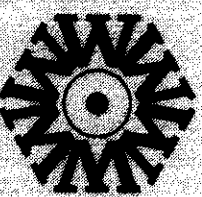


45th Annual Report 1999 - 2000

Report  Junction.com



THE WEST COAST PAPER MILLS LTD.



Two year old plantation of Acacia Hybrid – around mill premises; height - 8 metres



State of the art energy efficient seven effect falling film evaporator



the west coast paper mills limited

DIRECTORS

SHRI S.K. BANGUR, Chairman
SHRI V.N. SOMANI
SHRI P.N. KAPADIA
LT.GEN. (RETD.) K.S. BRAR
SHRI MADAN MOHAN MOHANKA
SHRI R.N. MODY
SMT. SHASHI DEVI BANGUR
SHRI BODHISHWAR RAI
SHRI L. S. CHADHA
SHRI K. L. CHANDAK, Executive Director

REGISTERED OFFICE

BANGUR NAGAR,
DANDELI - 581 325
UTTARA KANNADA DIST.
(KARNATAKA)

CORPORATE OFFICE

CHANDRA KIRAN
10 A, KASTURBA ROAD,
BANGALORE - 560 001.

BANKERS

CENTRAL BANK OF INDIA
ORIENTAL BANK OF COMMERCE
STATE BANK OF MYSORE
SYNDICATE BANK

AUDITORS

BATLIBOI & PUROHIT
Chartered Accountants

COST AUDITOR

SHRI S. SANKARANARAYANAN
Cost Accountant

LEGAL ADVISERS

KANGA & CO.



