

THE WEST COAST PAPER MILLS LTD.,

ISO 9001 / 14001
OHSAS -18001



Regd. Office & Works : P.B. No.5, Bangur Nagar, DANDELI-581 325. Dist. Uttar Kannada (Karnataka) India

Grams : "KAGAJMILL" Phone Nos. : (08284) 231391 - 395 (5 Lines)

Fax Nos : 08284 - 231 225 (Admn. Off.) 232150 (Sales A/c.s) 230443 (Works Off.) 2148 (Paper Godown)

CIN :L02101KA1955PLC001936 * E-mail : co.sec@westcoastpaper.com * Website : www.westcoastpaper.com

FORM B

Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	The West Coast Paper Mills Ltd.
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	First time
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	<p><u>Basis for Qualified Opinion[Page No.44]</u></p> <p>a) The Company has not made provision for the diminution of Rs. 4540.11 lacs and Rs. 54.56 lacs in the value of its long term investments in Shree Rama Newsprint Limited (Refer Note No 2.38) and Jayashree Chemicals Limited. (Refer Note No.2.40) respectively.</p> <p>b) The Company has not made provision for Rs.763.43 Lacs towards the receivables from Speciality Coatings and Laminations Limited. (Refer Note No. 2.39)</p> <p><u>Qualified Opinion</u></p> <p>In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph on the Profit and Reserves and Surplus for the year, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its Profit and its cash flows for the year ended on that date.</p> <p><u>Management response to the qualification in the directors report</u></p> <p>As regards qualifications of the Auditors, we refer to Note no. 2.38, 2.39 & 2.40 which are self explanatory. The Company will account loss on sale of shares of Shree Rama Newsprint Ltd., on completion date as per</p>



THE WEST COAST PAPER MILLS LIMITED

Regd. Office: Bangur Nagar, Dandeli - 581 325, Karnataka

CIN : L02101KA1955PLC001936, Phone : (08284) 231391-395 (5 Lines), Fax : (08284) 231225

E-mail : co.sec@westcoastpaper.com, Website : www.westcoastpaper.com

NOTICE

NOTICE is hereby given that the 60th 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 31st July 2015, at 4.00 P.M. at Shree Rangnath Auditorium to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Profit and Loss Account for the year ended March 31, 2015 and Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Saurabh Bangur(DIN:00236894), who retires by rotation under Article 143 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint Auditors & fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modifications, the following resolution:
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Batliboi & Purohit, Chartered Accountants, Mumbai (Firm Reg. No. 101048W), be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration of ₹ 14,00,000/- (Rupees Fourteen Lakhs only) plus service tax, travelling and out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."
4. To ratify the remuneration of ₹ 1,00,000/-(Rupees One Lakh only) for the year ended 31.03.2016 to Mr. Umesh Kini, Cost Auditor as recommended by the Audit committee and approved by the Board of Directors of the Company.

SPECIAL BUSINESS

5. Appointment of Shri M. P. Taparia (DIN:00112461) as an Independent Director of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreements, Shri M. P. Taparia (DIN:00112461) who was appointed as an Additional Director in February 2015 under the provisions of Section 161 of the Companies Act, 2013 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 3 consecutive years with effect from February 02, 2015."

6. Appointment of Lt. Gen. (Retd.) Utpal Bhattacharyya (DIN:02665807) as an Independent Director of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreements, Lt. Gen. (Retd.) Utpal Bhattacharyya (DIN:02665807) who was appointed as an Additional Director in February 2015 under the provisions of Section 161 of the Companies Act, 2013 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 3 consecutive years with effect from February 02, 2015."

7. Appointment of Shri Krishna Kumar Karwa (DIN:00181055) as an Independent Director of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreements, Shri Krishna Kumar Karwa (DIN:00181055) who was appointed as an Additional Director in February 2015 under the provisions of Section 161 of the Companies Act, 2013 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act be and is

hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 3 consecutive years with effect from February 02, 2015."

8. **To amend Articles of Association of the Company.**

To consider and if thought fit, to pass, with or without modifications, the following as **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Article 155A be and is hereby inserted in the Articles of Association of the Company as follows :

155A "Chairman of the Board can also be Whole time Director by whatever name called in terms of Section 203 of the Companies Act, 2013."

By Order of the Board

Place : Mumbai

Date : 27th May 2015

P. K. Mundra

President (Finance) & Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Members/Proxies should bring, duly filled-in, Attendance Slip sent herewith for attending the meeting.
Members holding shares in DEMAT form are requested to incorporate the DP ID Number and Client ID Number in the Attendance Slip for easy identification of attendance at the meeting.
3. A Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, in respect of the business under item no. 5, 6, 7 and 8 set out above, is annexed hereto.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays and holidays, between 10:00 Hrs. and 12:00 Hrs. up to the date of the Annual General Meeting.
5. The Register of Members and the Share Transfer Books will remain closed from 18th July 2015 to 31st July 2015 (both the days inclusive).
6. In compliance with the SEBI circular, the Company has assigned all the work related to share registry in terms of both physical and electronic to –
Link Intime India Pvt. Ltd.,
C-13, Kantilal Maganlal Estate
Pannalal Silk Mills Compound
LBS Road, Bhandup (W)
Mumbai - 400 078
Ph : (022) 2596 3838; Fax : (022) 2596 2691
E-mail : rnthelpdesk@linkintime.co.in

All the members are requested to send/deliver their documents/correspondence relating to the Company's Share Transfer/ Demat/Remat requests to the above Registrars and Share Transfer Agents. Members holding shares in physical form are requested to notify, promptly, any change in their address, to the Registrars and Share Transfer Agents.

Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their bank mandates immediately to the Link Intime India Pvt. Ltd.
7. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund. Thereafter, members shall not be able to register their claim in respect of their unencashed dividends. Pursuant to Section 124(6) of the Companies Act, 2013 as and when notified by Ministry of Corporate Affairs all shares in respect of which unpaid or unclaimed dividend has been transferred to Investor Education and Protection Fund are required to be transferred to said fund. Members who have not yet encashed their dividend warrants for the financial year ended on March 31, 2008 and onwards are advised to make their claims to the Company, without any further delay.

The Unclaimed dividend for the year ended on March 31, 2008 will be transferred to the Investor Education and Protection Fund in terms of the provisions of Section 205 A(5) of the Companies Act, 1956, in the month of October 2015.
8. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the same to the meeting.

9. The brief profile of the Director retiring by rotation and eligible for re-appointment by Clause 49 (VIII) (E) of the Listing Agreement with the Stock Exchanges is given below and forms part of the notice :-

Sl. No.	Nature of Information	Item No. 2 of Notice
1.	Name	Shri Saurabh Bangur
2.	Age	39 years
3.	Director of Company since	28th June 2004
4.	Expertise in specific functional areas	Industrialist
5.	Directorship in other Companies	1) Amrit-Villa Investments Limited
		2) Gloster Telecom Ltd.
		3) Gloster Cables Limited
		4) Shree Satyanarayan Investments Co. Ltd.
		5) Shree Satyanarayan Properties Pvt. Ltd.
		6) Lecbns Investments and Trading Company Pvt. Ltd.
6.	Member of Committee of the Board in other companies	None
7.	No. of shares held in the Company	1315730

10. The Company has entered into an agreement with National Securities Depositories Limited for availing Electronic Voting facility which is mandatory as per the Companies (Management and Administration) Rules, 2014. Members having shares in physical form are requested to intimate their e-mail Ids to Registrar & Share Transfer Agents viz., Link Intime India Pvt. Ltd., and members holding shares in electronic form are requested to intimate their e-mail Ids to Depository Participants with whom they are maintaining their demat account.

