutions / banks	0	0	0	0	0	0
	Any other (specify)	0	0	0	0	0	0
	<b>Sub total</b>	<b>2078850</b>	<b>145744</b>	<b>1955106</b>	<b>2078830</b>	<b>145744</b>	<b>1933086</b>

[2]	Foreign						
	Individuals (non-resident individuals / foreign individuals)	0	0	0	0	0	0
	Bodies corporate	0	0	0	0	0	0
	Institutions	0	0	0	0	0	0
	Qualified fore Investor-corporate	0	0	0	0	0	0
	Qualified fore investor-ind	0	0	0	0	0	0
	Any other (specify)	0	0	0	0	0	0
	Sub total	0	0	0	0	0	0
	<b>Total (a)</b>	<b>2078850</b>	<b>145744</b>	<b>1955106</b>	<b>2078830</b>	<b>145744</b>	<b>1933086</b>
(B)	Public shareholding						
[1]	Institutions						
	Mutual funds / uti	0	0	0	0	0	0
	Financial institutions / banks	6000	0	6000	6000	0	6000
	Central government / state government(s)	83146	0	83146	83146	0	83146
	Venture capital funds	0	0	0	0	0	0
	Insurance companies	0	0	0	0	0	0
	Foreign institutional investors	0	0	0	0	0	0
	Foreign venture capital investors	0	0	0	0	0	0
	Qualified fore. Investor-corporate	0	0	0	0	0	0
	Qualified fore investor-ind	0	0	0	0	0	0
	<b>Sub total</b>	<b>89146</b>	<b>0</b>	<b>89146</b>	<b>89146</b>	<b>0</b>	<b>89146</b>
[2]	Non-institutions						
	Bodies corporate	190219	55000	135219	191700	55000	136700
	Individual shareholders holding nominal share capital upto Rs. 2 for March 2016 and 1 lakh for March 2015.	776005	300865	475140	694375	302365	392010
	Individual shareholders holding nominal share capital in excess of rs. 2 for March 2016 and 1 lakh for March 2015.	320427	100000	220427	441267	100000	341267
	Qualified fore. Investor-corporate	0	0	0	0	0	0
	Qualified fore. investor-ind	0	0	0	0	0	0
	Clearing member	13482	0	13482	13482	0	13482
	Foreign portfolio investor (corporate)	0	0	0	0	0	0
	Foreign portfolio investor (individual)	0	0	0	0	0	0
	Market maker	0	0	0	0	0	0
	Office bearers	0	0	0	0	0	0
	Non resident indians (repat)	10600	0	10600	10600	0	10600
	Non resident indians (non repat)	800	0	800	800	0	800
	Foreign companies	0	0	0	0	0	0
	Overseas bodies corporates	0	0	0	0	0	0
	Directors / relatives	0	0	0	0	0	0
	Freinds & associates	0	0	0	0	0	0
	Holding company	0	0	0	0	0	0
	Trusts	0	0	0	0	0	0
	<b>Sub total</b>	<b>1352224</b>	<b>457365</b>	<b>894859</b>	<b>1352224</b>	<b>457365</b>	<b>894859</b>
	<b>Total (b)</b>	<b>1441370</b>	<b>457365</b>	<b>984005</b>	<b>1441370</b>	<b>457365</b>	<b>984005</b>
	<b>Total (a)+(b)</b>	<b>3520200</b>	<b>603109</b>	<b>2917091</b>	<b>3520200</b>	<b>603109</b>	<b>2917091</b>

**B. Shareholding of Promoter & Relatives-**

SN	Shareholder's Name	Shareholding at the end of the year 2016 (31/03/2016)			Shareholding at the beginning of the year 2016 (01/04/2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SHAKTI OFFSET PVT LTD	492150	13.98	0.00	492150	13.98	0.00	NA
2	RAGHAV SHARMA	426467	12.11	0.00	426467	12.11	0.00	NA
3	DEEPAK SADANAND DHOTE	241144	6.85	0.00	241144	6.85	0.00	NA
4	SHAILJA RAGHAV SHARMA	15700	0.45	0.00	227500	6.46	0.00	-6.01
5	PRANAVKUMAR SHARMA	97200	2.76	0.00	97200	2.76	0.00	NA
6	SIDDHESH KUMAR SHARMA	92200	2.62	0.00	92200	2.62	0.00	NA
7	SUPER OFFSET PVT LTD	73000	2.07	0.00	73000	2.07	0.00	NA
8	MAHALAXMI COMMERCIAL SERVICES LIMITED	70700	2.01	0.00	70700	2.01	0.00	NA
9	KALPANA SHARMA	70000	1.99	0.00	70000	1.99	0.00	NA
10	SURESH KUMAR SHARMA (HUF)	67500	1.92	0.00	67500	1.92	0.00	NA
11	DEEPAK DHOTE	46644	1.33	0.00	46644	1.33	0.00	NA
12	PRASIDH COMMERCIAL SERVICES PVT. LTD	46400	1.32	0.00	46400	1.32	0.00	NA
13	NOVA MARKETING PVT. LTD	40000	1.14	0.00	40000	1.14	0.00	NA
14	UPDATE MARKETING PVT. LTD	40000	1.14	0.00	40000	1.14	0.00	NA
15	ALBELI LEASING AND FINANCE PVT. LTD	13600	0.39	0.00	13600	0.39	0.00	NA
16	NITIN DHOTE	12000	0.34	0.00	12000	0.34	0.00	NA
17	SHIVNATH SHARMA	10000	0.28	0.00	10000	0.28	0.00	NA
18	MARKDATA ADVERTISING PVT LTD	3500	0.10	0.00	3500	0.10	0.00	NA
19	ALINTOSCH PHARMACEUTICALS LIMITED	2000	0.06	0.00	2000	0.06	0.00	NA
20	SIDDHAYU AYURVEDIC RESEARCH FOUNDATION PVT LTD	2000	0.06	0.00	2000	0.06	0.00	NA
21	SUDHA DHOTE	2000	0.06	0.00	2000	0.06	0.00	NA
22	VIBHAWARI DHOTE	1500	0.04	0.00	1500	0.04	0.00	NA
23	SHANTANU SHARMA	725	0.02	0.00	725	0.02	0.00	NA
24	YOGESH G DHOTE	600	0.02	0.00	600	0.02	0.00	NA
25	SURESH KUMAR SHARMA	211800	6.01	0.00	0.00	0.00	0.00	+6.01
	Total :	<b>2078830</b>	<b>59.05</b>	<b>0.00</b>	<b>2078830</b>	<b>59.05</b>	<b>0.00</b>	<b>NA</b>

**C. Change in Promoters' Shareholding**

There was no change in the promoters' shareholding during the year.