the west coast paper mills limited

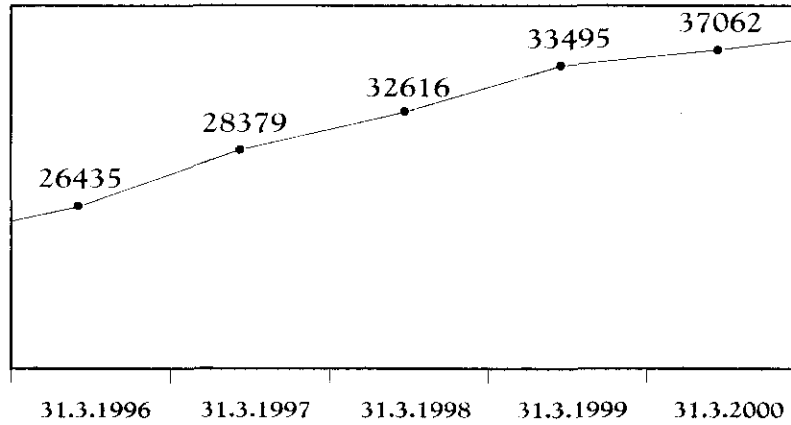
TEN YEAR HIGHLIGHTS

		2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
PRODUCTION											
PAPER/PAPER BOARD	TONNES	91001	92425	92889	91715	88255	82309	70966	67197	67784	66774
DUPLEX BOARD	TONNES	21520	24219	18486	2932						
OPTICAL FIBRE CABLE	Km	5650	2388	1385	408						
POWER GENERATION	Lakh Kwh	888.64	715.88	505.80	281.94	0.64					
SALES											
PAPER/PAPER BOARD	TONNES	68270	91733	91711	89471	86087	85994	68725	68839	65624	66326
DUPLEX BOARD	TONNES	22807	23032	19159	1199						
OPTICAL FIBRE CABLE	Km	5522	2321	1437	308						
POWER GENERATION	Lakh Kwh	875.00	736.87	505.62	280.23	0.64					
OPERATING RESULTS											
TURNOVER	Rs./Lakhs		33495	32616	28379	26435	20718	14883	14071	13036	11345
GROSS PROFIT	Rs./Lakhs		2240	1645	1807	3466	923	452	435	429	560
DEPRECIATION	Rs./Lakhs		1012	906	793	287	31	178	141	135	113
TAXATION	Rs./Lakhs		180	120	135	185	330	22		152	125
NET PROFIT	Rs./Lakhs		1048	619	379	2994	565	253	294	142	145
INTERIM DIVIDEND	Rs./Lakhs										
FINAL DIVIDEND	Rs./Lakhs		250	179	286	286	224	134	89	74	61
FINANCIAL POSITION											
GROSS BLOCK	Rs./Lakhs	15337	14977	14607	13439	11941	5314	4915	4623	4131	3920
DEPRECIATION	Rs./Lakhs	8244	6056	5060	4190	3548	3320	3296	3170	3097	3009
NET BLOCK	Rs./Lakhs	7093	8921	9547	9249	8394	1994	1619	1453	1034	911
PAID UP CAPITAL	Rs./Lakhs	584	594	591	594	594	594	594	594	590	410
RESERVES & SURPLUS	Rs./Lakhs	7300	6252	5481	5059	4495	1787	1449	1330	1125	913
NET WORTH	Rs./Lakhs	8254	7146	6375	5953	5389	2681	2343	2224	2015	1323
BORROWINGS	Rs./Lakhs	8411	7282	7317	5336	4755	1126	1103	1204	1247	1449
CAPITAL EMPLOYED	Rs./Lakhs	16765	14427	13692	11289	10144	3807	3446	3428	3262	2771
SOME SELECTED RATIOS											
EARNINGS PER SHARE (Rs. 10)	Rs.	17	12	7	10	33	6	3	3	2	4
BOOK VALUE PER SHARE	Rs.	92	80	71	67	60	30	26	25	22	32
DIVIDEND (EQUITY SHARES)	%	40	28	20	32	32	25	15	10	15	15
[INCLUDING INTERIM DIVIDEND]											
DEBT EQUITY RATIO		51:49	51:49	53:47	47:53	47:53	48:52	52:48	55:45	59:41	60:40

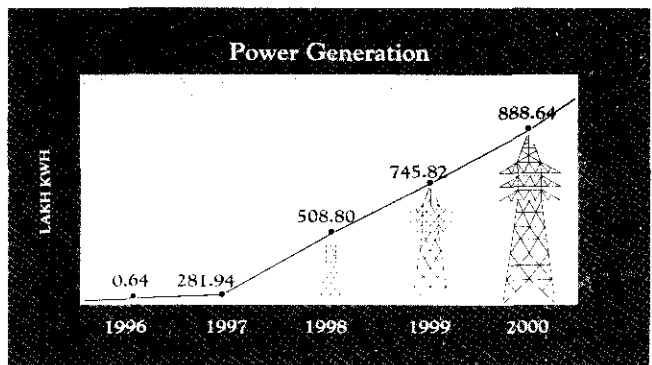
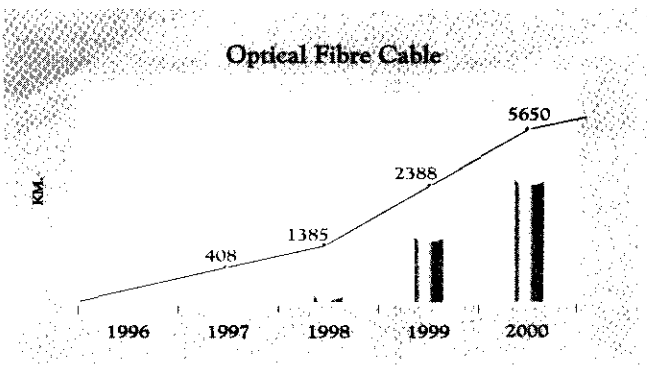
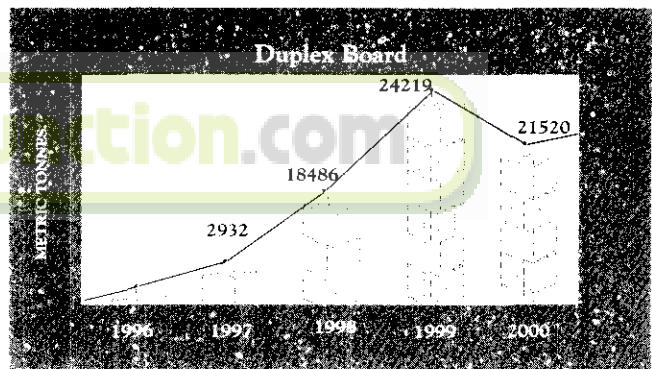
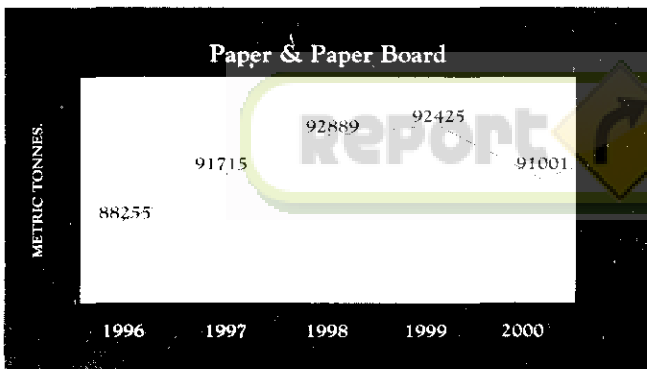