E-voting instructions, user ID & Password are being informed by National Securities Depositories Ltd., to those members who have registered their e-mail ID and for other members it is indicated in the attendance slip. Further members who are already in possession of user ID & Password may use the same.

Member who do not have access to e-voting facility and wish to send his assent or dissent in writing on a postal ballot then he can download postal ballot form, from the Website of the Company and send to scrutinizer so as to reach on or before 29th July, 2015. Alternatively, the Members have the option to request for physical copy of the postal ballot by contacting Share Department of the Company at its registered office.

ANNEXURE TO THE NOTICE

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5, 6 and 7

Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa, were appointed as Directors liable to retire by rotation under the Companies Act, 1956. It is required under Section 149(4) of the Companies Act, 2013 ("the Act") to appoint Independent Directors and maximum tenure as per Section 149(10) of the Act is up to 5 consecutive years, who are also Additional Directors w.e.f. 02.02.2015 under Section 161 of the Act.

It is proposed in view of vast professional experience to appoint Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreements, to hold office for 3(three) consecutive years not liable to retire by rotation with effect from February 02, 2015. The Company has received notices in writing from members along with a deposit of ₹ 1,00,000/- each proposing the candidature of Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa for the office of Independent Directors under the provisions of Section 160 of the Act.

The Company has received declarations from Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa that, they are not disqualified to become directors and they have also consented to hold the office as Independent Directors.

The Board considers that continued association of Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

In the opinion of the Board, Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa are persons of integrity and possess relevant qualifications, expertise and experience and fulfil the conditions specified in the Act and the rules made thereunder and that the proposed directors are independent of the management.

The brief profile of Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa, as required under Clause 49 (VIII) E of the Listing Agreements are as under :

Sl. No.	Nature of Information	Item No. 5 of Notice	Item No. 6 of Notice	Item No. 7 of Notice
1.	Name	Shri M. P. Taparia	Lt. Gen. (Retd.) Utpal Bhattacharyya	Shri Krishna Kumar Karwa
2.	Age	77 years	67 years	50 years
3.	Director of Company since	11th November 2010	27th May 2009	30th October, 2009
4.	Expertise in specific functional areas	Industrialist	Retired Army Officer	Service sector
5.	Directorship in other Companies	1) Supreme Petrochem Ltd. 2) The Supreme Industries Ltd. 3) Supreme Capital Management Ltd. 4) Kabra Extrusion Technik Ltd. 5) Jovial Investment & Trading Co. Pvt. Ltd. 6) Boon Investment & Trading Co. Pvt. Ltd.	None	1) Emkay Global Financial Services Ltd. 2) Emkay Fincap Ltd. 3) Emkay Commotrade Ltd. 4) Emkay Insurance Brokers Ltd. 5) Emkay Corporate Services Pvt. Ltd. 6) Titagarh Agrico Pvt. Ltd. 7) Emkay Charitable Foundation
6.	Member of Committee of the Board in other companies	Chairman-Stakeholders Relationship Committee 1) Supreme Petrochem Ltd. Chairman-Finance Committee 1) Supreme Petrochem Ltd. Chairman-Investment Committee 1) Supreme Petrochem Ltd. Chairman-Audit Committee 1) Boon Investment & Trading Co. Pvt. Ltd.	None	Chairman-Management Committee 1) Emkay Global Financial Services Ltd. Member- Stakeholders Relationship Committee 1) Emkay Global Financial Services Ltd. Member-Audit Committee 1) Emkay Commotrade Ltd. 2) Emkay Fincap Ltd. 3) Titagarh Agrico Pvt. Ltd. Member-Project Monitoring & Management Committee 1) Titagarh Agrico Pvt. Ltd.
7.	No. of shares held in the Company	Nil	Nil	Nil

Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa are interested in the resolutions set out respectively at Item Nos. 5, 6 and 7 of the Notice with regard to their respective appointments and relatives of the said Directors may be deemed to be concerned or interested, financially or otherwise, in the said resolutions to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or Relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the said resolutions.

Letters of appointment of Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa setting out the terms and conditions are available for inspection by the members at the registered office of the Company.

The Board of Directors recommend these resolutions as set out at Item No. 5, 6 and 7 for your approval.

Item No. 8

The Article 155A has been inserted to enable the Chairman of the Board to also function as a whole time Director by whatever name called.

None of the Directors or Key Managerial Personnel of the Company or Relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the proposed Special Resolution for your approval.

By Order of the Board

Place : Mumbai
Date : 27th May 2015

P. K. Mundra
President (Finance) & Company Secretary



THE WEST COAST PAPER MILLS LIMITED

REGISTERED OFFICE & WORKS : PB No.5, Bangur Nagar, DANDELI-581325 (Karnataka)
 CIN : L02101KA1955PLC001936, Ph: (08284) 231391 – 395 (5 Lines) Fax: (08284) 231225 / 230443
 Email : co.sec@westcoastpaper.com, Website : www.westcoastpaper.com

60TH ANNUAL GENERAL MEETING ON 31ST JULY, 2015

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall

Registered Folio / DP & CL ID		No. of Shares	
Name and address of the shareholder(s)			
Joint Holder 1			
Joint Holder 2			

I hereby record my presence at the 60th ANNUAL GENERAL MEETING of the Company held on Friday, the 31st July 2015 at 4.00 P.M. at the Registered Office of the Company at Bangur Nagar, DANDELI – 581 325, Karnataka.

SIGNATURE OF THE SHARE HOLDER/PROXY



Form No. MGT - 11

PROXY FORM

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

CIN No. : L02101KA1955PLC001936
Name of the Company : **THE WEST COAST PAPER MILLS LIMITED**
Registered Office : Bangur Nagar, Dandeli - 581 325, Dist : Uttara Kannada, Karnataka
Phone : (08284) 231391-395 (5 Lines), Fax : (08284) 231225
Email : co.sec@westcoastpaper.com, Website : www.westcoastpaper.com

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No / Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Name _____
Address _____

E-mail ID _____

Signature _____, or failing him/her

2. Name _____
Address _____

E-mail ID _____

Signature _____, or failing him/her

3. Name _____
Address _____

E-mail ID _____

Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the company, to be held on the 31st day of July, 2015, at 4:00 p.m. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below :

ORDINARY BUSINESS :

- 1) To consider and adopt the Profit and Loss Account, Balance Sheet and Reports of the Directors and Auditors thereon, for the year ended March 31, 2015.
- 2) Re-appointment of Shri Saurabh Bangur, who retires by rotation.
- 3) To appoint, Batliboi & Purohit, Chartered Accountants, Mumbai, as Auditors and fixing their remuneration.
- 4) To ratify the remuneration to Mr. Umesh Kini, Cost Auditor.

SPECIAL BUSINESS :

- 5) Appointment of Shri M. P. Taparia as Independent Director.
- 6) Appointment of Lt.Gen(Retd.)Utpal Bhattacharyya as Independent Director.
- 7) Appointment of Shri Krishna Kumar Karwa as Independent Director.
- 8) To amend Articles of Association of the Company.

