



**YASH PAPERS LIMITED**



# YASH PAPERS LIMITED

## BOARD OF DIRECTORS

G. NARAYANA	<i>Chairman</i>
K. K. JHUNJHUNWALA	<i>Managing Director</i>
G. N. GUPTA Retd. I.R.S.	
MANJULA JHUNJHUNWALA	
Dr. P. BANERJEE	
A. R. NIGHOSKAR	
R. N. CHAKRABORTY	<i>Executive Director</i>
VED KRISHNA	<i>Joint Managing Director</i>
A. K. GUPTA	<i>Director Finance</i>

## COMPANY SECRETARY

Rajiv Kapoor

## BANKERS

State Bank of India  
The Benares State Bank Limited

## AUDITORS

KAPOOR TANDON & CO.  
Chartered Accountants  
Kanpur

## REGISTERED OFFICE

47/81, Hatia Bazar,  
Kanpur -208 001

## WORKS & CORPORATE OFFICE

Yash Nagar  
P.O. Darshan Nagar ,  
Faizabad -224 135 (U.P.)  
Phone: 05278 -58589, 58777  
Fax : 05278 -58062  
Web : www.yash-papers.com  
email: info@yash-papers.com

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## YASH PAPERS LIMITED

## HIGHLIGHTS

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	(Rs. in lacs)									
<b>OPERATING RESULTS</b>										
Sales & Other Income	532.72	786.10	1017.74	1228.71	1619.23	1957.57	1722.05	1744.63	1729.72	1905.16
Raw Material	84.21	206.73	268.11	280.97	340.17	346.14	364.98	412.09	407.95	449.01
Manufacturing Expenses	110.24	137.19	218.11	263.90	337.40	339.07	321.60	297.79	288.38	339.59
Power & Fuel	75.32	144.29	222.88	256.75	361.93	412.93	452.70	363.64	276.87	227.84
Stores & Repairs	21.27	35.81	37.05	43.48	45.20	70.48	63.43	63.65	110.92	102.23
Salaries & Wages	31.21	48.65	61.96	86.29	99.10	106.19	103.36	115.07	122.10	148.70
Administrative & Selling Exp.	73.07	89.16	84.89	104.50	145.65	236.87	229.27	220.56	237.10	296.52
Interest	9.88	35.56	49.46	53.74	90.30	122.47	168.01	160.57	147.69	149.52
Gross Profit	126.62	88.72	75.28	139.08	199.48	323.42	18.70	111.26	138.71	191.75
Depreciation	25.42	42.71	47.42	44.48	58.38	69.20	83.72	100.34	103.93	107.42
Provision for Taxation	10.00	8.00	-	-	-	-	-	1.20	3.70	9.75
Net Profit/(Loss)	91.20	38.01	27.86	94.60	141.10	254.22	(65.02)	9.72	31.08	74.58
Earning Per Share#	13.41	2.97	1.41	2.45	3.65	6.58	-	0.25	0.81	1.93
Dividend %	15	15	10	12	15	5	-	-	-	-
<b>FINANCIAL SUMMARY</b>										
<b>Assets Employed</b>										
Fixed Assets (At Cost)	528.78	698.48	1071.33	1339.44	1611.89	2046.67	2088.66	2127.85	2204.25	2353.59
Fixed Assets (Net)	347.52	519.47	862.43	1095.75	1323.96	1703.25	1668.27	1612.53	1600.63	1669.53
Investments	-	-	-	2.00	2.00	12.21	5.02	5.26	5.25	5.31
Current Assets (Net)	128.97	171.87	425.22	327.38	329.52	437.02	356.89	427.69	446.10	520.48
<b>Total Assets</b>	<b>476.52</b>	<b>691.34</b>	<b>1287.65</b>	<b>1425.13</b>	<b>1655.48</b>	<b>2152.48</b>	<b>2030.18</b>	<b>2045.48</b>	<b>2051.98</b>	<b>2195.32</b>
<b>Financed By</b>										
<b>Total Shareholders' Funds</b>	<b>217.70</b>	<b>306.38</b>	<b>789.31</b>	<b>842.83</b>	<b>961.92</b>	<b>1186.11</b>	<b>1151.83</b>	<b>1166.90</b>	<b>1203.04</b>	<b>1284.89</b>
Share Capital	71.00	127.80*	385.75	386.13	\$416.50	\$416.50	\$416.50	\$416.55	386.55	386.55
Reserves & Surplus (Net)	146.70	178.58	403.56	456.70	545.42	799.61	735.33	750.35	816.49	898.34
<b>Borrowings</b>	<b>258.82</b>	<b>384.96</b>	<b>498.34</b>	<b>582.30</b>	<b>693.56</b>	<b>936.37</b>	<b>878.35</b>	<b>878.58</b>	<b>848.94</b>	<b>910.44</b>
Long Term	210.38	244.95	387.98	390.95	527.40	711.94	674.06	605.16	576.41	600.06
Short Term	43.44	140.01	110.36	191.35	166.16	224.43	204.29	273.42	272.53	310.38
Debit : Equity	1.19	1.26	0.63	0.69	0.72	0.79	0.76	0.75	0.70	0.71
<b>Other Information</b>										
Production in M.T.	4542	6342	8172	9825	10759	10899	10577	11262	10980	12319