the west coast paper mills limited

Turnover (Rs. in lakhs)



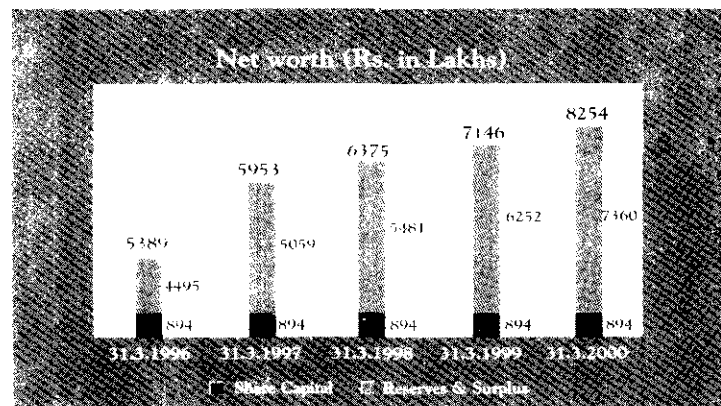
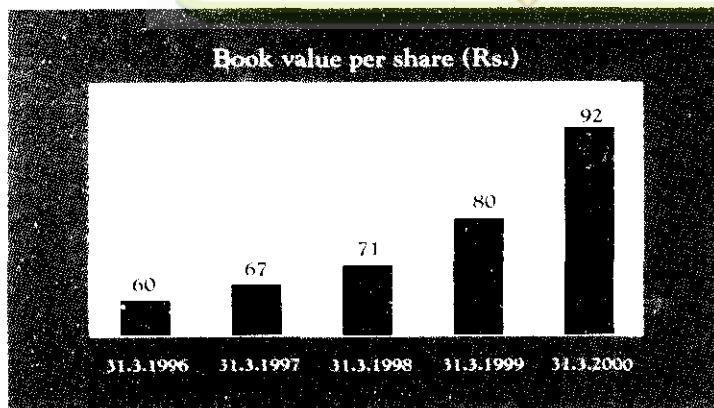
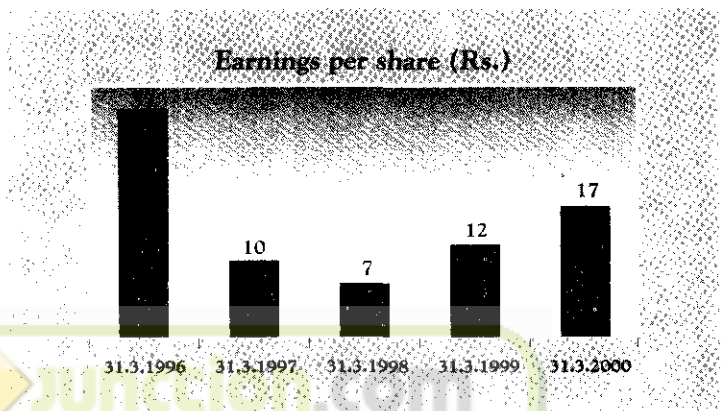
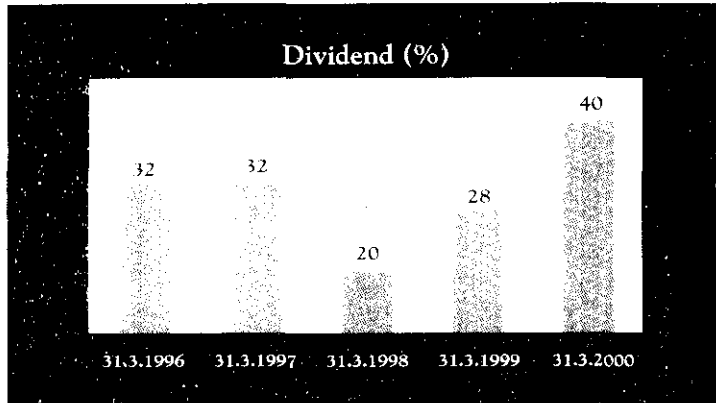
PRODUCTION