Signed this _____ day of July, 2015

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.

ANNUAL REPORT 2014-15

STRENGTHENING THE
C  **RE**



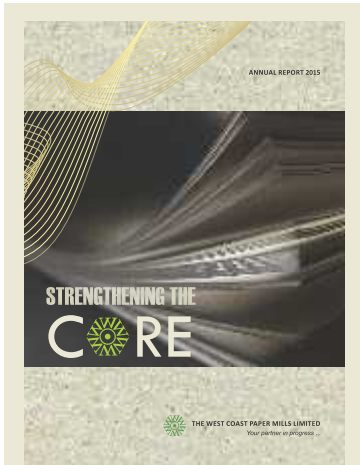
THE WEST COAST PAPER MILLS LIMITED

Your partner in progress ...

FORWARD LOOKING STATEMENT

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and oral-that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove in accurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



For more information
log on to
www.westcoastpaper.com

Between the covers



Board & Management Reports

02-43

Ten Year Highlights **2**
Management Discussion & Analysis **3**
Directors' Report **9**
Report on Corporate Governance **32**



Financial Reports

44-71

Independent Auditors' Report **44**
Balance Sheet **48**
Statement of Profit & Loss Account **49**
Cash Flow Statement **50**
Accounting Policies **52**
Notes on Financial Statements **54**

Corporate Information

BOARD OF DIRECTORS

Shri S. K. Bangur, *Chairman & Managing Director*

Shri Saurabh Bangur, *Vice Chairman*

Smt. Shashi Devi Bangur

Shri P. N. Kapadia

Lt. Gen. [Retd.] Utpal Bhattacharyya

Shri Krishna Kumar Karwa

Shri M. P. Taparua

Shri K. L. Chandak, *Executive Director*

MANAGEMENT TEAM

Paper and Duplex Board Division

Shri B. H. Rathi, *President (Technical)*

Shri B. K. Bhuyan, *Senior Vice-President (Operations)*

Shri S. N. Patil, *Vice-President (Human Resource)*

Shri Vimal Arora, *Vice-President (Purchase & Administration)*

Shri P. C. Maloo, *Vice-President (Marketing)*

Telecom Cable Division

Shri V. Bangur, *Chief Executive Officer*

PRESIDENT (FINANCE) & COMPANY SECRETARY

Shri P. K. Mundra

BANKERS

Central Bank of India

State Bank of Mysore

Syndicate Bank

ICICI Bank Ltd.

IDBI Bank Ltd.

Standard Chartered Bank

Axis Bank Ltd.

AUDITORS

Batliboi & Purohit

Chartered Accountants

COST AUDITORS

Shri Umesh N. Kini

Cost Accountant

SECRETARIAL AUDITOR

Shri Srikant R. Gudi

Practicing Company Secretary

INTERNAL AUDITOR

Shri Rajesh Bothra

Head-Finance

LEGAL ADVISORS

Khaitan & Co.

REGISTERED OFFICE

Bangur Nagar, Dandeli - 581 325

District. Uttar Kannada, Karnataka

Phone : (08284) 231 391-395

Fax : (08284) 231 225

E-mail : co.sec@westcoastpaper.com

CORPORATE OFFICE

31, Chowringhee Road, Kolkata - 700 016

Phone : (033) 2265 6271 (8 Lines)

Fax : (033) 2226 5242

E-mail : wcpm.sale@westcoastpaper.com

ZONAL OFFICES

North Zone

Vishnu Bhavan, 1st Floor, 5 Ansari Road

Daryaganj, New Delhi - 110 002

Phone : (011) 2326 9806, 2327 3679, 2324 6254

Fax : (011) 2328 4913

E-mail : wcpm.north@westcoastpaper.com

East Zone

31, Chowringhee Road, Kolkata - 700 016

Phone : (033) 2265 6271 (8 Lines)

Fax : (033) 2226 5242

E-mail : wcpm.east@westcoastpaper.com

West Zone

Shreeniwas House, H. Somani Marg, Fort, Mumbai - 400 001

Phone : (022) 2207 0041-44

Fax : (022) 2207 0001

E-mail : wcpm.west@westcoastpaper.com

South Zone - 1

Flat No.7, 12/13, Kanakasri Nagar

St. George Cathedral Lane

Off Cathedral Road, Chennai - 600 086

Phone : (044) 2811 1654/299, 4235 9709

Fax : (044) 2811 7013

E-mail : wcpm.south@westcoastpaper.com

South Zone - 2

Chandra Kiran, 4th Floor, 10/A Kasturba Road

Bangalore - 560 001

Phone : (080) 2223 1828-1837, 4112 0001-0006

Fax : (080) 2223 1838, 2224 1916

E-mail : wcpm.sale@westcoastpaper.com

TELECOM CABLE DIVISION

Sudarshan Telecom

Plot No. 386/387, KIADB, Electronic City

Hebbal Industrial Area, Mysore - 570 016

Phone : (0821) 240 4060, Fax : (0821) 240 4061

E-mail : srghatak@sudarshantelecom.com

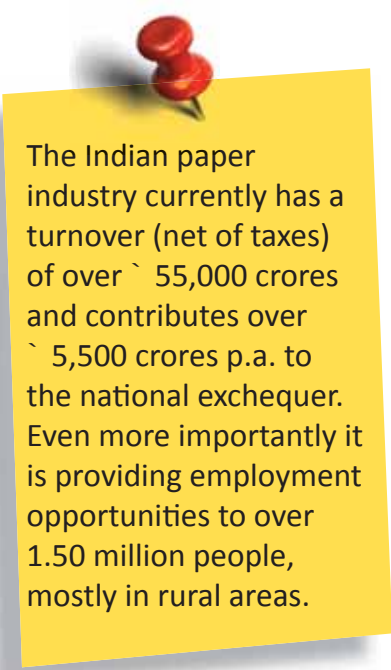
Weblink

Please refer to investors section on website www.westcoastpaper.com
for Familiarization Programme for Independent Directors.

