

WILLIAMSON MAGOR & CO. LIMITED

ANNUAL REPORT
AND
ACCOUNTS
1999-2000

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WILLIAMSON MAGOR & CO. LIMITED**C O N T E N T S**

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WILLIAMSON MAGOR & CO. LIMITED



DIRECTORS

B. M. KHAITAN - *Chairman*
R. B. MAGOR - *Deputy Chairman*
DEEPAK KHAITAN - *Managing Director*
PHILIP MAGOR
A. KHAITAN
T. R. SWAMINATHAN

AUDITORS

LOVELOCK & LEWES
Chartered Accountants

BANKERS

AMERICAN EXPRESS BANK LTD.
ANZ GRINDLAYS BANK LTD.
UNITED BANK OF INDIA

SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PVT. LTD.
6, MANGOE LANE, 2ND FLOOR
CALCUTTA - 700 001

REGISTERED OFFICE

FOUR MANGOE LANE
SURENDRA MOHAN GHOSH SARANI
CALCUTTA - 700 001

WILLIAMSON MAGOR & CO. LIMITED



WILLIAMSON MAGOR GROUP

WILLIAMSON MAGOR & CO. LTD.

PRINCIPAL ACTIVITIES –

TRADING, INVESTMENTS, PROPERTY OWNERS & TEA WAREHOUSING

SUBSIDIARIES

THE BISHNAUTH TEA COMPANY LIMITED

DUFFLAGHUR INVESTMENTS LIMITED

WOODSIDE PARKS LIMITED

MAJERHAT ESTATES & DEVELOPERS LIMITED

PORTSIDE ESTATES LIMITED

ASSOCIATES

TEA :

GEORGE WILLIAMSON (ASSAM) LIMITED

EVEREADY INDUSTRIES INDIA LIMITED –

McLEOD RUSSEL DIVISION



ENGINEERING :

KILBURN ENGINEERING LIMITED

KILBURN REPROGRAPHICS LIMITED

MACNEILL ENGINEERING LIMITED

McNALLY BHARAT ENGINEERING CO. LIMITED

McNALLY BANGALORE INDUSTRIES LIMITED

WPIL LIMITED

EVEREADY INDUSTRIES INDIA LIMITED

OTHERS :

BABCOCK BORSIG LIMITED

ARRAY SOLUTIONS (INDIA) LIMITED

WILLIAMSON MAGOR & CO. LIMITED**SUBSIDIARY COMPANY****THE BISHNAUTH TEA COMPANY LIMITED**

15 Tea Estates in the State of Assam as under :

ESTATE	LOCATION
Dekorai, Pabhoi, Pertabghur, Majulighur, Mijicajan	Bishnauth
Dimakusi, Bhooteachang	Mangaldai
Baghjan	Doom Dooma
Bukhial, Dirai	Dhunsiri / Moran
Behali, Dufflaghur	East Boro
Mahakali (including Monkhooshi)	Tingri
Romai	Dibrugarh
Seajuli	North Lakhimpur

ASSOCIATE COMPANIES**GEORGE WILLIAMSON (ASSAM) LIMITED**

17 Tea Estates in the State of Assam as under :

ESTATE	LOCATION
Attareekhat, Borengajuli, Corramore, Paneery	Mangaldai
Harchurah, Phulbari, Rupajuli	Thakurbari
Bargang, Boro	East Boro
Behora (including Moabund), Rajmai	Dhunsiri / Moran
Dirial, Itakhooli, Keyhung	Tingri
Bordubi, Koomsong, Phillobari	Doom Dooma

EVEREADY INDUSTRIES INDIA LIMITED**McLEOD RUSSEL DIVISION**

26 Tea Estates, 13 in the State of Assam and 11 in the State of West Bengal as under :

ESTATE	LOCATION
Addabarie, Tarajulie, Tezpore & Gogra	Thakurbari, Assam
Halem, Nya Gogra	East Boro, Assam
Gingia, Monabarie	Bishnauth, Assam
Hunwal	Jorhat, Assam
Glenburn, Lingia, Nagri Farm, Soom	Darjeeling, West Bengal
Dehing, Dirok, Margherita, Namdang	Margherita, Assam
Bogapani	Digboi, Assam
Bhatpara, Mathura	Dooars, West Bengal
Central Dooars, Chuapara, Jainti, Matelli	Dooars, West Bengal
Jaybirpara, Chuniakhora	Dooars, West Bengal

WILLIAMSON MAGOR & CO. LIMITED**Shareholders' Information****Annual General Meeting**