**D. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No	Name of the Shareholder	Date	Transaction Shareholding at the end of the year	Shareholding during the year - 31st March 2016		Shareholding at the Beginning of the year - 1st April, 2016	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
01	LILARAM NAZIKDAS KEWLANI	--	--	100000	2.84	100000	2.84
02	ANDHRA PRADESH INDUSTRIAL DEVELOPMENT CORPORATION LIMITED	--	--	83146	2.36	83146	2.36
03	RAAJA JAIN	--	--	68400	1.94	68400	1.94
04	MANTRA MAGIC ENTERPRISES PVT LTD	--	--	56800	1.61	56800	1.61
05	FIRSTCALL INDIA EQUITY ADVISORS PVT.LTD	--	--	50000	1.42	50000	1.42
06	RACHANABEN M VAJANI	--	--	43890	1.24	43890	1.24
07	WORTH WHILE PORTFOLIOS PVT LTD	--	--	32300	0.92	32300	0.92
08	SANJIV R SHAH	--	--	31840	0.90	31840	0.90
09	SHOBHA SANJIV SHAH	--	--	31127	0.88	31127	0.88
10	RASIKLAL AMULAKH SHAH	--	--	30043	0.85	30043	0.85

**E. Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	Shareholding during the year - 31st March 2016		Shareholding at the Beginning of the year - 1st April, 2016	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
RAGHAV SHARMA	426467	12.11	426467	12.11
DEEPAK SADANAND DHOTE	287788	6.85	287788	6.85
SHAILJA RAGHAV SHARMA	15700	0.45	227500	6.46
NIITIN DHOTE	12000	0.34	12000	0.34
KAILSHCHANDRA SHARMA	200	0.01	200	0.01
SUNDAR VENKATRAMAN	20	0.00	20	0.00
ASHUTOSH POTNIS	10	0.00	10	0.00
SHREEDHAR PARANDE	0	0	0	0

**F. Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	143749356.00	100421728.00	-	244171084.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	143749356.00	100421728.00	-	244171084.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	3672542.00	939049.00	-	4611591.00
* Reduction			-	-
<b>Net Change</b>	3672542.00	939049.00	-	4611591.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	147421898.00	101360777.00	-	248782675.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	147421898.00	101360777.00	-	248782675.00

**G. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Raghav Sharma (MD)	Deepak Dhote (Jt MD)	Shailja Sharma (WTD)	Nitin Dhote (WTD)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	300000.00	0.00	300000.00	0.00	600000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00	0.00
5	Others, please specify					
	<b>Total (A)</b>	<b>300000.00</b>	<b>0.00</b>	<b>300000.00</b>	<b>0.00</b>	<b>600000.00</b>
	Ceiling as per the Act					

**H. Remuneration To Key Managerial Personnel Other Than Md /Manager/ Wtd**

SN.	Particulars of Remuneration	Name of CEO/CFO/CS/ Manager	
		<b>Bernard Wong(CFO)</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>300000.00</b>	<b>600000.00</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission - as % of profit - others, specify...	0.00	0.00
5	Others, please specify		
	Total (A)	<b>300000.00</b>	<b>600000.00</b>
	Ceiling as per the Act		

**I. Penalties/Punishment/Compounding of Offences:**

During the year under review the Company fail to submitted signed copy of UFR for quarter ended June 2014 and September 2014 within due period. The Company is unaware of non filing the quarterly results for quarter ended June 2014 and September 2014 due to the reason that the officer of the company looking after company affairs left the services of company without informing the status of various jobs assigned to him. The Company is penalise with the fine amount of Rs. 13,87,871/- levied for late submission.

On account of fail to pay said penalty Company's scrip suspended from stock exchange with effect from 03<sup>rd</sup> August 2015.

There were no penalties/punishment/compounding of offences for the breach of any provisions of the Companies Act, 2013 against the Company or its Directors, or other Officers in default, during the year.

**On behalf of the Board**  
**For SHAKTI PRESS LTD**

Place: Nagpur  
Date: August 30, 2016

(Raghav Sharma)  
00588740  
**CHAIRMAN & MANAGING DIRECTOR**



**Annexure F:**  
**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

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**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**SHAKTI PRESS LTD**

**"Shakti House", Wardha Road,**

**Nagpur – 440 010**

**(CIN: L22219MH1993PLC071882)**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shakti Press Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 observe with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained the Company for the financial year April 1, 2015 to March 31, 2016 according to the provisions of;

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder except the observation given in the subsequent para;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) As informed to me, the other laws as may be applicable **specifically** to the company are
  - (a) Tobacco plain packaging Regulation, 2011

I further report that, there were no actions/events requiring compliances thereof by the company in pursuance of

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (b) The Listing Agreements entered into by the Company with BSE Limited

I further report that the Compliances by the company of applicable financial Laws, like Direct and indirect Taxes Laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) As required under Clause 34 of the Listing Agreement, the Company had not submitted hard Copies of Annual Report for the year ended 2015 to BSE.**
- (b) As required under Clause 33 of the Listing Agreement, the unaudited financial result are submitted to BSE within stipulated time period except for quarter ended June 2015. No hard copy of publication in newspaper of unaudited financial result for quarter ended June 2015 observed**
- (c) The website of the company is not updated.**
- (d) The Company had not appointed the Company Secretary. It is inform hat Company avail services from expert to comply with various provisions and regulation. It is further inform that, the Company is in the process of appointing Whole-time Company Secretary.**
- (e) The Listing Fees for the financial year 2015-16 has not been paid.**
- (f) No e-voting agreement observed and EVSN found. It is informed that the facility of e-voting was made available to shareholders for business transacted at Annual General Meeting held on 30.09.2015**
- (g) Some of ROC Forms were filed with additional Fees.**
- (h) Formal Letter of Appointment of Independent Director with detailed profile and other disclosures as required is not given to BSE.**
- (i) During the period under observation, it is inform that, Nomination and Remuneration Committee at their meeting held on 10th January 2016 had approved and recommended to the Board of Directors/Members of the Company recommend to reappointment of Shri Nitin Dhote as the Whole-time Director of the Company with effect from 14th January 2016 for a period of three (3) years on the existing terms and conditions. However the Company fail to intimate to BSE and RoC and filing return with the RoC**

I Further report that,

- Trading of the Company was suspended by Bombay Stock Exchange (BSE) on 13/08/2012 due to penal reasons.
- The entire share holding of Company's promoters are not in demat form.
- During the year, the Company was not required to appoint Cost Auditor.

- The Company is sick industrial company within the meaning of Clause (o) of sub- Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 and is under preview of Hon'ble BIFR.
- As informed to me, the no complaints received from the investors during the year
- As informed to us Company had not declared the lockout in the factory during the year.

I further report that

Adequate notice is not given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were not sent at in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there is much scope and need to improve the systems and processes commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulation and guidelines.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my Audit and the reporting is limited to that extent.

I further report that during the audit period there were no instances of

- (a) Public/Right/Preferential issue of shares / debentures/sweat equity,
- (b) Redemption / buy-back of securities.
- (c) Major decisions taken by the members in pursuance to section 180 of the Companies Act,2013.
- (d) Merger / amalgamation / reconstruction,
- (e) Foreign technical collaborations.