Ten Year Highlights

		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
PRODUCTION											
PAPER/PAPER BOARD & MULTILAYER BOARD	TONNES	3,00,514	3,10,002	3,17,808	3,08,230	2,67,005	1,73,638	1,73,682	1,69,891	1,78,871	1,76,221
OPTICAL FIBRE CABLE	Km	30,438	20,686	20,242	20,184	27,951	18,003	16,787	22,829	7,060	6,303
JFTC	CKm	-	-	-	-	78	-	-	-	1,65,407	5,12,170
CONTROL CABLE	CKm	-	-	-	341	251	14	-	-	-	-
SALES											
PAPER/PAPER BOARD & MULTILAYER BOARD	TONNES	3,02,978	2,98,682	3,21,018	3,05,818	2,67,992	1,75,194	1,70,686	1,70,193	1,79,915	1,80,397
OPTICAL FIBRE CABLE	Km	30,368	21,053	20,161	20,308	27,985	17,790	16,762	22,836	7,105	6,593
JFTC	CKm	-	-	-	-	78	-	-	119	1,65,288	5,25,502
CONTROL CABLE	CKm	-	-	-	337	248	14	-	-	-	-
OPERATING RESULTS											
TURNOVER	`/Lacs	1,74,715	1,65,483	1,54,125	1,36,620	1,10,887	65,050	66,271	65,352	61,944	60,684
GROSS PROFIT	`/Lacs	17,853	14,114	20,084	15,866	18,919	10,524	12,036	11,438	9,552	6,922
DEPRECIATION	`/Lacs	12,220	12,719	17,629	20,535	9,610	2,377	1,990	2,043	2,098	3,695
ICD (SRNL) W/OFF	`/Lacs	5,160	-	-	-	-	-	-	-	-	-
TAXATION	`/Lacs	-	166	372	-	1,900	1,400	1,149	1,095	862	300
MAT CREDIT ENTITLEMENT	`/Lacs	-	-154	-335	-	-1,809	-1,370	-	-	-	-
DEFERRED TAX	`/Lacs	362	720	607	-1,314	210	2,647	-157	110	-54	-276
NET PROFIT/(LOSS)	`/Lacs	111	663	1,811	-3,356	9,008	5,470	9,054	8,190	6,646	3,203
DIVIDEND	`/Lacs	-	660	660	206	1,807	1,807	1,258	1,721	1,341	1,341
FINANCIAL POSITION											
GROSS BLOCK	`/Lacs	2,07,934	2,05,632	2,01,596	1,98,706	1,85,045	1,86,542	1,61,798	80,141	48,467	46,514
DEPRECIATION	`/Lacs	93,035	80,866	69,565	52,570	32,205	31,290	29,112	27,022	25,309	22,584
NET BLOCK	`/Lacs	1,14,899	1,24,766	1,32,031	1,46,136	1,52,840	1,55,252	1,32,686	53,119	23,158	23,930
PAID UP CAPITAL	`/Lacs	1,321	1,321	1,321	1,255	7,755	7,755	7,708	1,425	894	894
RESERVES & SURPLUS	`/Lacs	58,456	58,345	58,455	55,698	59,293	52,378	49,070	38,771	22,324	17,246
NET WORTH	`/Lacs	59,777	59,666	59,776	56,953	67,048	60,133	56,778	40,196	23,218	18,140
BORROWINGS	`/Lacs	91,042	1,06,608	1,08,063	1,26,365	1,21,246	1,23,471	1,17,365	40,616	17,407	16,588
CAPITAL EMPLOYED	`/Lacs	1,50,819	1,66,274	1,67,839	1,83,318	1,88,294	1,83,604	1,74,143	80,812	40,625	34,728
SOME SELECTED RATIOS											
EARNINGS PER SHARE (` 2) (BASIC)	`	0.17	1	9	4	14	9	16	17	15	7
BOOK VALUE PER SHARE	`	91	90	91	91	107	96	94	70	52	41
DIVIDEND [EQUITY SHARES]	%	-	50	50	10	100	100	100	150	150	150
DEBT EQUITY RATIO		60:40	64:36	64:36	69:31	64:36	67:33	67:33	50:50	43:57	48:52

Management Discussion & Analysis



The Indian paper industry currently has a turnover (net of taxes) of over ₹ 55,000 crores and contributes over ₹ 5,500 crores p.a. to the national exchequer. Even more importantly it is providing employment opportunities to over 1.50 million people, mostly in rural areas.

A) INDUSTRY STRUCTURE & DEVELOPMENT

Paper Division

There are about 750 – 800 paper mills (organized & unorganized sector) in the country out of which 12 large units accounts for production share of about 30% and balance units mostly comprising of medium (Agro-based) and Small (waste paper based) paper mills with production share of 70%. Wood based industry accounts for 31% of production while waste paper and agri residue accounts for 47% & 22% respectively. Capacity-wise industrial Paper accounts for about 40%, Printing & Writing Paper 35%, Speciality Paper 6% and Newsprint 19% of total production.

The Indian paper industry is an integral part of the Nation's economy and contributes to its growth and development. It is in this spirit that the Indian paper industry has continued to upgrade

its capacities and technologies, in spite of huge challenges like shortage of raw material, highly capital intensive nature of the industry, threat of cheaper imports from ASEAN countries, etc. From a situation where most paper mills were relatively small and with old technologies, we have now reached a stage where almost all major paper mills have adopted world class technologies and are fast progressing towards world scale of operations as well.

The Indian paper industry currently has a turnover (net of taxes) of over ₹ 55,000 crores and contributes over ₹ 5,500 crores p.a. to the national exchequer. Even more importantly it is providing employment opportunities to over 1.50 million people, mostly in rural areas.

Installed capacity of paper mills is 12.75 Million tonnes with utilization of 89%. The domestic demand for all varieties of paper in India is estimated at around 13.10 Million tonnes in 2013-14 (production 11.38 Million tonnes - Exports 0.53 Million tonnes & Import 2.25 Million tonnes) which is 3% of global demand of 400 Million tonnes even though population of 121 crores as per 2011 census is 17% of world population. Of this, writing & printing paper accounts for approx. 4.10 Million tonnes, packaging grades for approx. 5.90 Million tonnes and newsprint about 2.50 Million tonnes apart from speciality grade about 0.60 Million tonnes.

Even though our domestic paper consumption has been growing



Management Discussion & Analysis (Contd.)

steadily, it is still only 10 kg per capita, which is abysmally low when compared to even highly populated and developing economies & world average of 56 kg and Asian average of 40 kg. For example, per capita consumption in China & Indonesia is estimated at 60 kgs and 23 kgs respectively.

We have no doubt that given India's projected GDP growth, the renewed thrust on universal education through Sarva Shiksha Abhiyan and Right to Education and the consequent changes in lifestyle, paper demand per capita will gradually move to about 23.50 million tonnes by 2024-25 in our country.

Growth in Indian paper industry during last 3 years 2012-13 to 2014-15 was moderate and is likely to be so in future also due to sluggish economic activity. Global demand to be CAGR 2% in next 5 years.

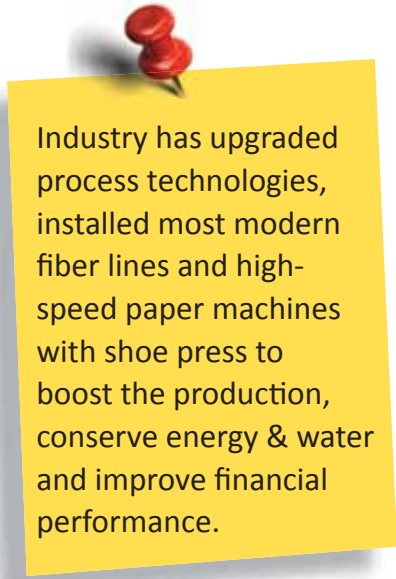
Industry has upgraded process technologies, installed most modern fiber lines and high-speed paper machines with shoe press to boost the production, conserve energy & water and improve financial performance. Many mills have adopted extended delignification processes, Elemental Chlorine Free bleaching to modernize the fiber lines. In the area of paper making, adopted alkaline sizing, replacing clay & talk with Grounded Calcium Carbonate & Precipitated Calcium Carbonate fillers and increase the ash content in paper to reduce usage of fiber. Industry has progressed in spite of challenges, improved environmental performance in terms of reduction of effluent volumes, reduction in



terms of usage of steam, power, AOX reduction, apart from many other successful achievements in process technologies.