Date : 30th August, 2000
 Time : 12.30 p.m.
 Venue : G. D. Birla Sabhagar,
 29, Ashutosh Chowdhury Avenue
 Calcutta 700 019
 Book Closure : 22nd August, 2000 to 30th August, 2000
 (both days inclusive)

Registered Office :

Four Mangoe Lane, Surendra Mohan Ghosh Sarani,
 Calcutta 700 001

Telephone No. : 243-5391/5393

Fax No. : 2488114

E-Mail : administrator@wmg.co.in

Distribution of shareholding

Size of Holdings	No. of Holders	Percentage(%)
1 - 500	1120	70.49
501 - 1000	199	12.52
1001 - 2000	149	9.38
2001 - 3000	31	1.95
3001 - 4000	31	1.95
4001 - 5000	8	0.50
5001 - 10000	20	1.26
10001 & above	31	1.95
Total	1589	100.00

Share Transfer :

All communications pertaining to share transfer may be addressed to the Company's share transfer Agents :

Maheshwari Datamatics Pvt. Ltd.
 6, Mangoe Lane, Calcutta 700 001
 Telephone No. : 243-5809/5029

Stock Exchanges on which shares of the Company are Listed :

The Calcutta Stock Exchange Association Ltd.,
 7, Lyons Range, Calcutta 700 001

The Stock Exchange, Mumbai,
 P. J. Towers, Dalal Street,
 Mumbai 400 001

National Stock Exchange of India Limited
 Mahindra Towers, "A" Wing,
 1st Floor, RBC, Worli,
 Mumbai 400 018

Gauhati Stock Exchange Ltd.
 Saraf Building Annexe
 A. T. Road,
 Guwahati 781 001

Listing Fees for the year 2000-2001 have been paid to all the above Stock Exchanges

Dematerialisation

Under a SEBI direction, effective 8th May, 2000, settlement of shares of the Company in dematerialised form has been made compulsory for all investors. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) to enable investors hold and transact securities in electronic form. The depository system offers various advantages :

- Reduction in paper work
- Elimination of bad deliveries.
- Prevention of loss in transit.
- Instant settlement and transfer of shares.
- Saving in stamp duty, postal charges, etc.
- Enhanced liquidity.
- Reduced litigation due to forged, fake or stolen scrips.

Members may opt to hold their shares in dematerialised form. They may also continue to have their holdings in the physical form.

Nomination Facilities

Holders of shares, held singly or jointly upto two persons, can nominate another person to whom the shares will vest in the event of death of the shareholders. In case of joint holding, the nomination made will be effective only on the death of all the joint holders.

FIVE YEAR FINANCIAL SUMMARY

(Rupees in Lakhs)

	1999-00	1998-99	1997-98	1996-97	1995-96
Total Income	3946.07	4367.31	4202.09	4282.50	3083.36
Expenses	3192.64	4116.16	3645.44	3829.22	2859.92
Profit Before Tax	753.43	251.15	556.65	453.28	223.44
Taxation	—	—	40.00	150.00	75.00
Profit after Tax	753.43	251.15	516.65	303.28	148.44
Dividend (including Tax on Dividend effective 1997-98)	66.83	60.81	120.52	120.52	164.35
Retained Profits	686.60	190.34	396.13	182.76	—
Funds Employed	28037.27	24603.82	25099.88	21927.60	21635.48
Employment of Funds					
Net Block	1594.96	1553.77	1604.65	1990.76	2486.98
Investments	14162.39	14265.96	14406.28	12989.33	12986.84
Net Current Assets	12279.92	8784.09	9088.95	6947.51	6161.66

WILLIAMSON MAGOR & CO. LIMITED
**REPORT OF THE DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2000**

The Directors submit their Report and Accounts for the year ended 31st March, 2000.

ACCOUNTS		(Rs. in Thousands)
Profit before charging the following :		77723
Less : a) Depreciation for the year	2315	
b) Contribution to Gratuity Fund	<u>65</u>	<u>2380</u>
Profit for the year before Taxation		75343
Less : Provision for Taxation		<u>—</u>
Profit after Taxation		75343
Add :		
Balance brought forward from previous year		57156
Transfer from Investment Allowance Reserve		<u>825</u>
Balance available for Appropriations :		<u>133324</u>
The Directors recommend disposal as follows :		
Dividend on Equity Shares @ 5%		5478
Corporate Dividend Tax @ 22% (including surcharge)		1205
Transfer to Pension Reserve		100
Transfer to General Reserve		7000
Balance in Profit & Loss Account		<u>119541</u>
Carried forward to Balance Sheet		<u>133324</u>

DIVIDEND

Your Directors recommend a Dividend of 5% on the Equity Shares of the Company as was paid for the previous financial year.