# Subdivision of equity shares of Rs. 100.00 into shares of Rs. 10.00 made in 1991-92 and made comparable. EPS has been annualised in 1992-93 for fresh equity shares allotted in December, 1992.

\* Increase due to issue of bonus shares in the ratio 4:5.

\$ Includes Rs. 30 lacs deposit against Preferential Equity Warrants.



## YASH PAPERS LIMITED

### NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of **Yash Papers Limited** will be held at Hotel, The Landmark, 10, The Mall, Kanpur-208 001 on Saturday, the 30th day of September, 2000 at 1:15 P.M. to transact the following business :

#### ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Dr. P. Banerjee who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri R. N. Chakraborty who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

#### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s) following resolution as an Ordinary Resolution :

"RESOLVED THAT consent of the Company be and it is hereby accorded to the Board of Directors of the Company in terms of Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgage and/or charge and/or hypothecate by way of first charge and/or second charge and/or pari passu, in addition to the mortgages/charges/hypothecations created or to be created by the Company in such form and manner and with such ranking in consultation with the lender(s) and on such terms and conditions as the Board may deem fit, on all or any of the movable and/or immovable properties of the Company wheresoever situated both present and future in favour of trustees for debentures/bonds/other instruments and/or lender(s) for their respective term loans/other loans and Banks for their working capital facilities sanctioned or to be sanctioned from time to time to the Company together with interest, commitment charges, liquidated damages, costs, charges, expenses and other monies whatsoever payable by the Company to various lenders in terms of the Loan-Agreements/Hypothecation-Agreement/Arrangements entered into or to be entered into by the Company in respect of loan(s)/debentures/bonds/other instruments taken or to be taken provided the same shall not exceed including existing borrowings in terms of Section 293(1)(d) beyond Rs. 10 crore in aggregate.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise and execute such documents/deeds/agreements/hypothecations etc. as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, appropriate or expedient for giving effect to the above resolution."

6. To consider and, if thought fit, to pass with or without modification(s) 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 is hereby altered by the deletion of the Article 94-A"

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

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, Article 128 of the Articles of Association of the Company be and is hereby altered by addition of following lines at the end of said Article.

However, if the whole time director(s) retires in order to comply with provisions of Section 255 of the Act and he/she is re-appointed in the same Annual General Meeting, his/her earlier appointment/



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reappointment as a whole time director for remaining tenure shall be deemed to have continued resultantly such retirement and reappointment shall have not any effect on his/her office as a whole time director(s)."

8. To consider and, if thought fit, to pass with or without modification(s) 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 is hereby amended by inserting Article 56-A after Article 56 of the Articles of Association of the Company as follows :-

### **56-A Dematerialisation of Securities :**

#### **(1) Definitions :**

For the purpose of this Article :

"Beneficial owner" means a person or persons whose name is recorded in the Register maintained by a Depository under the Depository Act, 1996;

"Bye-laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996;

"Depositories Act" means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force.

"Depository" means a company formed and registered under the Companies Act, 1956 ('the Act') and which has been granted a certificate of registration to act as depository under sub-section (1A) of Section 12 of the Securities & Exchange Board of India Act, 1992;

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined under the regulations made by SEBI :

"Regulations" means the regulations made by SEBI;

"SEBI" means the Securities & Exchange Board of India;

"Security" means such security as may be specified by SEBI from time to time.

#### **(2) Dematerialisation of Securities :**

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 provisions of the Depositories Act, 1996 or otherwise.

#### **(3) Option for Investors :**

Every person subscribing to securities offered by the Company shall have the option to receive the 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 law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such depository the details of allotment of security, and on receipt of such information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

#### **(4) Securities in depository mode to be in fungible form :**

All Securities held in the depository mode with a depository shall be dematerialised and be in a fungible form. To such securities held by a depository on behalf of a beneficial owner nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372A of the Act shall apply.

#### **(5) Right of Depositories and Beneficial Owners :**

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owners for the purposes of effecting transfer of ownership of



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security on behalf of the beneficial owner.

- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have other membership 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 register maintained by a depository shall be deemed to be a member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held in the depository mode of which he is the beneficial owner.