Ministry of New & Renewable Energy, Government of India vide its letter dt. 09.01.2012 had confirmed that Black Liquor Dry Solids is a Renewable Biomass Source which is a byproduct of wood, generated in the Pulp & Paper Industries and accordingly the integrated Pulp & Paper Mills are eligible for Renewable Energy Certificates for power generated by using steam from recovery boilers wherein, Black Liquor Dry Solids are fired which will generate additional revenue for these Mills, however, its benefits are, by & large, not available for want of grid connectivity which is further compounded about uncertainty about availability of both REC & PAT benefits.

Further, Ministry of Power, Government of India has notified unit-specific "energy use norms" for the paper industry vide



Industry has upgraded process technologies, installed most modern fiber lines and high-speed paper machines with shoe press to boost the production, conserve energy & water and improve financial performance.

Notification dated 30.03.2012 and the industry has to comply the same by the target year 2014-15. Non-compliance of the same will lead to penalties whereas improvement over the norms will be rewarded by issue of Energy Saving Certificates. The Company has performed very well on these norms and may be able to get substantial credits.

Management Discussion & Analysis (Contd.)

In the Union Budget for 2012-13, Excise duty on paper and paperboard has been increased from 5% to 6% with effect from 17.3.2012 and there is no change in subsequent Union Budgets.

The availability of raw material has always been a matter of concern for the industry and have been requesting the Government to allot degraded revenue and forest lands so that not only the requirement of raw material would be met but also employment for rural unskilled population is generated. However, the government has not considered the request. Nevertheless, the industry in general has taken initiatives by taking up Farm/Social Forestry programme whereby plantation is taken in a big way on the unproductive revenue land and thus generating not only income to the farmers but also providing employment to the rural unskilled population.

The Company has also focused on social forestry and has so far cultivated more than 45,000 acres of land within a radius of 250-300 kms so as to enhance availability of wood. The Company is also distributing seedlings to the farmers at concessional rates so that plantations are taken up by them without any commitment for its supply to the Company. However, this is bound to increase the overall availability of raw material for the industry.

Major paper producing countries of Latin America, Europe and Asia, including China, Indonesia, Malaysia, etc., have adopted a policy of granting forest concessions to large paper mills

to plant, protect and harvest pulpwood in a cost effective manner. In absence of similar enabling policies, paper mills in India have to necessarily depend upon small and scattered plantations developed through Industry's social forestry initiative or Government controlled forests. In the process, the cost of collection and transportation works out to be greater than cost of the pulpwood itself. As a result, cost of raw materials in India has been continuously going up and has become most uncompetitive in comparison to the major paper producing countries in the world.

Given the above status of availability, the industry is facing severe shortage of wood apart from continuously increasing cost of procurement particularly in the context of unplanned expansion by the industry without raw material back-up and focusing only on Andhra Pradesh for sourcing the requirement. This has forced the industry to go for import of wood chips in 2013-14 with first shipment arrived at Goa Port in June, 2013 for the Company. The Company imported 3.55 lakh GMT wood chips in 2013-14 & 4.20 lakh GMT in 2014-15 and has an edge over other mills due to proximity to the port.

Wood rates increased by 4% during FY 2014-15 for the company as against 34% in 2013-14 also due to higher import of chips thereby reducing the dependence on the local market particularly from costly sources.

The National Agroforestry Policy-2014 will be effective only if State Government creates enabling legislations

The Company has also focused on social forestry and has so far cultivated more than 45,000 acres of land within a radius of 250-300 kms so as to enhance availability of wood.

and simplify regulations related to Forestry, Land use and Land tenure, especially those linked to harvesting and transportation of tree grown on the farm. In this regard, MoEF can play a major role by issuing necessary directions.

Now that the paper Industry have to depend upon the imported chips to meet the raw material demand, Central Government should abolish custom duty of 5% on import of wood chips as done in the case of ASEAN countries for import of other items.



Management Discussion & Analysis (Contd.)

Cable Division

INDUSTRY STRUCTURE & DEVELOPMENT

There are 15 OFC manufacturers having a total capacity of above 1 million cable KMs p.a. The capacity of the industry is expected to become approximately 1.5 million Cable Kms p.a. after expansion plan underway by most of players in the industry.

With the Indian telecom sector entering the next phase of growth characterized by the data revolution, the optic fibre cable (OFC) industry is looking up. Investment in OFC networks are being driven by the growing demand for broadband services, proliferation of next-generation broadband technologies like LTE and increasing deployments for the last-mile connectivity (FTTH).

Besides telecom, other sectors that will also contribute significantly to OFC demand are power, railways, oil and gas.

Another key trend has been the convergence of optical fibre and wireless technologies.

B) OPPORTUNITIES AND THREATS

Paper Division

The low per capita consumption of paper/paperboard in the country is bound to increase with the growth in the GDP, rising income of middle class, increasing demand for computer stationery and spending by Government on education sector and ban on plastic packaging starting with Gutka manufacturing units.

The Company has also focused on social forestry within a radius of 250 kms. to enhance availability of wood. The Company is also distributing seedlings to the farmers at concessional rates so that plantations are taken up by them without any commitment for its supply to the Company. However, this is bound to increase the overall availability of raw material for the industry.

Import duty on paper & paper board for ASEAN countries has been reduced from 2.50% to 0% with effect from 01.01.2014 vide notification No.57/2013 dated 31.12.2013 which had implications in terms of cheaper imports being of 2.25 million tonnes in 2013-14 as against 2.03 million tonnes in 2012-13.



The tele-density registered a CAGR of 23% from 2007 to 2014 and is expected to reach 100% by 2020 as per TRAI guidelines.

Cable Division

Indian OFC market was estimated at around USD 200 million in 2014 growing at CAGR of 13% which is further expected to grow at higher CAGR of around 16% from 2015 to 2020 and reach USD 420 million by 2020.

With robust existing infrastructure, competent technical manpower and expansion plans underway cable division is well poised to increase its market share in emerging demand scenario.

C) SEGMENT-WISE PERFORMANCE REVIEW

The Company operates in two business segments – paper/paperboard (including duplex board) at Dandeli and tele-communication cables at Mysore, apart from having wind mills of 1.75 MW capacity in Tamilnadu for power generation. Detailed segment-wise performance has been indicated in the Directors' Report.

D) OUTLOOK

Paper Division

The paper industry is understood to be cyclical in nature and its performance depends on the global pulp and paper demand

Management Discussion & Analysis (Contd.)

supply situation which is not encouraging at present. The industry is witnessing slowdown in demand from December, 2013. The Company has well-diversified product base which partially insulates it from the cyclical impact. However, given the growth potential, outlook of paper industry is promising in long run.

India is the fastest growing paper market in the world with CAGR of 6 to 6.5% in next 5 years due to thrust on education, rise in organized retail, urbanization and growth in economy.

Cable Division

The tele-density registered a CAGR of 23% from 2007 to 2014 and is expected to reach 100% by 2020 as per TRAI guidelines.

Setting up of National Optical Fibre Network as to bridge the gap between blocks and Panchayats in India. The OFC connectivity is viable upto block level and NOFN Project is designed to connect 2,50,000 Gram Panchayats to the block. The Project is estimated to spend around USD 330 million and over 5.0 Lac Kms of OFC is expected to be laid.

