



# WPIL Limited

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ANNUAL

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REPORT

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AND

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ACCOUNTS

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2004

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A Member of  
Williamson Magor  
Group

## FINANCIAL HIGHLIGHTS

(Rs. Lacs)

| Particulars  | 2004 | 2003* | 2001   | 2000*  | 1999   |
|--|------|-------|--------|--------|--------|
| <b>Financial Positions</b>                         |      |       |        |        |        |
| Share Capital                                      | 797  | 797   | 797    | 797    | 397    |
| Reserves & Surplus<br>(Net of Revaluation Reserve) | 14   | 14    | 14     | 20     | 387    |
| Net Worth  | 811  | 811   | 811    | 817    | 784    |
| Gross Block  | 2400 | 2723  | 2693   | 2625   | 2220   |
| Accumulated Depreciation                           | 1376 | 1602  | 1412   | 1276   | 1089   |
| Net Block  | 1024 | 1121  | 1281   | 1349   | 1131   |
| <b>Summary of Operations</b>                       |      |       |        |        |        |
| Total Income                                       | 4004 | 5449  | 3950   | 5431   | 4192   |
| Profit before Interest,<br>Depreciation and Tax    | 483  | 795   | 517    | 576    | 637    |
| Interest   | 329  | 573   | 464    | 787    | 570    |
| Depreciation                                       | 113  | 187   | 130    | 178    | 111    |
| Profit/(Loss) before Tax                           | 41   | 35    | (77)   | (389)  | (44)   |
| Profit/(Loss) after Tax                            | 41   | 35    | (77)   | (389)  | (46)   |
| Dividend   | Nil  | Nil   | Nil    | Nil    | Nil    |
| Earning Per Share (Rs.)                            | 0.51 | 0.44  | (0.96) | (4.93) | (1.16) |

\* Year 2000 & 2003 represents 18 months' operation.

**DIRECTORS**

D. KHAITAN — Chairman  
P. AGARWAL — Managing Director  
V. N. AGARWAL  
SUPRIYO MUKHERJEE  
K. K. GANERIWALA  
SUBIR DASGUPTA  
C. K. PASARI

**AUDITORS**

LOVELOCK & LEWES  
*Chartered Accountants*

**SECRETARY**

SANKAR BHATTACHARYA

**BANKERS**

STATE BANK OF BIKANER AND JAIPUR  
CENTRAL BANK OF INDIA  
ALLAHABAD BANK  
VIJAYA BANK

**REGISTRAR**

MCS LIMITED  
77/2A, HAZRA ROAD, KOLKATA - 700 029  
PHONE NO. : (033) 2476 7350-53; (033) 3208 5454  
FAX NO. : (033) 2454 1961/2474 7674  
E-MAIL : mcscal@cal2.vsnl.net.in

**REGISTERED OFFICE**

FOUR MANGOE LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA - 700 001

**CORPORATE AND EASTERN REGION OFFICE**

22 FERRY FUND ROAD, PANIHATI  
KOLKATA - 700 114 (W.B.)

**WESTERN REGION OFFICE**

10 & 11 BHAGTANI ENCLAVE  
SONAPUR LANE  
OFF. L. B. S. MARG  
BHANDUP WEST  
MUMBAI - 400 078

**SOUTHERN REGION OFFICE**

1B, 1ST FLOOR, MANDIRA APARTMENT  
23 - A DR. B. N. ROAD  
T. NAGAR  
CHENNAI - 600 017

**NORTHERN REGION OFFICE**

A-5 SECTOR 22, MEERUT ROAD  
GHAZIABAD - 201 003 (UP)

**MANUFACTURING FACILITIES**

22 FERRY FUND ROAD, PANIHATI  
KOLKATA - 700 114, (W.B.)

A-5 SECTOR 22, MEERUT ROAD  
GHAZIABAD - 201 003 (UP)

**WPIL Limited****NOTICE OF THE ANNUAL GENERAL MEETING TO THE MEMBERS**

NOTICE is hereby given that the Fiftieth Annual General Meeting of the Company will be held on Wednesday, the 28th day of July, 2004 at "Kala Kunj", Kalamandir (Basement), 48, Shakespeare Sarani, Kolkata - 700 017 at 11.00 a.m. to transact the following business :—