**(6) Service of documents :**

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository mode, the records of the beneficial owner may be served by a depository on the company by means of electronic mode or by delivery of floppies or disks.

**(7) Transfer of Securities :**

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effect by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act, 1996 by a depository as beneficial owners.

**(8) Distinctive numbers of securities held in the depository mode :**

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 in the depository mode.

**(9) Register and index of beneficial owners :**

The register and index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be Register and index of members and holders of securities for the purpose of these Articles and the Act.

**(10) Option to opt out in respect of any security :**

If a beneficial owner seeks to opt out for a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the company accordingly.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

**(11) Intimation to Depository :**

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.

**(12) Stamp duty on securities held in dematerialised form :**

No stamp duty would be payable on shares held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.

**(13) Applicability of the Depositories Act :**

In case of transfer of shares, where the company has not issued any certificate and where such shares are being held in an electronic and fungible form in a depository, the provisions of the Depositories Act, 1996 shall apply.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH



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### PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business under item No. 5 to 8 set out above, is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from 25th day of July, 2000 to 31st day of July, 2000 (both days inclusive).
5. Pursuant to the Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial years ended 31st March, 1994 have been deposited to the General Revenue Account of the Central Government. The Members who have not encashed the Dividend Warrant(s) for the said year(s) are requested to claim the amount(s) from the Registrar of Companies U.P., Westcot Building, The Mall, Kanpur -208 001. In case any assistance is required, members may write to the company.
6. The unclaimed/unencashed dividends for the following financial years shall be transferred by the Company to the 'Investor Education and Protection Fund' (IEPF) constituted by the Central Government under applicable provisions of the companies Act, 1956, on the dates specified against the year:

31st March, 1995 - 7th November, 2002

31st March, 1996 - 22nd December, 2003

**Please note that under the amended provisions of Section 205 B of the Companies Act, 1956 no claim shall lie for the unclaimed dividend from IEPF by the shareholders.**

Shareholders who have not encashed the dividend warrants for the above years are therefore, requested to approach the company for the revalidation of warrant(s) or issue of duplicate thereof.

7. Members are requested to inform the change, if any, in their registered address to the Company at its Corporate Office at Yash Nagar, P.O. Darshan Nagar, Faizabad-224 135 (U.P.) by quoting their folio numbers.
8. Members desirous of obtaining any information as regard accounts and operations of the company are requested to write to the Company at least one week before the meeting, so that the information could be made available at the meeting.
9. The Company has setup in-house **Investor Service Department** at our Corporate Office, Yash Nagar, P.O. Darshan Nagar, Distt. Faizabad-224 135 (U.P.) in order to render prompt and efficient services to all investors. The investors are requested to correspond at the aforesaid address in respect of all communications.
10. All material documents including the existing Articles of Association with the proposed amendments are open for inspection by the members on all working days at the Registered office of the Company till the conclusion of the meeting.
11. As per the provision of the Companies (Amendment) Act, 1999, facility for making nominations is now available to the shareholders, debentureholders and fixed depositors in respect of the shares, debentures or deposits held by them. The nominations can be made by filing the prescribed form no. 2B. Nomination forms are also available at the Corporate office of the Company.

By Order of the Board

K.K. JHUNJHUNWALA  
Managing Director

Place : Faizabad  
Date : 16.06.2000





## YASH PAPERS LIMITED

### ANNEXURE TO THE NOTICE

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

#### ITEM No. 5

The shareholders' consent in terms of Section 293(1)(a) of the Companies Act, 1956 was obtained at the Annual General Meeting of the Company held on 31st July, 1999 for the creation of charge in respect of *financial assistance for installing 1250 KVA DG set, a modern large boiler and balancing equipments*. The financial assistance for DG set was arranged and it was installed during the financial year 1999-2000. The boiler project is under implementation and financial assistance is being finalised and the application for financial assistance is under process.

To meet the capital expenditure requirements and also to replace high interest bearing loans, the Company proposes to obtain in the coming years further financial assistance from financial institution(s)/banks/other lender(s) by way of loans/debentures/bonds/other instruments and also in course of working of the Company, the bank(s) might be approached for enhanced working capital limits as set out in the resolution. The borrowings of the Company are required to be secured by suitable mortgages and/or charges and/or hypothecations on all or any of the existing and/or future movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company in consultation with the lender(s).

Such mortgage and/or charge and/or hypothecation of the Company's movable and/or immovable properties in favour of the lenders(s) may be regarded as disposal of the undertaking(s) of the Company or substantial part thereof, in terms of Section 293(1)(a) of the Companies Act, 1956.