E) RISKS AND CONCERNS

The Company has derived 94% of its revenue from paper/paperboard and duplex board business and 6% from cable business in 2014-15. Not only the availability of conventional raw material is a matter of concern but also increasing rates of wood due to competition among the paper mills per se and other user industries.

Paper industry has been removed from Core Sector for supply of coal by subsidiaries of Coal India Ltd. However, power plants are

covered under core sector for supply of coal to them.

The paper industry is one of the 18 highly polluting categories of industries and the executives of the industry, Central and State Government Agencies, Pollution Control Boards and others have prepared a Charter on Corporate Responsibility for Environmental Protection (CREP), which was launched in a National Seminar on 12-13 March 2003. The Charter enlists time-bound action points to be implemented by the paper industry for progressive up-gradation of technologies and in-plant practices for reduction in effluents and emissions as well as improvement in waste management systems.

The Company has state-of-art Effluent Treatment Plant and has gone for 100% Elemental Chlorine Free bleaching from 14.02.2010. It is also meeting all the norms as prescribed under Environment Protection Act, 1986 and other environmental laws as well as CREP requirement consistently.

F) INTERNAL CONTROL SYSTEM & TECHNOLOGY

The Company has adequate system of internal control to safeguard and protect from loss,

unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Company has a full-fledged Internal Audit department and yearly audit programme is submitted to the audit committee of the Board. The audit reports are reviewed by the Management and the Audit Committee of the Board from time to time. Implementation of Oracle ERP has also strengthened the internal control systems of the Company.

G) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

This has been dealt with in the Directors' Report.

H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company had entered into Tripartite long term wage revision settlement with Joint Negotiation Committee of



Management Discussion & Analysis (Contd.)

Unions on 29.03.2012 for the period from 01.01.2011 to 31.12.2014 which has expired. The elections were held to elect workers representative in the Joint Negotiations Committee (JNC) for the fresh settlement in the month of November 2014. The Company's industrial relations are cordial. Your Directors acknowledge the support and co-operation from employees at all levels.

The Company has drawn specific programme to improve the skills of the workers so as to rationalize the manpower. Further, it is providing necessary training to the manpower both locally and abroad with suppliers. There is continuous interaction between the Management, Unions and Labour for improving the knowledge and training of the workers.

The Company employs 2,398 people as on 31.3.2015 as against 2,395 people employed as on 31.3.2014.

I) CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

The Company has drawn specific programme to improve the skills of the employees so as to rationalize the manpower.



Directors' Report

Your Directors are pleased to present the 60th Annual Report of the Company, together with the audited accounts for the year ended 31st March 2015.

FINANCIAL RESULTS

(Amount in ` Lacs)

	2014-15	2013-14
Gross Profit	24,561.94	21,436.92
Balance brought forward	60.52	70.21
Transferred from General Reserve	–	100.00
	24,622.46	21,607.13
ALLOCATIONS:		
Finance Cost	6,708.99	7,322.53
Depreciation	12,220.09	12,719.40
Exceptional items	5,159.50	–
Taxation - Current	–	166.29
- MAT Credit Entitlement	–	(153.82)
- Deferred	361.86	719.47
General Reserve	–	–
Proposed Dividend	–	660.49
Tax on Dividend	–	112.25
Balance carried forward	172.02	60.52
	24,622.46	21,607.13

DIVIDEND

Your Directors have not recommended any dividend in view of inadequacy of profit.

PERFORMANCE

For the year under review, the Company has recorded satisfactory outcomes in its working results, even in the midst of adverse circumstances of the reduction in production of the Paper and Paperboards and stagnancy in sale prices. This performance is due to the improved working of the cable division and a decrease in the cost of raw material as a consequence of the higher usage of the imported wood chips in production, thereby reducing the dependency on the local markets and also because of a reduction in other input costs.

The Company posted gross profit of ` 126.93 Crores (after writing off inter corporate deposit of ` 51.60 Crores extended to Shree Rama Newsprint Ltd., and the waiver of interest of ` 6.81 Crores both totaling to ` 58.41 Crores) as against ` 141.14 Crores in the previous year-lower by ` 14.21 Crores (10%) whereas there was a net profit of ` 1.11 Crores as against ` 6.63 Crores in the previous year.

DIVISION WISE PERFORMANCE

A) Paper and Duplex Board Divisions

The production of Paper, Paperboard and Hardwood Pulp was 3,00,514 MT (94% capacity utilization) against 3,10,002 MT in the last year (97% capacity utilization) i.e., lower by 9,488 MT. The sale of paper, paperboard and



Directors' Report (Contd.)

hardwood pulp was 3,02,978 MT against 2,98,682 MT in the last year i.e., higher by 4,296 MT.

The turnover during the year was ₹ 1,643.68 Crores as against ₹ 1,610.74 Crores in the previous year (both inclusive of excise duty), i.e., higher by ₹ 32.94 Crores, due to higher sales quantity.

B) Cable Division - Mysore

The production and sales of optical fibre cable in terms of quantity was 30438 kms and 30368 kms during the year as against 20,686 kms and 21,053 kms in the previous year, respectively. Sale of optical fibre cable in terms of value, was higher at ₹ 103.16 Crores as against ₹ 43.76 Crores (both inclusive of excise duty) during the previous year due to execution of more fibre count cable.

EXPORTS

Export of Paper, Paperboard and Duplex board reduced from 6,539 MT worth ₹ 33.68 Crores (FOB) in 2013-14 to 5,348 MT worth ₹ 28.12 Crores (FOB) in 2014-15 due to non-remunerative prices. Further, 733 km of Cable worth ₹ 0.52 Crores was exported in 2014-15 compared to 1,925 km of Cable worth ₹ 1.70 Crores in 2013-14.

RAW MATERIALS

The Company has started the import of wood chips from Australia, South Africa, Brazil etc., from June 2013, by creating the required infrastructure for efficient handling of the cargoes and during the year under report the company imported 4.20 Lacs MT of wood chips against 3.55 Lacs MT in the previous year. The use of wood chips has been well absorbed in our process and now the Company is getting direct and indirect advantages of its usage.

The Company has also focused on Social forestry and cultivated Farms on more than 45,000 acres of land so far within a radius of 250-300 kms so as to



enhance the availability of wood. The Company is also distributing seedlings to the farmers at concessional rates so that plantations are taken up by them without any commitment for its supply to the Company. However, this is bound to increase the overall availability of raw material for the industry.

EXCHANGE RATE VARIATION

The Company has reinstated Foreign Currency Loans/External Commercial Borrowings of USD 43.64 Million at the exchange rate prevailing as on 31st March 2015 and the exchange rate difference of ₹ 78.29 Crores has been added to the cost of Fixed Assets, as per Accounting Standard AS-11 issued vide Notification No.G.S.R. 225(E) dated 31.03.2009 (as last amended vide Notification No GSR 913 (E) dated 29.12.2011) by the Ministry of Corporate Affairs.

RISK MANAGEMENT POLICY

The Board of Directors had adopted risk policy for Forex exposure in the meeting held on 28.06.2004. The foreign exchange exposure of the Company is reviewed from time to time by the Board. The Company has taken Industrial All Risk Policy to insure

The use of imported wood chips has been well absorbed in our process and now the Company is getting direct and indirect advantages of its usage

Directors' Report (Contd.)

its fixed assets and inputs which cover known and unknown risk including Fire, Loss of Profit.