**ORDINARY BUSINESS**

1. To consider and adopt the audited Profit & Loss Account of the Company for the year ended 31st March, 2004, the Balance Sheet as on that date and the Directors' Report and Auditors' Report thereon.
2. a) To appoint a Director in place of Mr. V N Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.  
b) To appoint a Director in place of Mr. C K Pasari, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider appointment of Statutory Auditors and fix their remuneration by passing following resolution :—  
"RESOLVED that Messrs. V. Singhi & Associates, Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company, in place of Messrs. Lovelock & Lewes, Chartered Accountants, who have expressed their unwillingness to be re-appointed as Statutory Auditors of the Company, and that the new Auditor will hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration that may be mutually decided between the Board of Directors and the new Auditors".

**SPECIAL BUSINESS**

4. To consider and, if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution :—  
"RESOLVED that Mr. Subir Dasgupta, be and is hereby appointed a Director of the Company, whose period of office will be liable for determination by retirement of Directors by rotation".
5. To consider and, if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution :—  
"RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and are hereby altered as follows :—  
In the interpretation Clause, at the end of the existing clause "(r)" in Article 2, the following shall be inserted, viz.  
(s) 'Beneficial Owner' shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996.  
(t) 'Depositories Act' means the Depositories Act, 1996 and included where the context so admits any re-enactment or statutory modification(s) thereof for the time being in force.  
(u) 'Depository' shall have the meaning assigned thereto by the Clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.  
(v) 'Security' means such security as may be specified by SEBI from time to time.  
(w) 'SEBI' means the Securities & Exchange Board of India.

**DEMATERIALISATION OF SECURITIES**

The following new Article 62(a) be inserted after the existing Article 62 :—

- 62(a)(i) Notwithstanding anything contained in these Articles, the Company shall have powers to dematerialize its shares, debentures and other securities, to rematerialize the same and to offer and issue new shares, debentures or other securities in a rematerialized form in accordance with the provisions of the Depositories Act. The rights and obligations of the concerned parties in respect of the shares, debentures and other securities in the dematerialized form, and all matters connected therewith and/or incidental thereto shall be governed by the provisions of the Depositories Act and relevant provisions of the Act.

- 62(a)(ii) Every person subscribing to or holding shares, debentures and other securities of the Company shall have the option to receive certificates therefore or to hold the same with a depository in dematerialized form. A beneficial owner, that is a person whose name is recorded as such in a Depository in respect of the securities, can at any time opt out of the Depository, if permitted by law and in such a case the Company shall, in the manner and within the time as prescribed, issue the required certificates in respect of the subject securities to the beneficial owner.
- If a person opts to hold his security with a depository, the company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- 62(a)(iii) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to the Depository in respect of the securities held by it on behalf of the beneficial owners.
- 62(a)(iv) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest / premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or by law required and except as aforesaid) be bound to recognise any Benami Trust or Equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- 62(a)(v) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownerships may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- 62(a)(vi) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.
- 62(a)(vii) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- 62(a)(viii) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.
- 62(a)(ix) The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles”.
6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :—
- “RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by inserting the following Article along with the marginal notes as Article 117A after the existing Article 117 :—
- ‘Postal Ballot’ 117A. The Company may pass such resolution by Postal Ballot in the manner prescribed by Section 192A of the Companies Act, 1956 (“the Act”) and such other applicable provisions of the Act and any future amendments or re-enactments. Notwithstanding anything contained in the provisions of the Act, the Company, being a listed Company, shall in the case of resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by Postal Ballot, get such resolution passed by means of a Postal Ballot instead of transacting the business in the general meeting of the Company”.

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

“RESOLVED that the following new Article 62(b) be inserted, after the new Article 62(a)(ix) :—

62(b) Notwithstanding anything contained in these Articles, every holder of shares in or debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her shares or debentures shall vest in the event of his/her death, and the provisions of Section 109A and 109B of the Act shall apply in respect of such nomination”.