**Other material Events after the close of F.Y 2015-16**

- a. The Hon'ble BIFR, New Delhi in their meeting held on 02<sup>nd</sup> July 2015, observed that the possession of the assets of the Company has been taken over by the SBI under 13(4) of SARFAESI Act. In terms proviso of Section 15(1) of the Sick Industrial Companies Special Provisions) Act, 1985, reference case 78/2013 of the Company filed before the BIFR was abated. The Hon'ble AAIFR, New Delhi vide their letter dated 01st September 2015 informed that appeal has been registered and assigned No 78/15 and same will be heard on 17th September 2015 at 11.00 AM at the office premises of AAIFR. In hearing of Hon'ble AAIFR, New Delhi, the Authority observed that, the condition for abatement as required under 3rd proviso to section 15(1) of SICA are fulfilled and thereby appeal before Hon'ble AAIFR is disposed of.
- b. During the year, the Shares of the Company were listed on The Bombay Stock Exchange Limited, Mumbai under Scrip Code No. 526841. The scrip of the Company has suspended from trading from Bombay Stock Exchange wef 03<sup>rd</sup> August 2015 due to penal reason. The Company from time to time complied with requirements under Listing Agreement. The Company had filed revocation of suspension of trading of company's scrip which under progress.

Place: Nagpur  
Date: August 30, 2016

Kaustubh Moghe.  
Practicing Company Secretary  
ACS: 31541, COP No.: 12486

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**SHAKTI PRESS LIMITED**  
Nagpur

### Report on the Financial Statements

We have audited the accompanying financial statements of **SHAKTI PRESS LIMITED**, ("the company") which comprise the Balance Sheet as at **31/03/2016**, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cashflow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

- a) *As told by Management Rs. 4,78,81,207.36/- worth of Debtors are more than 3 years old, the same being Time barred should have been written off, but no provision for the same had been provided in books of accounts. The same is the case with major portion of Sundry Creditors, as per the management the same is under settlement process.*
- b) *The details of Quantitative inventory is not being fully maintained, more particularly in terms of raw material consumption, work in progress & finished goods output, hence it is not possible for us to ascertain the exact valuation are therefore we are relying on the valuation of inventory provided by the management.*
- c) *The Bank credit facilities availed from SBI have become NPA as per RBI guidelines and consequently the said bank had stopped charging interest from 01.07.2008 on its credit Facilities. However till 31.03.2013 Company had been booking the interest part as liability amounting to Rs.1,32,82,292.00/-. However during the year ending 31.03.2015 & 31.03.2016 Company has not provided for the provision of interest payable on the total outstanding amount, which is not in accordance with the generally accepted accounting principles.*
- d) *The balances of SBI CC A/c appearing in the books of accounts are not in accordance with the bank statements and are subject to reconciliation in process.*
- e) *The TDS payable by Co. amounting to Rs. 5,82,611.50/- for the period 2002-2009, as per the management the same is due to unintentional incorrect accounting in the past. As per the management rectification steps for the same is under process.*
- f) *The company had written off account worth Rs.39,74,568.13/- as bad debts. As per the management the same is irrecoverable (Debtors) as on date. The Company had written off Rs.5,00,000/- on account of TDS Receivable(for the period 2002-07) being wrongly accounted for.*

- g) The company has not amortized its Brand value over its useful life, it seems that they have not been following the provisions of AS-26.
- h) The management has not been recognizing deferred tax asset/liability, it is observed that the provisions of AS-22 are not followed. However as the Company is a loss making entity and application would normally result in Deferred Tax Asset creation and the same should be created only if there is **virtual certainty supported by convincing evidence** of sufficient future maintainable profits to realize such deferred tax asset, the same can be considered.
- i) Share Application Money Amounting to Rs. 85,12,000/- is seen standing due for allotment, which is not in accordance with the provisions of Companies act, 1956 & latter Acts. As per the management, the allotment is not possible as the BSE has suspended Companies trading in its Stock Exchange, the shares against the same will be allotted as soon as permitted.
- j) The company had not complied with schedule II of Companies Act, 2013 in relation to depreciation of Fixed Assets, as per the management the rates applied are in accordance to the remaining useful life of the asset. Management had obtained an Expert Certificate for the same
- k) Company had taken unsecured loan amounting to Rs.954760.00 and Rs. 1025825.00 from Mr Suresh Sharma and Smt. Kalpana Sharma respectively. The same is not in accordance with the provisions of Companies Act 2013 and previous act.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view subject to and to the extent as pointed in the PARA I above forming part of Auditors Report in conformity with the accounting principles generally accepted in India:

- (a) in case of the Balance Sheet, of the state of affairs of the Company as at **31/03/2016**;
- (b) in case Statement of Profit and Loss Account, of the **Profit** for the year ended on that date; and

### **Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order,2003("the order") as amended by Companies (Auditors Report) (Amendment) Order, 2015 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Act, We give in the Annexure a statements on the matters specified in paragraphs 4 and 5 of the order.
- 2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examinations of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
  - d. In our opinion , the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards referred to in sub-section(3C) of section 211 of the Companies Act,1956 , read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e. On the basis of written representations received from the directors as on **31/03/2016** and taken on record by the Board of Directors, none of the director is disqualified as on **31/03/2016**, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess ids to be paid under section 441A of the Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

As Per Audit Report of Even Date  
For **MOTWANI & CO.**  
(Chartered Accountants)  
Reg No. : 129065W

Date : 28/05/2016  
Place : NAGPUR

**CA Surendra Mangrole**  
(PARTNER)  
Membership No : 152268

**ANNEXURES TO AUDITOR'S REPORT**  
**Re: SHAKTI PRESS LIMITED**  
(Referred to in Paragraph No. 3 of the Auditors Report of even date)

**A) In respect to Fixed Assets**

- i) In our opinion and as per the information & explanation given to us, company is maintaining proper record showing full particulars including quantitative details and situation of fixed assets.
- ii) Fixed Assets have been physically verified by the management at regular intervals and any material discrepancies noticed have been properly dealt with.

**B) In respect to Inventories**

- i) In our opinion and as per the information & explanation given to us physical verification of inventory has been conducted at reasonable interval by the management.
- ii) In our opinion and according to the information given to us procedure of physical inventory followed by the management is reasonable and adequate in relation to size of the company and the nature of its business.
- iii) On inspection of the records maintained we are of the opinion that the records in respect of inventory (raw material), work in progress and finished goods are not maintained fully in accordance with the normally accepted practices. We are relying on value of closing stocks as certified by the management.

**C) In respect to Loans to Certain Parties**

- i) As per our opinion and on the basis of information and explanation given to us by the management company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register under sec 189 of Companies Act, 2013 during the year.
  - a) Company is engaged in Trading with M/s Sankalp Marketing & Management Services during the year. This transaction is normal business transaction therefore not been considered as Loans & advances by the management.

**D) In respect to Internal Control System**

- i) In our opinion and according to the information & explanations given to us, internal control procedures are adequate & commensurate with the size of the company and the nature of business, in relation to the purchase of inventory & Fixed Assets and for the sale of goods & services.
- ii) It has been observed that there is no adequate theft/loss insurance cover for this high cash balance. There is no internal control in relation to inventory as the records in quantitative terms are not maintained on regular basis.

**E) In respect to Acceptance of Deposits**

- i) In our opinion and according to the information & explanations given to us, the company had complied with the directives issued by Reserve Bank of India and the provisions of sec 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under in respect of deposits. As per the information & explanation given to us no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Tribunal in this respect.