RELATED PARTY DISCLOSURE AND TRANSACTIONS

The details of related party disclosure and transactions as prescribed in Form AOC-2 are given in the Note No.2.28 of Notes on Financial Statements. All the transactions are done at arms length and pertain to FY 2014-15 period only and as approved in the Board Meeting held on 13.05.2014.

EXTRACT OF THE ANNUAL RETURN

Extract of the Annual return in the Form No. MGT 9 is attached and forms a part of this report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has framed a Corporate Social Responsibility (CSR) Policy as required under Section 135 of the Companies Act, 2013. Pursuant to rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Annual report on CSR in the prescribed format is attached and forms a part of this report & policy may be accessed on the Company's website at the link "http://westcoastpaper.com/index.php?q=node/6".

Even though the company is not required to contribute towards CSR as it has incurred net loss of ` 8.82 Crores in the preceding 3 years. It has contributed ` 15.72 Lacs towards CSR activities in 2014-15.

MEETINGS OF THE BOARD

The number of meetings of the Board held and details thereof are mentioned in the Report on Corporate Governance forming part of this Annual Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 is annexed hereto and forms a part of this report.

Criteria for performance evaluation of Independent Directors' as required by the Listing Agreements also forms part of this report.

MANAGERIAL REMUNERATION

The requisite details as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith forming part of this report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING/ OUTGO

The information required under Section 134(3)(m) of the Companies Act, 2013 is annexed hereto and forms a part of this report.

PARTICULARS OF EMPLOYEES

The particulars of employees, as required under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in a separate Annexure to this Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

A comprehensive Management's Discussion and Analysis Report, forming a part of the Corporate Governance is carried elsewhere in this annual report.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Corporate Governance Report is made a part of this annual report.

A certificate from the auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreements is attached with this report.

The Company is complying with Clause 49 of the Listing Agreements with regard to Corporate Governance and reports to that effect are being regularly filed with the Stock Exchanges. The Company has obtained declaration from the Directors and Senior Management members of the Company for compliance of Code of Conduct and the Certificate from CEO/ CFO was placed before the Board of Directors at the meeting held today.



Directors' Report (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement, as required under Section 134(5) of the Companies Act, 2014, is attached and forms a part of this report.

DIRECTORS

Shri Saurabh Bangur retires from the office by rotation in terms of Article 143 of the Articles of Association of the Company, but being eligible offers himself for re-appointment. Pursuant to Section 152 Shri M. P. Taparia, Lt. Gen. (Retd.) Utpal Bhattacharyya and Shri Krishna Kumar Karwa have been appointed as Independent Directors at the Meeting of the Board of Directors held on 02.02.2015 subject to approval of Members at the ensuing Annual General Meeting. Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of Companies in which they holds Directorships and Memberships of Board Committees, shareholding, as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges in India, are provided in the Notice to Members, forms a part of this Annual Report.

Shri Sanjay Kothari resigned from the Board during the year and the Board of Directors place on record their highest sense of appreciation for the valuable advice and guidance rendered by him during his tenure as Director of the Company.

DECLARATION BY DIRECTORS

The Company has received declaration from all the independent Directors under Section 149(7) of the Companies Act, 2013 in respect of meeting the criteria of independence provided under Section 149(6) of the said Act.

SECRETARIAL AUDIT

The Secretarial Audit Report in the Form No. MR 3 issued by Mr. Srikant

R. Gudi, is annexed hereto and forms a part of this report.

AUDITORS

Messrs Batliboi & Purohit, Chartered Accountants, will retire at the end of the 60th Annual General Meeting of the Company and offer themselves for re-appointment for the ensuing year.

As regards qualifications of the Auditors, we refer to Note no. 2.38, 2.39 & 2.40 which are self explanatory. The Company will account loss on sale of shares of Shree Rama Newsprint Ltd., on completion date as per Share Purchase Agreement dt. 21.05.2015 as detailed in Note no. 2.38 whereas investment in Jayashree Chemicals Ltd., is a long term trade investment hence not provided, whereas amount advanced to Speciality Coatings & Laminations Ltd., will be recovered on disposal of its assets hence no provision is made.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inputs and availing of services and fixed assets and for the sale of goods & providing of services. Full fledged Internal Audit department carries out pre and post audit of all significant transactions throughout the year.

SHREE RAMA NEWSPRINT LTD (SRNL)

The Company has entered into Share Purchase Agreement with Riddhi Siddhi Gluco Biols Ltd., ("Acquirer") on 21.05.2015 for sale of its Long Term Investments of 2,11,24,791 equity shares of Shree Rama Newsprint Ltd., for ₹ 0.75 Lacs against book value of ₹ 4,540.86 Lacs subject to release of

Corporate Guarantees of ₹ 24,625.00 Lacs given to various banks by the Company and the Acquirer complying with the requirement of the Open Offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or any other statutory approval.

Since the transaction will be completed on fulfillment of the above conditions, loss of ₹ 4,540.11 Lacs will be accounted by the Company in the Accounting Year 2015-16 on the date of completion of transaction.

The Company has agreed to accept payment of ₹ 70 Lacs on completion date of Share Purchase Agreement (SPA) dated 21.05.2015 executed between the Company and Riddhi Siddhi Gluco Biols Ltd., ("Acquirer") against the outstanding inter corporate deposits of ₹ 5,229.50 Lacs given to Shree Rama Newsprint Ltd (SRNL) as per books of accounts and balance amount of ₹ 5,159.50 Lacs has been written off. This has also been confirmed by SRNL & acknowledged by the Acquirer on the letter dated 21.05.2015, written by the Company in pursuance of the said SPA.

LOANS, GUARANTEES & INVESTMENTS

The Company extended Inter Corporate Deposit of ₹ 1.25 Crores to SRNL (total ₹ 52.30 Crores) and ₹ 2.90 Crores to Speciality Coating & Laminations Ltd. (total ₹ 7.36 Crores) during FY 2014-15. However, no investment was made in any body corporate during FY 2014-15.

ACKNOWLEDGEMENT

Your Directors would like to thank the Union and State Governments, Banks, Financial Institutions, Customers, Suppliers and Shareholders for their continued support.

For and on behalf of the Board

Annexure to Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : L02101KA1955PLC001936
- ii) Registration Date : 25.03.1955
- iii) Name of the company : The West Coast Paper Mills Limited
- iv) Category/Sub-Category of the Company : Public Limited
- v) Address of the Registered office and contact details : Bangur Nagar
Dandeli - 581 325, Karnataka
Telephone : (08284) 231391 [Ext.-395]
Fax No. : (08284) 231225
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any. : Link Intime India Pvt.Ltd.,
C-13, Kantilal Maganlal Estate
Pannalal Silk Mills Compound
LBS Road, Bhandup (W)
Mumbai - 400 078
Phone : (022) 2596 3838; Fax : (022) 2596 2691
E-mail: rnthelpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Paper & paperboard	210	94.09%
2.	Optical Fibre Cable	313	5.91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1.	Fort Gloster Industries Ltd. (FGI)	L17232WB1890PLC000627	Associate	33.05	2(6)
2.	Shree Rama Newsprint Limited (SRNL)*	L21010GJ1991PLC019432	Associate	36.32	2(6)
3.	Speciality Coatings and Laminations Ltd.	U74899DL1993PLC052430	Associate	37.33	2(6)

*36.32% shares are sold to Riddhi Siddhi Gluco Biols Ltd., vide Share Purchase Agreement dated 21.05.2015 subject to release of Corporate Guarantees of ₹ 246.25 crores by various banks provided to them by the Company.