the west coast paper mills limited

FINANCIAL RATIOS





the west coast paper mills limited

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 45th Annual General Meeting of the Members of THE WEST COAST PAPER MILLS LIMITED will be held at the Registered Office of the Company at BANGUR NAGAR, DANDELI-581 325, UTTARA KANNADA DISTRICT, KARNATAKA, on Friday, the 29th day of SEPTEMBER 2000 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report, the audited Profit and Loss Account for the year ended 31st March, 2000 and the Balance Sheet as on that date.
2. To declare final dividend on Equity Shares for the year ended 31st March, 2000.
3. To appoint a Director in place of Shri S. K. Bangur, who retires by rotation under Article 143 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri R.N. Mody, who retires by rotation under Article 143 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Smt. Shashidevi Bangur, who retires by rotation under Article 143 of the Articles of Association of the Company and being eligible, offers herself for re-appointment.
6. To appoint Auditors for the current year and fix their remuneration.

SPECIAL BUSINESS :

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

RESOLVED THAT in accordance

with the provisions of the Articles of Association of the Company read with Section 81 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and also the requirements of the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to applicable and necessary approvals, permissions, sanctions and/or guidelines prescribed by the Government of India, Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Financial Institutions (FIs) and/or other appropriate authorities as may be necessary and subject also to such terms, conditions and modifications as may be prescribed by any of them in granting of such approval and as accepted by the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include any committee which the Board may have constituted or hereafter constitute to exercise its powers, including the powers conferred by this resolution), the consent of the Company be and is hereby accorded to the Board to offer, issue and allot by way of rights through a Letter of Offer to the members of the Company for cash further

- i) 11% Optionally Fully Convertible Debentures (OFCDs) of the face value of Rs.50 each aggregating in value not exceeding Rs.45



the west coast paper mills limited

Crores (depending upon the fractional entitlements provided hereinafter) with an option to the OFCD holders to convert the OFCDs in to equity shares of the Company at such premium upto Rs.40/- per equity share, as the Board may deem fit and proper at such time as the Board may decide between 18 to 36 months from the date of allotment of OFCDs at the option of the OFCD holders; and

- ii) Equity Shares of the face value of Rs.10 each, aggregating in value not exceeding Rs.9 Crores (depending upon the fractional entitlements provided hereinafter) at such premium upto Rs.30/- per equity share, as the Board may deem fit and proper, in such manner and on the principal terms and conditions as specified below or in any other manner as the Board may deem fit depending upon the terms, conditions and modifications, if any, prescribed under the aforementioned consents/ approvals/permissions/sanctions.

The OFCDs and Equity Shares will be offered for subscription to the shareholders of the Company whose names appear on the Register of Members or on the list of depositories as beneficial owners as at the end of the business hours on such date as may hereafter be fixed for this purpose by the Board (hereinafter referred to as 'Record Date') in the proportion of one OFCD for every one existing equity share and one rights equity share for every four existing equity shares held by them on the Record Date (rounding off further, if any, to one whole rights equity share) and on such further terms and conditions as are prescribed in clauses (b) and (c) of sub-section (1) of Section 81 of the Act and on such other terms and conditions (including the option to be given to the persons who take up their rights entitlement in full to apply for additional securities) as the Board may deem fit.