**F) In respect to Maintenance of Cost Records**

- i) In our opinion and according to the information & explanations given to us, the company had maintained proper cost records as specified by the Central Government U/s 148(1) of Companies Act, 2013.

**G) In respect to Deposit of Statutory Dues**

- i) Except on few occasions the company is generally irregular in depositing with appropriate authorities payments on account of provident fund, investors education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, Excise duty, cess and other material statutory dues applicable to it. As per the management following dispute are under process.  
TDS Payable Rs.6,50,877.50/- Forum/ Department: Income Tax Circle-2  
(In process with Income Tax Department)

**H) In respect to Accumulated Losses**

- i) The company's accumulated losses at the end of the financial year are more than 50% of its net worth. The company has incurred cash loss during the year. In the immediately preceding financial year the company had incurred cash loss.

**I) In respect to Default in Repayment of Dues**

- i) In our opinion and according to the information & explanations given to us, the company has defaulted in repayment of dues to financial institutions, banks and its account with SBI has been classified as NPA.
- ii) Share Application Money Amounting to Rs. 85,12,000/- is seen standing due for allotment, which is not in accordance with the provisions of Companies act, 1956 & latter Acts. As per the management, the allotment is not possible as the BSE has suspended Companies trading in its Stock Exchange, the shares against the same will be allotted as soon as permitted.

**J) In respect to Guarantee for Loans taken by Others from Banks or Financial Institutions**

- i) In our opinion and according to the information & explanations given to us, no guarantee had been provided for loans taken by others from financial institutions & banks

**K) In respect to Application of Term Loans**

- i) In our opinion and according to the information & explanations given to us, the Term Loans have been applied for the purpose for which they are raised.

**L) In respect to Fraud Reporting**

- i) In our opinion and according to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

As Per Audit Report of Even Date  
For **MOTWANI & CO.**  
(Chartered Accountants)  
Reg No. : 129065W

Date : 28/05/2016  
Place : NAGPUR

**CA Surendra Mangrole**  
(PARTNER)  
Membership No : 152268

**M/S. SHAKTI PRESS LTD., NAGPUR**  
**BALANCE SHEET AS ON 31st March, 2016**

<b><u>PARTICULARS</u></b>	<b><u>Note</u></b>	<b><u>As at 31st March, 2016</u></b>	<b><u>As at 31st March, 2015</u></b>
-	-	<b><u>( 12 Months )</u></b>	<b><u>( 9 Months )</u></b>
	<b><u>No.</u></b>	Rupees	Rupees
<b><u>EQUITY AND LIABILITIES</u></b>			
I			
<u>Share Holders Funds</u>			
(a) Share Capital	1	65,202,000	65,202,000
(b) Reserves & Surplus	2	9,168,671	26,765,302
(c) Share application money pending allotment		8,512,000	8,512,000
II			
<u>Non-Current Liabilities</u>			
(a) Long Term Borrowings	3	147,421,898	143,749,356
III			
<u>Current Liabilities</u>			
(a) Short Term Borrowings	4	101,360,777	100,421,728
(b) Trade Payables	5	42,550,722	37,545,617
(c) Other Current Liabilities	6	<u>87,753,545</u>	<u>85,670,225</u>
		<b><u>461,969,614</u></b>	<b><u>467,866,227</u></b>
<b><u>ASSETS</u></b>			
I			
<u>Non-Current Assets</u>			
(a) Fixed Assets	7		
(i) Tangible assets		199,741,019	214,971,549
(ii) Intangible assets		40,500,000	40,500,000
(iii) Capital work-in-progress		1,281,522	957,486
(b) Deferred Tax Assets	8	-	-
(c) Non-Current Investments	9	826,725	638,225
II			
<u>Current Assets</u>			
(a) Inventories	10	75,669,764	65,473,420
(b) Trade Receivables	11	63,010,015	73,516,958
(c) Cash and Cash Equivalents	12	2,566,386	1,042,777
(d) Short Term Loans and Advances	13	<u>78,374,183</u>	<u>70,765,812</u>
		<b><u>461,969,614</u></b>	<b><u>467,866,227</u></b>

**AS PER OUR REPORT OF EVEN DATE  
FOR, MOTWANI & Co.  
CHARTERED ACCOUNTANTS**

**For SHAKTI PRESS LIMITED**

**CA SURENDRA MANGROLE  
(PARTNER)  
PLACE: NAGPUR  
DATE: 28/05/2016**

**RAGHAV K. SHARMA  
(MANAGING DIRECTOR)  
00588740**

**KAILASCHAND SHARMA  
(DIRECTOR)  
02431885**



**M/S. SHAKTI PRESS LTD., NAGPUR**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March,2016**

<u>PARTICULARS</u>	<u>Note</u> <u>No</u>	<u>As on 31st March, 2016</u> <u>( 12 Months )</u> Rupees	<u>As on 31st March,2015</u> <u>( 9 Months )</u> Rupees
I			
<b><u>REVENUE FROM OPERATIONS</u></b>			
(a) Sales	14	92,502,086	78,632,024
(b) Other Income	15	477,901	1,702,830
<b>TOTAL REVENUE</b>		<b>92,979,986</b>	<b>80,334,854</b>
II			
<b><u>EXPENSES</u></b>			
(a) Cost of Material Consumed	16	71,773,124	72,486,576
(b) Changes in Inventory	17	(10,196,344)	(12,530,718)
(c) Employee Benefits Expenses	18	3,416,877	2,684,637
(d) Financial Cost	19	5,962,679	3,668,851
(e) Other Expenses	20	24,338,440	20,360,577
(f) Depreciation	7	15,281,840	15,250,306
<b>TOTAL EXPENSES</b>		<b>110,576,617</b>	<b>101,920,229</b>
III			
<b>Profit before exceptional &amp; extraordinary items &amp; tax</b>		<b>(17,596,630)</b>	<b>(21,585,375)</b>
IV			
Exceptional items		-	-
V			
<b>Profit before extraordinary items &amp; tax</b>		<b>(17,596,630)</b>	<b>(21,585,375)</b>
VI			
Extraordinary items		-	-
VII			
<b>Profit/(Loss) before tax</b>		<b>(17,596,630)</b>	<b>(21,585,375)</b>
VIII			
<b>Tax expenses</b>			
(a) Current tax			
(b) Earlier year tax			
(c) Deferred tax			
IX			
<b>Profit/(Loss) for the period</b>		<b>(17,596,630)</b>	<b>(21,585,375)</b>
<b>Earning per equity share (Basic &amp; diluted)</b>			
(Face value Rs.10/- per share)			
Significant Accounting Policies			
Notes forming part of Accounts			
<b>AS PER OUR REPORT OF EVEN DATE</b>			<b>For SHAKTI PRESS LIMITED</b>
<b>FOR, MOTWANI &amp; Co.</b>			
<b>CHARTERED ACCOUNTANTS</b>			
<b>CA SURENDRA MANGROLE</b>		<b>RAGHAV K. SHARMA</b>	<b>KAILASCHAND SHARMA</b>
<b>(PARTNER)</b>		<b>(MANAGING DIRECTOR)</b>	<b>(DIRECTOR)</b>
<b>PLACE : NAGPUR</b>		<b>00588740</b>	<b>02431885</b>
<b>DATE : 28/05/2016</b>			