Registered Office :  
Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata - 700 001

By Order of the Board  
WPIL Limited

Date : 28th May, 2004  
Place : Kolkata

Sankar Bhattacharya  
Company Secretary

#### NOTES :—

- a) A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. However, in order to be effective, the Proxies must be lodged with the Registered Office of the Company at least 48 hours before the meeting.
- b) An Explanatory Statement as required under section 173(2) of the Companies Act, 1956 is annexed hereto.
- c) The Share Transfer Books of the Company will be closed from 21.07.2004 to 28.07.2004 (both days inclusive).
- d) Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
- e) Members are requested to quote the ledger folio or Client ID and DP ID numbers in all communications with the Company.
- f) Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- g) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

#### ANNEXURE TO NOTICE

#### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

##### **Item No. 4**

Mr. Subir Dasgupta was co-opted to the Board as an Additional Director on 31st October, 2003 pursuant to Section 260 of the Companies Act, 1956 and holds office till the date of the ensuing Annual General Meeting of the Company. Notice has been received from a member along with necessary deposit of Rs. 500/- signifying his intention to propose the appointment of Mr. Subir Dasgupta as Director of the Company. Consent in writing has been received from Mr. Dasgupta pursuant to Section 264(1) of the Companies Act, 1956 signifying his willingness to act as a Director of the Company, if appointed. The Board considers that the appointment of Mr. Dasgupta will be beneficial to your Company and accordingly recommends the acceptance of the relevant resolution set out in the Notice convening the Annual General Meeting.

None of the Directors other than Mr. Subir Dasgupta is interested in the Resolution.



**Item No. 5**

With the introduction of the Depositories Act, 1996 and the introduction of the Depository System, some of the provisions of the Companies Act, 1956 ("the Act") relating to the issue, holding, transfer, transmission of shares and other securities have been amended to facilitate implementation of the new system. The Depository System of holding Securities in an electronic form is a far safer and more convenient method for holding and trading in the Securities of a Company. Your Company has already joined in the Depository System for dematerialisation of Securities and it is therefore proposed that the Company's Articles of Association be suitably altered, as set out in Resolution at item No. 5 to enable it to dematerialise its securities and to spell out the rights of the beneficial owner of the Securities in such a system.

Accordingly, the Directors recommend the resolution for approval of the shareholders.

The Directors are concerned or interested in this resolution, only to the limited extent of their shareholding in the Company, if any.

**Item No. 6**

As per the provisions of Section 192A of the Companies Act, 1956, a Company may pass such resolution by Postal Ballot in the manner prescribed therein. However, the present Articles of Association of the Company do not have any provision authorizing Postal Ballot.

In view of this it is proposed to insert new Article 117A in the Articles of Association of the Company to give effect to the said provisions in the Special Resolution.

The Board recommends to the Shareholders to adopt the proposed resolution as a Special Resolution.

The Directors are concerned or interested in this resolution, only to the limited extent of their shareholding in the Company, if any.

**Item No. 7**

In terms of newly introduced Section 109A and 109B of the Companies Act, 1956, every holder of share or debenture of a Company has been given the option to nominate a person to whom his/her share or debenture shall vest in the event of his/her death.

The directors recommend the resolution for approval of the shareholders.

The Directors are concerned or interested in this resolution, only to the limited extent of their shareholding in the Company, if any.

A copy of the Articles of Association of your Company together with the proposed alterations in respect of resolution in item no. 5, 6 and 7 is available for inspection by the members of the Company at its Registered Office between the hours 2.00 p.m. and 3.00 p.m. on any working day of the Company.

Registered Office :  
Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata - 700 001