OPERATIONS

Despite reduction in income, the profit of the Company increased threefold mainly due to substantial reduction in employee cost during the year under review. The income of the Company suffered mainly on account of destruction of the premises at 2, Fairlie Place, Calcutta, due to a devastating fire resulting in loss of rental income from its tenants at the said premises. The Company is awaiting necessary approvals from various authorities for salvage of the premises and its development in order to use it again for commercial purposes with a view to derive substantial income therefrom.

Construction of a commercial complex at 22, Camac Street, Calcutta undertaken by the Company's subsidiary Woodside Parks Limited is progressing satisfactorily. The main civil work has been completed and finishing jobs are being carried out. Negotiations for selling space at the said premises are on with various interested parties. Some space has already been booked for which advance has been received by the subsidiary.

WILLIAMSON MAGOR & CO. LIMITED**Y2K COMPLIANCE**

The Company has achieved a smooth transition into the new millennium without any Y2K related problems and do not foresee any problem in this area. The Company has sufficient internal resources to address any system disruption due to Y2K issue.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

In terms of the above Rules, your Board is pleased to give particulars as required therein in an Annexure which forms a part of the Directors' Report.

DIRECTORS

The Directors regret to inform you that Mr. M. Ahmad, Director of the Company expired on 9th January, 2000.

Mr. P. K. Khaitan resigned as the Alternate Director to Mr. R. B. Magor with effect from 30th March, 2000.

The Board wish to place on record its sincere appreciation for the valuable services rendered by Mr. M. Ahmad and Mr. P. K. Khaitan during their long association with the Company as Director.

The three year term of office of Mr. Deepak Khaitan as the Managing Director of the Company is expiring on 30th September, 1999 by effluxion of time. The Board of Directors of the Company, has accordingly, re-appointed Mr. Deepak Khaitan as a Managing Director of the Company for a further period of three years with effect from 1st October, 1999. The approval of the Members for the above re-appointment of Mr. Deepak Khaitan will be sought at the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of the Articles of Association of the Company Messrs B. M. Khaitan and T. R. Swaminathan retire by rotation and, being eligible, offer themselves for re-appointment.

EMPLOYEES

During the period under review the Company offered a Voluntary Separation Scheme to its employees and a substantial number of employees opted for and retired under the Scheme resulting in substantial reduction in the operational expenses of the Company.

A statement giving the information required in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 forms a part of this Report.

AUDITORS

The observations of the Auditors made in paragraphs 2(i), 2(ii) and 2(iii), of their Report have been fully explained in the attached Notes on Accounts and hence, are not being separately dealt with here.

As regards recoverability of the inter corporate deposits and interest accrued thereon, mentioned in paragraph 2(iv) of the Report, the Company is taking effective steps for their recovery at the earliest.

Messrs Lovelock & Lewes, Chartered Accountants, the Auditors of the Company retire and, being eligible shall, subject to Section 224(2) of the Companies Act, 1956 be re-appointed.

Calcutta, 29th June, 2000

For and on behalf of the Board
DEEPAK KHAITAN *Managing Director*
T. R. SWAMINATHAN *Director*

WILLIAMSON MAGOR & CO. LIMITED**ANNEXURE TO DIRECTORS' REPORT**

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2000

Name of Employees	Age (Years)	Designation and Nature of Duties	Gross Remuneration Rs.	Qualification and Experience (years)	Date of Commencement of Employment	Last Employment held	Designation
Khaitan B.M. *	73	Chairman	16,95,735	B. Com. 50 years	1.1.1964	Andaman Timber Industries Ltd.	Managing Director
Mogal P.K. *	59	General Manager	1,81,893	B. Sc., DBM 39 years	1.9.1961	First Employment	
Nanaiya A. D. *	63	President	98,360	B. Sc. 39 years	15.2.1961	First Employment	
Swaminathan T.R. **	74	Director & Secretary	20,97,516	B. Com., F.C.A., F.C.M.A., J. Dip., M.A., F.C.S. 51 years	1.4.1963	Indian Aluminium & Co.	Accountant

Notes :

1. The gross remuneration shown above is subject to tax and comprises salary, allowances, commission, monetary value of perquisites as per Income Tax Rules and Company's Contributions to provident / superannuation funds.
2. All appointments are contractual and are subject to the Rules and Regulations of the Company in force from time to time.

* Employed for part of the year

** Ceased to be Secretary with effect from 1st April, 2000.

Calcutta, 29th June, 2000

DEEPAK KHAITAN *Managing Director*
T. R. SWAMINATHAN *Director*