<b>M/S. SHAKTI PRESS LTD., NAGPUR</b>					
<b>NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st March ,2016</b>					
<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at 31st March, 2016</b>		<b>As at 31st March, 2015</b>	
	<b>01</b>	No. of Shares	Rupees	No. of Shares	Rupees
<b>SHARE CAPITAL</b>					
<u>Share Capital</u>					
<u>Authorised Share Capital</u>					
Equity Shares of Rs.10/-each		8,000,000	80,000,000.00	8,000,000	80,000,000.00
Preference Shares of Rs.100/-each		300,000	30,000,000.00	300,000	30,000,000.00
		8,300,000	110,000,000.00	8,300,000	110,000,000.00
<u>Issued Subscribed &amp; Fully Paid up :-</u>					
3520200 Equity Shares of 10/- Fully paid up		3,520,200	35,202,000.00	3,520,200	35,202,000.00
300000 Non Cumulative Redeemable Preference Share 8% 100/-		300,000	30,000,000.00	300,000	30,000,000.00
		<b>3,820,200</b>	<b>65,202,000.00</b>	<b>3,820,200</b>	<b>65,202,000.00</b>
<b>Reconciliation of the number of shares outstanding:</b>					
<b>Particulars</b>		<b>As at 31st March 2016</b>		<b>As at 31st March 2015</b>	
		No. of Shares	Amount( )	No. of Shares	Amount( )
Shares outstanding at the beginning of the year		3,520,200.00	35,202,000.00	3,520,200.00	35,202,000.00
Shares issued during the year		-	-	-	-
Shares bought back during the year		-	-	-	-
Shares outstanding at the end of the year		3,520,200.00	35,202,000.00	3,520,200.00	35,202,000.00
<b>Preference Shares</b>					
<b>Particulars</b>		<b>As at 31st March 2016</b>		<b>As at 31st March 2015</b>	
		No. of Shares	Amount( )	No. of Shares	Amount( )
Shares outstanding at the beginning of the year		300,000.00	30,000,000.00	300,000.00	30,000,000.00
Shares issued during the year		-	-	-	-
Shares bought back during the year		-	-	-	-
Shares outstanding at the end of the year		300,000.00	30,000,000.00	300,000.00	30,000,000.00
Details of Shareholders Holding More Than 5% of Shares					
Name of Shareholder		<b>As at 31st March 2016</b>		<b>As at 31st March 2015</b>	
		No of Shares Held	% of Holding	No of Shares Held	% of Holding
Raghav K. Sharma		426,467.00	12.11	426,467.00	12.11
Shailaja Sharma		227,500.00	6.46	227,500.00	6.46
Deepak S. Dhote		241,144.00	6.85	241,144.00	6.85
Shakti Offset Pvt Ltd		492,150.00	13.98	492,150.00	13.98
		<b>1,387,261.00</b>	<b>39.40</b>	<b>1,387,261.00</b>	<b>39.40</b>
<b>Share Application money pending for allotment</b>					
Share Application Money			8,512,000	8,512,000	

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<b>M/S. SHAKTI PRESS LTD., NAGPUR</b>			
<b>NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st March,2016</b>			
<b>PARTICULARS</b>	<b>Note No</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
		Rupees	Rupees
<b>RESERVES &amp; SURPLUS</b>	<b>02</b>		
General Reserve		61,772,000	61,772,000
Special Capital Incentive from SICOM Ltd.		2,900,000	2,900,000
Revaluation Reserve		174,998,577	174,998,577
		<b>239,670,577</b>	<b>239,670,577</b>
Balance in Statement of Profit & Loss:-			
<b>Opening Balance</b>		(212,905,275)	(191,319,900)
Add:- Profit /( Loss) for the Year		(17,596,630)	(21,585,375)
<b>Closing Balance</b>		(230,501,906)	(212,905,275)
<b>Total</b>		<b>9,168,671</b>	<b>26,765,302</b>
<b>LONG TERM BORROWINGS</b>	<b>03</b>		
Secured Long-Term Loans			
Term Loan (Rupee) A/c.		69,695,842	69,695,842
Term Loan (FCNR) A/c.		(8,060,469)	(8,060,469)
SBI WCTL		9,575,881	9,575,881
SBI FITL		7,307,723	7,307,723
Loans & Advances - Others :			
SBI Cash Credit A/c.		27,543,719	27,543,719
Other Secured Loans		12,278,715	11,053,633
Arvind Sahakari Bank Cash Credit A/c		29,080,487	26,633,026
<b>Total</b>		<b>147,421,898</b>	<b>143,749,356</b>
<b>SHORT TERM BORROWINGS</b>	<b>04</b>		
<b>Short-term Loans</b>			
Unsecured		101,360,777	100,421,728
<b>Total</b>		<b>101,360,777</b>	<b>100,421,728</b>
<b>TRADE PAYABLE</b>	<b>05</b>		
Creditors for goods & services			
Outstanding dues to parties other than Micro and Small Enterprises		-	
Outstanding dues to parties other than Micro and Small Enterprises		42,550,722	37,545,617
<b>Total</b>		<b>42,550,722</b>	<b>37,545,617</b>
<b>OTHER CURRENT LIABILITIES</b>	<b>06</b>		
Statutory Remittances		711,665	1,178,565
Security Deposits		531,000	
Advances From Customers		20,085,050	
Expenses payables		66,227,253	66,309,149
Other Payables		154,322	118,954
Other Credit Balance		44,256	18,063,557
		<b>87,753,545</b>	<b>85,670,225</b>
<b>DEFERRED TAX ASSETS</b>	<b>08</b>		-
Opening Balance		-	-
Add :- Deferred Tax for the Year			

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		-	-
<b>NON-CURRENT INVESTMENTS</b>	<b>09</b>		
Long Term Investments (At Cost, Fully Paid Up)			
Other Than Trade (Unquoted)			
<b>(a) Investment in Equity Instruments</b>			
Shares of Berar Housing Finance Ltd. (2000 Shares)		-	24,000
Shares of Samta Sahakari Bank Ltd. (50 Shares)		5,000	5,000
Shares of Enbee Plantations Ltd.		5,000	5,000
Shares of Kedia Distillers Ltd. (500 Shares)		85,125	85,125
Shares of Madhya Desh Paper Ltd.		16,100	16,100
Shares of Arvind Sahakari Bank		712,500	500,000
<b>(b) Aggregate amount of unquoted investments</b>			
National Savings Certificate		3,000	3,000
		<b>826,725</b>	<b>638,225</b>
<b>INVENTORIES</b>	<b>10</b>		
Raw Material		30,267,905	41,536,376
Finished Goods		18,917,441	486,004
Work-in-Process		26,484,418	23,451,040
		<b>75,669,764</b>	<b>65,473,420</b>
<b>TRADE RECEIVABLE</b>	<b>11</b>		
(Unsecured, considered good unless stated otherwise)			
Debts Outstanding for a period not exceeding six months		15,128,808	
Debts Outstanding for a period exceeding six months		47,881,207	
Other Receivables			73,516,958
		<b>63,010,015</b>	<b>73,516,958</b>
<b>CASH &amp; BANK BALANCES</b>	<b>12</b>		
Cash & Cash Equivalents			
(a) Balances with Banks			
In current account		50,727	24,396
(b) Cash in Hand		2,515,660	1,018,381
		<b>2,566,386</b>	<b>1,042,777</b>
<b>SHORT TERM LOANS &amp; ADVANCES</b>	<b>13</b>		
Advances to Staff & Workers		460,306	4,507,908
Advances to Others		7,841,094	44,804,255
Earnest Money Deposit		70,000	70,000
Security Deposits with Government Authorities		913,428	913,427
Other Debit Balances		41,599	38,609
Sales Tax Paid Against Appeals		938,016	938,016
Interest Receivable		3,808,283	3,808,283
TDR Account		7,878,687	7,660,144
Balances with Revenue Authorities		5,384,100	8,025,170
Advances to Creditors		51,038,670	-
		<b>78,374,183</b>	<b>70,765,812</b>