Section 293(1)(a) of the Companies Act, 1956, provides inter-alia that the Board of Directors of the Company, shall not, without the consent of the Company in the general meeting sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially whole, of any such undertaking.

Hence, the resolution at item No. 5 at the notice is recommended for your approval.

It is pertinent to mention that the existing borrowings with future borrowings from time to time would be within the limits of Rs.10 crore as laid down by the shareholders earlier under Section 293 (1) (d) of the Companies Act, 1956.

None of the Director is concerned or interested in this resolution.

#### ITEM NO. 6

Right to appoint and remove directors on the Board of the Company was conferred on a holding Company long back by virtue of insertion of Article 94A in the Article of Association of the Company as the Company is not a subsidiary company since 1993, hence the such Article has become redundant and superfluous. Therefore the Board recommend the deletion of the said Article.

Your Directors recommend passing of resolution at item no. 6 of the Notice.

No Director of the Company is in any way concerned or interested in the said resolution.

#### ITEM NO. 7

In terms of Article 128 Managing or whole time Director(s) are not subject to retire by rotation. However, in order to comply with the provisions of Section 255 of the Companies Act, 1956 it becomes necessary to retire whole time Director(s) hence necessary additions in the said Articles of Association of the Company are proposed to take care of such eventualities.

Your Directors recommend passing of resolution at item no. 7 of the Notice.



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Shri R. N. Chakraborty and Shri Arvind Kumar Gupta, existing whole time Directors may be deemed interested or concerned in the said resolution. No other Director of the Company is in any way concerned or interested in the said resolution.

**ITEM NO. 8**

With the introduction of Depository Act, 1996, under the Depository system some of the provisions of the Companies Act, 1956, relating to issue, holding, transfer, transmission of shares and other securities have been amended to facilitate the implementation of new system. 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 the Company.

Keeping in view the numerous benefits available to the investors, the company intends to join the depository system in future.

This calls for some amendment in the Articles of Association of the Company as detailed in the resolution which directors commend for your approval.

None of the Directors of the Company, is in any way, concerned or interested in this Resolution.

By Order of the Board

Place : Faizabad  
Date : 16.06.2000

K. K. JHUNJHUNWALA  
*Managing Director*



**YASH PAPERS LIMITED****DIRECTORS' REPORT**

To  
THE MEMBERS

Your Directors have pleasure in presenting their Nineteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2000.

**FINANCIAL RESULTS**

	(Rs. in lacs)	
	<b>Year ended 31st March</b>	
	<b>2000</b>	<b>1999</b>
Profit before depreciation and taxation	<b>191.75</b>	138.71
Less: Provisions for:		
Depreciation	<b>107.42</b>	103.93
Taxation	<b>9.75</b>	3.70
Profit after tax	<b>74.58</b>	31.08
Prior Year Adjustments	<b>2.48</b>	0.27
Balance of Profit	<b>77.06</b>	31.35
Add: Transfer from Investment Allowance		
(Utilised) Reserve	<b>4.87</b>	Nil
Previous year balance of Profit and Loss Account	<b>203.15</b>	221.80
Balance available for appropriation	<b>285.08</b>	253.15
Less: Appropriations:		
General Reserve	<b>50.00</b>	50.00
Balance carried over to Balance Sheet	<b>235.08</b>	203.15

**DIVIDEND**

In order to conserve the resources to meet the future requirements for growth of the Company, the Directors do not recommend a dividend for the year.

**OPERATIONS**

During the year under consideration, the Company has achieved production of 12319 MT against 10980 MT in previous year and sales of 11933 MT against 10954 MT. The turnover has increased to Rs. 1850.72 lacs against Rs. 1688.58 lacs in previous year. The Company has received an insurance claim Rs. 32,07,713/- of fire loss in finished goods during the year. The Company has installed diesel generator set as backup power for turbine in view of surrender of power connection. However, in spite of the continuing adverse market, your company could do marginally better than last year due to increased efficiency in operation as well as cost reduction measures taken.

Total reserves as on 31st March, 2000 stood at Rs. 912.71 lacs as compared to Rs. 835.65 lacs of the preceding year. During the year company gained higher profit before interest, depreciation and tax (PBIDT) of Rs. 341.27 lacs as compared to previous year of Rs. 286.40 lacs. The PBIDT for the year is arrived at after deducting Rs. 8.59 lacs on account of loss on fixed assets sold/discarded.

**EXPORT**

The Company was exporting its paper only through traders and has now started direct export. During the year, the direct export amounted to Rs. 12.70 lacs to SARC and Middle East countries. The quality has been accepted by the buyers and now getting repeat orders. The total export during the year was Rs. 131.51 lacs.

**INSURANCE**

Your Company's properties including buildings, plant and machineries and stocks etc. have been adequately insured against various risks.