The Board shall dispose of in its sole discretion, as it may think most beneficial to the Company, any

securities offered as rights not taken up by any of the members as aforesaid or their renounees in accordance with the provisions of Section 81(1)(d) of the Act.

The new equity shares of the Company to be issued under this offer of rights and also those issued and allotted on conversion of OFCDs to the subscribers to the issue shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing equity shares of the Company save and except that the new equity shares shall not be entitled to any dividend which may be declared or paid in respect of the financial year of the Company immediately preceding the financial year in which they are allotted and further that their entitlement to dividend which may be declared or paid thereon for the financial year in which they were allotted and thereafter shall be proportionate from the date of their allotment and to the amounts paid up thereon, as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorised, *inter alia*, from time to time to prescribe and finalise the Composite application Forms (CAFs), Letter of Offers and other documents and give such directions and instructions and to execute such writings as it may from time to time deem fit and proper and to do such acts, matters and things whatsoever including the issue and allotment of new securities as it may in its absolute discretion consider necessary and in its discretion to accept such conditions and modifications as may be required by SEBI or any other authorities while according their sanction or consent to the proposed issue of the said securities including variation, if any, in the proposed amount of premium and to take such consequential action therein including the authority to revise/ adjust the



value/quantum of securities or any portion thereof in such manner and on such basis, terms and conditions as may be considered necessary or expedient;

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board be and is hereby authorised to appoint consultants, advisors, managers, registrars, bankers and/or brokers to the issue and pay their fees, remuneration, charges and/or brokerage as the Board may deem fit and proper, and as may be lawful for the purpose.

8. To consider and, if thought fit, to pass with or without modifications the following Resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as follows:-

- A. In existing Article 3, the following definition of “Member” be inserted after “writing”:-

“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner as defined in Article 23A.

- B. After existing Article 23, the following new Article as Article 23A be inserted with the heading “Dematerialisation of Securities”:-

Dematerialisation of Securities:-

Definitions 23A:

1. For the purpose of this Article:
“Beneficial Owner” means a person or persons whose name is recorded as such with a depository;
‘SEBI’ means the Securities & Exchange Board of India.

‘Depository’ means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of

registration to act as depository under the Securities & Exchange Board of India Act, 1992;

‘Security’ means such a security as may be specified by SEBI from time to time.

Dematerialisation of Securities

2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

Options for Investors

3. Every holder of or subscriber to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

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.

Securities in Depositories to be in fungible form

4. All securities of Company held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities of the Company held by it on behalf of the beneficial owners.

Rights of Depositories and beneficial owners

5. a) Notwithstanding anything to the



the west coast paper mills limited

contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of the security of the Company on behalf of the beneficial owner.

- b) Save as otherwise provided (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of Documents

6. Notwithstanding anything in the Act or these Articles to the contrary, where securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of Securities

7. 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.

Allotment of Securities dealt with in a depository

8. 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.

Distinctive Number of Securities held in a Depository

9. 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.

Register and Index of Beneficial Owners

10. 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.

- C. After existing Article 58, the following new Article as Article 58A be inserted:-

58A - Nomination for Shares, Debentures and Fixed Deposits:-

Every holder(s) of shares in or holder(s) of debentures or fixed deposit of the Company, holding either singly or jointly, may, at any time, nominate a person in the prescribed manner to whom the shares and/or the interest of the member in the shares of the Company or debentures or fixed deposit of the Company, shall vest in the event of his/her death. Such holder(s) may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of Sections 58-A(11), 109A and 109B and all other applicable provisions of the Companies Act, 1956, or such other regulations governing the matter from time to time.

For and on behalf of the Board,

Mumbai, K. L. CHANDAK
Dated 31st July, 2000. Executive Director