<b>M/S. SHAKTI PRESS LTD., NAGPUR</b>			
<b>NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31st March, 2016</b>			
<b><u>PARTICULARS</u></b>	<b><u>Note No.</u></b>	<b><u>As at 31st March, 2016</u></b>	<b><u>As at 31st March, 2015</u></b>
		Rupees	Rupees
<b><u>Revenue from operations</u></b>	<b><u>14</u></b>		
<b><u>SALES (Gross)</u></b>			
Sales - (Gross)		92,502,085.50	78,592,574.00
Packing & Forwarding Charges		-	39,450.00
<b>Net Sales</b>		92,502,085.50	78,632,024.00
Foreign Exchange Fluctuation		-	-
<b>Total Revenue</b>		92,502,085.50	78,632,024.00
<b><u>OTHER INCOME</u></b>	<b><u>15</u></b>		
<b><u>Other Income</u></b>			
Dividend Received		87,117.00	4,500.00
Other Income		36,000.00	970,000.00
Interest Received		354,783.87	728,330.00
		477,900.87	1,702,830.00
<b>Total Income</b>		92,979,986.37	80,334,854.00
<b><u>COST OF MATERIAL CONSUMED</u></b>	<b><u>16</u></b>		
Purchases		71,773,124.26	72,486,575.62
		71,773,124.26	72,486,575.62
<b><u>CHANGES IN INVENTORIES</u></b>	<b><u>17</u></b>		
Inventory at the end of the year		75,669,764.00	65,473,420.00
Less: Inventory at the beginning of the year		65,473,420.00	52,942,702.35
Total Changes in Inventory of Finished Goods		<b>(10,196,344.00)</b>	<b>(12,530,717.65)</b>
Decrease / (Increase)			
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>	<b><u>18</u></b>		
Salaries, Wages & Bonus		1,882,099.00	1,412,521.00
Contribution to ESI		82,394.00	60,890.00
Contribution to Labour Welfare Fund		1,026,874.00	684.00
Contribution to PF		238,723.00	174,148.00
EX.Gratia		186,787.00	193,096.00
Workers Welfare Expenses		-	843,298.00
		<b>3,416,877.00</b>	<b>2,684,637.00</b>
<b><u>FINANCIAL COSTS</u></b>	<b><u>19</u></b>		
Bank Charges		213,353.93	120,937.00
Interest to Banks		4,313,890.00	2,583,439.00
Interest to Others		1,435,435.08	964,475.00
		<b>5,962,679.01</b>	<b>3,668,851.00</b>
<b><u>OTHER EXPENSES</u></b>	<b><u>20</u></b>		
Accounting Charges & Supervision Charges		180,000.00	12,800.00
Advertisement Charges		75,198.00	16,260.00
Audit Fees			99,804.00
Bad Debts Written off		3,974,568.13	348,772.02
Carriage Inward		993,110.00	1,350,187.00
Carriage Outward		1,286,328.00	1,488,793.00
Computer Expenses		109,706.00	106,069.00

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Consultancy Charges		32,500.00	92,000.00
Conveyance Charges		881,445.00	738,679.70
Diwali Gift		117,480.00	78,805.00
Electricity Charges		328,870.00	222,790.00
Freight Charges		13,080.00	-
Factory Expenses		4,386,511.00	3,131,836.00
Filing Fees		6,200.00	4,040.00
Guest House Expense		96,967.00	87,999.00
HOUSE RENT ALLOWANCE		70,800.00	53,100.00
Import Expenses		-	480,723.00
Inspection fees		8,500.00	
Insurance Expenses		76,945.00	70,503.00
Legal Expenses		121,380.00	353,387.00
Licence Fees		15,750.00	21,000.00
Listing Fees		18,000.00	6,000.00
Membership Subscription		78,881.00	24,763.00
Newspaper & Periodicals		3,290.00	700.00
Office Expenses		391,500.00	260,965.00
Outside Job Charges		557,501.00	670,995.00
Packing Charges		162,213.56	44,027.00
Pooja & Functions Expenses		28,953	38,686.00
Postage & Telegrams		58,692.00	52,082.00
Power & Electricity Charges		4,705,025.00	3,472,110.00
Printing & Stationery		35,572.00	19,052.00
Process Expenses		352,772.00	237,880.00
Professional Charges		308,500.00	350,500.00
Professional Tax Co.		2,500.00	-
Reimbursement of Medical Exp.(Directors)		43,993.00	32,122.00
Remission a/c		88,668.79	223,834.44
Remuneration to Directors		600,000.00	335,000.00
Rent Rates & Taxes		100,000.00	124,020.00
Repairs & Maintenance		316,980.00	1,594,532.00
Retainership Charges		600,000.00	795,600.00
Rounding Off		37.85	
Sales Promotion Expenses		203,401.00	511,869.00
Sales Tax Expenses		24,000.00	45,050.00
Secreterial Department Expenses		200,000.00	85,415.00
Security Service Charges		285,733.00	512,389.00
Service Tax		-	9,067.00
Stores & consumable		270,550.00	720,636.50
Supervision Charges		316,800.00	
Telephone Expenses		193,952.00	122,073.00
Travelling Expenses		279,061.00	498,425.00
Vehicle Running expenses		1,303,897.00	791,190.00
Water Charges		32,629.00	24,046.00
<b>Total</b>		<b>24,338,440.33</b>	<b>20,360,576.66</b>