By Order of the Board  
WPIL Limited

Date : 28th May, 2004  
Place : Kolkata

Sankar Bhattacharya  
Company Secretary



**Details of the Directors seeking appointment/re-appointment at the Annual General Meeting**

| <b>Name of the Director</b>            | <b>Mr. V N Agarwal</b>  | <b>Mr. C K Pasari</b>   | <b>Mr. Subir Dasgupta</b>  |
|--|---|---|--|
| Date of Birth                          | 15.01.1939  | 14.01.1962  | 10.10.1945   |
| Date of Appointment                    | 26.04.2001  | 07.03.1997  | 31.10.2003   |
| Qualifications                         | B.E.  | B. Com.   | B.A.   |
| Expertise in specific functional areas | Having in depth exposure to and involvement in steering diverse business and has considerable experience and expertise in management of Engineering Industries.   | Expertise in Manufacturing and Marketing of Tea and Automobiles.  | Expertise in International Marketing, primarily in Asia Pacific, Middle East and Africa. Besides this, expertise lies in financial restructuring, production and planning. |
| Other Directorships                    | Tea Time Ltd.<br>Neptune Exports Ltd.<br>Orient International Ltd.<br>Asutosh Enterprises Ltd.<br>V N Enterprises Ltd.<br>HSM Investments Ltd.<br>B K Commercial & Enterprises Pvt. Ltd.<br>Sagarpriya Distributors Pvt. Ltd.<br>Sadavani Manufacturers Pvt. Ltd.<br>Hindusthan Udyog Ltd.<br>Bengal Steel Industries Ltd.<br>Huwood India Ltd.<br>Oldham Monitoring Systems Ltd.<br>Spaans Babcock India Ltd.<br>AKA Washeries India Pvt. Ltd.<br>Ichamati Investments Pvt. Ltd.<br>Bengal Central Building Society Ltd. | Kiwi Estate Pvt. Ltd.<br>Kamakhyia Udyog Pvt. Ltd.<br>Parmeswar Estate Pvt. Ltd.<br>Swarn Mayur Bonds & Holding Ltd.<br>I.A. Property Developers Ltd.<br>The Chamong Tea & Co. Ltd<br>I.A. Builders Ltd.<br>India Automobiles (1960) Ltd.<br>Satabdi Financial Services Pvt. Ltd.<br>Assam Roofing Ltd<br>PDP Steels Ltd<br>McNally Bharat Engineering Co. Ltd. | NIL  |

## **DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of your Company for the financial year ended 31st March, 2004.

### **FINANCIAL RESULTS**

|   | <b>2003-2004<br/>(12 months)</b> | <b>2002-2003<br/>(18 months)</b> |
|---|----------------------------------|----------------------------------|
|   | <b>(Rs Lacs)</b>                 | <b>(Rs. Lacs)</b>                |
| Total Income  | <b>4003.91</b>                   | 5448.72                          |
| Less : Write back from Provision & Liabilities        | <b>3.02</b>                      | 222.59                           |
| Net Operating Income                                  | <b>4000.89</b>                   | 5226.13                          |
| Profit before Interest & Depreciation                 | <b>556.63</b>                    | 792.57                           |
| Less : Interest                                       | <b>328.98</b>                    | 572.84                           |
| Profit before Depreciation                            | <b>227.65</b>                    | 219.73                           |
| Less : Depreciation                                   | <b>113.27</b>                    | 186.61                           |
| Operating Profit/(Loss)                               | <b>114.38</b>                    | 33.12                            |
| Add/(Less) : Sundry write off (back) [net]            | <b>73.30</b>                     | (2.13)                           |
| Profit/(Loss) before Taxation                         | <b>41.08</b>                     | 35.25                            |
| Provision for Taxation                                | <b>0.43</b>                      | —                                |
| Profit/(Loss) after Taxation                          | <b>40.65</b>                     | 35.25                            |
| Balance brought forward from previous year            | <b>(276.58)</b>                  | (311.83)                         |
| Transfer from Investment Allowance (Utilized) Reserve | <b>—</b>                         | —                                |
|   | <b>(235.93)</b>                  | (276.58)                         |
| General Reserve                                       | <b>215.00</b>                    | 215.00                           |
| Balance carried forward                               | <b>20.93</b>                     | (61.58)                          |

### **OPERATIONS**

During the year under review, your Company has been able to register a net profit of Rs. 40.65 lacs as against Rs. 35.25 lacs during the preceding period of 18 months. Profit before interest and depreciation is reported at Rs. 556.63 lacs as against Rs. 792.57 lacs during the preceding period. The current year's turnover of Rs. 4004 lacs has registered a nominal growth of 10% over the annualized turnover of previous period of 18 months. Export sales has recorded a quantum-jump of 90% over that of the annualized figure of preceding period of 18 months.

The overall performance during the year has improved significantly over the previous period, and with the continuity of present trend of growth, your Directors are confident to record a better performance in the next year.

### **DIVIDEND**

Due to inadequate profit, your Directors regret their inability to recommend any Dividend for the year under review.