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M/s SHAKTI PRESS LIMITED												
NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING 31.03.2016												
Note - 7												
FIXED ASSETS												
A TANGIBLE ASSETS												
Sr. No.	Particulars	Rate of Depreciation	Gross Block				Depreciation				Net Block	
			As on 01-4-2015	Additions	Deletion	As on 31-3-2016	As on 01-4-2015	For the year	Deletion	As on 31-3-2016	As on 31-3-2016	As on 31-3-2015
1	MIDC Leasehold Land	-	6,544,800	-	-	6,544,800	-	-	-	-	6,544,800	6,544,800
2	Mondha Land	-	131,162,000	-	-	131,162,000	-	-	-	-	131,162,000	131,162,000
3	Building (MIDC)	9.50%	11,561,505	-	-	11,561,505	843,797	1,018,182	-	1,861,979	9,699,526	10,717,708
4	Building (Mondha)	9.50%	31,787,726	-	-	31,787,726	2,319,975	2,799,436	-	5,119,411	26,668,315	29,467,752
5	Electrical Installations (MIDC)	25.89%	200,552	-	-	200,552	41,637	41,143	-	82,780	117,772	158,915
6	Electrical Installations (Mondha)	25.89%	1,707,552	-	-	1,707,552	354,510	350,303	-	704,813	1,002,739	1,353,042
7	Machineries	31.23%	45,311,239	58,810	7,500	45,362,549	10,512,469	10,875,502	1,707	21,386,264	23,976,285	34,798,770
8	Furniture & Fixtures	25.89%	633,469	-	-	633,469	131,516	129,956	-	261,472	371,997	501,953
9	Vehicles	25.89%	336,463	-	-	336,463	69,854	69,025	-	138,879	197,584	266,609
	<b>Total</b>		<b>229,245,306</b>	<b>58,810</b>	<b>7,500</b>	<b>229,296,616</b>	<b>14,273,758</b>	<b>15,283,547</b>	<b>1,707</b>	<b>29,555,598</b>	<b>199,741,019</b>	<b>214,971,549</b>
	<b>Previous Year</b>		<b>229,998,707</b>	<b>223,147</b>	<b>976,548</b>	<b>229,245,306</b>	<b>-</b>	<b>15,250,306</b>	<b>976,548</b>	<b>14,273,758</b>	<b>214,971,548</b>	<b>-</b>

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<b>B INTANGIBLE ASSETS</b>												
Sr. No.	Particulars	Rate of Depreciation	Gross Block				Depreciation				Net Block	
			As on 01-4-2015	Additions	Deletion	As on 31-3-2016	As on 01-4-2015	For the year	Deletion	As on 31-3-2016	As on 31-3-2016	As on 31-3-2015
1	Brands	-	40,500,000	-		40,500,000	-	-		-	40,500,000	40,500,000
	<b>Total</b>		<b>40,500,000</b>	<b>-</b>	<b>-</b>	<b>40,500,000</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>40,500,000</b>	<b>40,500,000</b>
	<b>Previous Year</b>		40,500,000	-	-	40,500,000	-	-		-	40,500,000	40,500,000
<b>C CAPITAL WIP</b>												
Sr. No.	Particulars	Rate of Depreciation	Gross Block				Depreciation				Net Block	
			As on 01-4-2015	Additions	Deletion	As on 31-3-2016	As on 01-4-2015	For the year	Deletion	As on 31-3-2016	As on 31-3-2016	As on 31-3-2015
1	Mondha Project	-	957,486	324,036		1,281,522	-	-		-	1,281,522	957,486
	<b>Total</b>		<b>957,486</b>	<b>324,036</b>	<b>-</b>	<b>1,281,522</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>1,281,522</b>	<b>957,486</b>
	<b>Previous Year</b>		-	-	-	-	-	-		-	-	
Depreciation has been charged on WDV method as per Schedule XIV of the Companies Act, 1956. Depreciation on additions considered on pro-rata basis.												



## **SHAKTI PRESS LIMITED**

Regd Office : SHAKTI HOUSE, WARDHA ROAD, NAGPUR-440012, MAHARASHTRA

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### **Significant Accounting Policies**

1. **Basis of Accounting**  
The Assesses has Followed Mercantile Basis of accounting
2. **Fixed Assets**  
Fixed Assets are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freights, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working condition for its intended use but net of CENVAT.
3. **Depreciation**  
Depreciation on fixed assets has been provided at Written down value method.
4. **Revaluation of Fixed Assets**  
No Revaluation of Fixed Assets has been done the financial Year.
5. **Lease Transactions**  
Finance Lease or similar arrangements, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets, Finance charges are charged directly against income.
6. **Investment**  
Investment has been stated At Cost
7. **Inventories**  
Raw Material And Work in Progress Has been valued At cost And Finished Goods Has Been Valued At Cost or Net Realisable Value Whichever is less.
8. **Revenue Recognition**  
Sales have been Stated Net of Tax And Duties.
9. **Sundry Debtors**  
Debtors are subject to confirmation.
10. **Sundry Creditors**  
Sundry Creditors Are subject to Confirmation.
11. **Unsecured Loans**  
Unsecured Loans Are subject to Confirmation.
12. **Investment Income**  
Investment Income is Recognized on accrual Basis, Inclusive of related Tax Deducted At Source.
13. **Proposed Dividend**  
No Dividend has been proposed
14. **Retirement Benefits**  
Retirement Benefits are incorporated on the Cash Basis As And When Paid.
15. **Taxes on Income**  
The company has not earned any profit during the year hence there is no tax is provided in the books of

**Shakti Press Limited**  
**23<sup>rd</sup> Annual Report 2014-15**

accounts. Deferred Tax Assets on Unabsorbed Depreciation And Carry Forward of losses in not recognised unless there is virtual certainty that there will be sufficient future taxable income available to realise such Assets.

16. Foreign Currency Transactions

Any income or expense on account of exchange difference between the date of transaction and on settlement Date or on translation is recognized in the profit and loss account as income or expense except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

17. Segment Reporting

Segment are identified in line with the Accounting Standard on Segment Reporting ( AS -17 ) taking into account the organization structure as well as the differential risk and returns of the segments. The unallocable items include income and expenses items which are nor directly identifiable to any segment and therefore nor allocated to any business segment.

18. Contingent Liability

Sales Tax Demand is pending in Appeal As scheduled hereunder

Financial Year	BST Demand	CST Demand
1995-96	30,47,183.00	67,69,313.00
2003-04	51,61,611.00	21,74,239.00
2006-07	Nil	17,55,067.00
2007-08	30,57,098.00	31,49,199.00
2008-09	Nil	5,32,817.00
2010-11	30,22,460.00	16,27,140.00
Total	1,42,88,352.00	1,60,07,775.00

As Per Audit Report of Even Date  
For **MOTWANI & CO.**  
(Chartered Accountants)  
Reg No. : 129065W

Date : 28/05/2016  
Place : NAGPUR

**CA Surendra Mangrole**  
(PARTNER)  
Membership No : 152268

## SHAKTI PRESS LIMITED

Regd Office : SHAKTI HOUSE, WARDHA ROAD, NAGPUR-440012, MAHARASHTRA

### Notes to Account for the year ending 31<sup>st</sup> March, 2016

(Amount in Rs.)

#### 1. RIGHTS, PREFERENCES AND RESTRICTIONS OF EACH CLASS OF SHARES

The detailed information of rights, preferences and restrictions attaching to each class of given as follows:

Sr No.	Class of shares	Type of Restriction	Description
1	Issued share Capital	Rights	35,20,200 Equity Shares of Rs.10/- each fully paid up
2	Issued share Capital	Rights	3,00,000 Preference Shares of Rs.100/- each fully paid up

#### 2. LISTS OF SHAREHOLDER'S HOLDING MORE THAN 5% OF SHARES

The name of the shareholder's holding more than 5% shares as on the balance sheet date is given below:

Sr No.	Name of the shareholder	No. of shares held	% of shares held
1	Shri Raghav K Sharma	426467	12.11
2	Smt Shailaja Raghav Sharma	227500	6.46
3	Shri Deepak S Dhote	241144	6.85
4	M/s Shakti Offset Pvt Ltd	492150	13.98
Total		13,87,261	39.40

#### 3. PROPOSED DIVIDEND

The company has proposed dividend of Rs 0.00 (Rs 0.00 per equity share) (Previous Year. Rs Nil) on equity shares and Rs 0.00 (Rs 0.00 per preference share) (Previous Year. Rs Rs Nil) on preference shares during the current period.

#### 4. DETAILS OF SHARE APPLICATION MONEY

The details of the share application money are as follows:

Sr No.	Particulars	Description
1	Terms and Conditions	Preferential Allotment
2	No. of shares proposed to be issued	1,22,090
3	Amount of premium	NIL
4	Period before which shares are to be allotted	-
5	Whether the co. has sufficient authorised capital	Yes
6	Interest accrued on amount due for refund	-
7	Whether the share application money is pending beyond the period specified	Yes
8	If the answer to the above question is affirmative, please specify the period	180 DAYS
9	Reasons for the same	

#### 5. QUOTED AND UNQUOTED INVESTMENTS

The Aggregate amount of Quoted Investment is Rs. Nil (Previous Year Rs. Nil) and the aggregate amount of unquoted investments is Rs. 6,38,225.00 (Previous Year Rs. 6,38,225.00)

#### 6. RELATED PARTY TRANSACTIONS

As per Accounting Standard (AS) 18, 'Related Party Disclosures' prescribed under the Accounting Standard Rules, the disclosures of the details of the related parties and the transactions entered with them are given below:

Associates

Sr. No.	Name	Address
1	Shri Baidhyanath Aurved Bhavan Pvt Ltd	Nagpur
2	Shri Baidhyanath Aurved Bhavan Pvt Ltd	Seoni
3	Shri Baidhyanath Aurved Bhavan Pvt Ltd	Jhansi
4	Shakti Offset Pvt Ltd	Nagpur
5	Super Offset Pvt Ltd	Nagpur
6	Shivart	Nagpur
7	Shakti Offset Works	Nagpur
8	Sankalp Marketing & Management Services	Nagpur
9	Siddhayu Ayurvedic Research Foundation Pvt Ltd	Bahadura, Nagpur
10	Siddhayu Ayurvedic Research Foundation Pvt Ltd	Wadsa, Gadchiroli
11	Siddhayu Ayurvedic Research Foundation Pvt Ltd	Nagpur
12	Albeli Leasing & Finance Pvt Ltd	Nagpur
13	Markdata Advertising Pvt Ltd	Nagpur
14	Mahalaxmi Commercial Services Pvt Ltd	Nagpur
15	Nova Marketing Pvt Ltd	Nagpur
16	Prasidh Commercial Services Pvt Ltd	Nagpur
17	Update Marketing Pvt Ltd	Nagpur
18	Shri Suresh Kumar Sharma	Nagpur
19	Mrs. Kalpana Sharma	Nagpur
20	Shantanu R Sharma	Nagpur

7. A. LIST OF RELATED PARTIES

Sr No.	Nature	Name of the person
1	Key Management Personnel	Raghav Kailashnath Sharma
2	Key Management Personnel	Shailja Raghav Sharma
3	Key Management Personnel	Deepak S Dhote
4	Key Management Personnel	Nitin S Dhote

8. PAYMENT TO AUDITOR

The following expenses are incurred on Auditor's in the following manner:

Sr No.	Particulars	Amount (Current Year)	Amount (Previous Year)
1	As an Auditor	1,00,000.00	1,00,000.00
2	For Tax Audit Matter	30,000.00	30,000.00
3	For Other Matter (Certification & Taxation)	50,000.00	50,000.00
Total		1,80,000.00	1,80,000.00

9. FIGURES HAVE BEEN REGROUPED AND REARRANGED WHEREVER FOUND NECESSARY.

As Per Audit Report of Even Date  
For **MOTWANI & CO.**  
(Chartered Accountants)  
Reg No. : 129065W

Date : 28/05/2016  
Place : NAGPUR

**CA Surendra Mangrole**  
(PARTNER)  
Membership No : 152268

**SHAKTI PRESS LIMITED**

**CIN: L22219MH1993PLC071882**

**Regd Office: 'Shakti House', Wardha Road, Nagpur - 440012**

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**ATTENDANCE SLIP**  
**(To be presented at the entrance)**

I/ We hereby record my/ our presence at 23rd Annual General Meeting (AGM) of the Members of the Shakti Press Limited, will be held on Friday, September 30, 2016 at 11.00 a.m; at U - 116, Hingna M.I.D.C. Industrial Area, Nagpur – 440 016.

Folio No./ Client ID No./ DP ID No.: - .....

Number of Shares held:- .....

Name of the Member:- .....Signature :-.....

Name of Proxy holder :- .....Signature :-.....

1. Only Member / Proxy holder / can attend the Meeting.
2. Member/ Proxy holder are requested to bring his/ her copy of the Annual Report for reference at the Meeting.

**SHAKTI PRESS LIMITED**

CIN: L22219MH1993PLC071882

Regd Office: 'Shakti House', Wardha Road, Nagpur - 440012

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014]

Name of the Member(s) : \_\_\_\_\_

Registered Address: \_\_\_\_\_  
\_\_\_\_\_

E-mail ID: \_\_\_\_\_

Folio No. / Client ID: \_\_\_\_\_

DP ID: \_\_\_\_\_

I/We, being the members(s) of shares of Shakti Press Limited, hereby appoint:

1) \_\_\_\_\_ of \_\_\_\_\_  
having e-mail id \_\_\_\_\_

Signature \_\_\_\_\_  
or failing him

2) \_\_\_\_\_ of \_\_\_\_\_  
having e-mail id \_\_\_\_\_

Signature \_\_\_\_\_  
or failing him

3) \_\_\_\_\_ of \_\_\_\_\_  
having e-mail id \_\_\_\_\_

Signature \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Shakti Press Limited, to be held on Friday, 30<sup>th</sup> September 2016 at 10:00 a.m. at U - 116, Hingana M.I.D.C. Industrial Area, Nagpur - 440 016 (Maharashtra at any adjournment thereof in respect of such resolutions are indicated below:

1. Ordinary Resolution for adoption of Financial Statement for the year ended 31st March, 2016.
2. Ordinary resolution for re-appoint Shri Raghav Sharma as Director, who retires by rotation.
3. Ordinary resolution for re-appoint Shri Nitin Dhote as Director, who retires by rotation.
4. Ordinary Resolution for the re-appointment of the Auditors of the Company for the Financial Year 2016-2017 and fixing their Remuneration.
5. Ordinary Resolution for re-appoint Shri Nitin Dhote as the whole-time of the Company for 3 years wef 14<sup>th</sup> January 2016.

Signed this..... Day of..... 2016

Signature of shareholder .....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

**Note:**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