Annexure to Directors' Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total shares	
b) Individuals :									
i) Individual shareholders holding nominal share capital upto ` 1 lacs	11536881	1732811	13269692	20.09	13965876	1669311	15635187	23.67	3.58
ii) Individual shareholders holding nominal share capital in excess of ` 1 lac	4240238	-	4240238	6.42	3285355	-	3285355	4.97	-1.45
c) Others(specify)	-	-	-	-	-	-	-	-	-
i) Clearing Member	630909	-	630909	0.96	396754	-	396754	0.60	-0.36
ii) Foreign Nationals	12050	-	12050	0.02	12050	-	12050	0.02	0.00
iii) NRI	313893	29450	343343	0.52	299123	29450	328573	0.50	-0.02
iv) Trusts	3450	-	3450	-	2450	-	2450	-	-
Sub-total(B)(2)	23268443	1784011	25052454	37.93	23454404	1720761	25175165	38.11	0.18
Total Public Shareholding (B)=(B)(1)+(B)(2)	27938820	1811461	29750281	45.04	28002070	1748211	29750281	45.04	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	64237447	1811461	66048908	100	64300697	1748211	66048908	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the year (As on 31.03.2015)			% 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	Shri Shree Kumar Bangur	2576979	3.90	-	2576979	3.90	-	-
2	Smt. Shashi Devi Bangur	1982507	3.00	-	1982507	3.00	-	-
3	Shri Saurabh Bangur	1315730	1.99	-	1315730	1.99	0.28	-
4	Shri Virendraa Bangur	969578	1.47	-	969578	1.47	-	-
5	Smt. Kamala Devi Bangur	249200	0.38	-	249200	0.38	-	-
6	Smt. Bharati Bangur	60000	0.09	-	60000	0.09	-	-
7	Ranganath Shree Kumar	613063	0.93	-	613063	0.93	-	-
8	Shree Kumar Virendra Kumar	155000	0.24	-	155000	0.24	-	-
9	Shree Satyanarayan Invesments Co. Ltd.	10312973	15.61	-	10312973	15.61	-	-
10	Veer Enterprises Ltd.	10597100	16.04	-	10597100	16.04	-	-
11	Orbit Udyog (P) Ltd.,	2293855	3.47	-	2293855	3.47	-	-
12	Saumya Trade & Fiscal Services (P) Ltd.	1998300	3.03	-	1998300	3.03	-	-
13	Union Company Ltd.	4450	0.01	-	4450	0.01	-	-
14	Mothola Company Ltd.	77700	0.11	-	77700	0.11	-	-
15	The Indra Company Ltd.	15750	0.02	-	15750	0.02	-	-

Annexure to Directors' Report (Contd.)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the year (As on 31.03.2015)			% 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	
16	The Diamond Company Ltd.	1953197	2.96	-	1953197	2.96	-	-
17	The Thirumbadi Rubber Co. Ltd.	464200	0.70	-	464200	0.70	-	-
18	Amrit Villa Investments Ltd.	11500	0.02	-	11500	0.02	-	-
19	Gold Mohore Investments Co. Ltd.	647545	0.98	-	647545	0.98	-	-
	Total	36298627	54.96	-	36298627	54.96	0.28	-

(iii) Change in Promoters' Shareholding - NO CHANGE

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (2014-15)		Cumulative Shareholding during the year (2014-15)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year.	36298627	54.96	36298627	54.96
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	Nil	Nil	Nil	Nil
3	At the end of the year	36298627	54.96	36298627	54.96

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 shareholders	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.14)/end of the year (31.03.15)	
		No. of shares at the beginning (01.04.14)/end of the year (31.03.15)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	IDFC Sterling Equity Fund	1700000	2.57	01.04.2014				
				11.07.2014	-1700000	Transfer	-	
				31.03.2015			-	
2	CD Equifinance Private Limited	2012580	3.05	01.04.2014				
				04.04.2014	-61686	Transfer	1950894	2.95
				11.04.2014	-2060	Transfer	1948834	2.95
				25.04.2014	-900	Transfer	1947934	2.95
				23.05.2014	-24259	Transfer	1923675	2.91
				13.06.2014	-44238	Transfer	1879437	2.85
				20.06.2014	-21853	Transfer	1857584	2.81
				30.06.2014	-86324	Transfer	1771260	2.68
				04.07.2014	-48892	Transfer	1722368	2.61

Annexure to Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 shareholders	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.14)/end of the year (31.03.15)	
		No. of shares at the beginning (01.04.14)/end of the year (31.03.15)	% of total shares of the Company				No. of shares	% of total shares of the Company
				11.07.2014	-11955	Transfer	1710413	2.59
				25.07.2014	-71050	Transfer	1639363	2.48
				12.09.2014	-107983	Transfer	1531380	2.32
				19.09.2014	-5500	Transfer	1525880	2.31
				30.09.2014	-3125	Transfer	1522755	2.31
				17.10.2014	-90365	Transfer	1432390	2.17
				21.11.2014	-8000	Transfer	1424390	2.16
				12.12.2014	-14652	Transfer	1409738	2.13
				19.12.2014	-7268	Transfer	1402470	2.12
				06.02.2015	-238150	Transfer	1164320	1.76
				27.03.2015	4018	Transfer	1168338	1.77
		1168338	1.77	31.03.2015			1168338	1.77
3	General Insurance Corporation of India	925230	1.40	01.04.2014		No movement		
		925230	1.40	31.03.2015			925230	1.40
4	Purvanchal Leasing Limited	694228	1.05	01.04.2014				
				27.02.2015	-29957	Transfer	664271	1.01
				06.03.2015	-664271	Transfer	-	
				31.03.2015			-	
5	The Oriental Insurance Company Limited	679980	1.03	01.04.2014		No movement		
		679980	1.03	31.03.2015			679980	1.03
6	Shefali Narendra Kapadia	621000	0.94	01.04.2014				
				21.11.2014	-81000	Transfer	540000	0.82
				09.01.2015	-5779	Transfer	534221	0.81
				16.01.2015	-30221	Transfer	504000	0.76
				23.01.2015	-140148	Transfer	363852	0.55
				30.01.2015	-3852	Transfer	360000	0.55
				06.02.2015	-55176	Transfer	304824	0.46
				13.02.2015	-20307	Transfer	284517	0.43
				20.02.2015	-18325	Transfer	266192	0.40
				27.02.2015	-86192	Transfer	180000	0.27
				06.03.2015	-180000	Transfer	-	
				31.03.2015			-	
7	National Insurance Company Ltd.	523908	0.79	01.04.2014				
				23.05.2014	-50000	Transfer	473908	0.72
				13.06.2014	-50000	Transfer	423908	0.64
		423908	0.64	31.03.2015			423908	0.64

Annexure to Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 shareholders	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.14)/end of the year (31.03.15)	
		No. of shares at the beginning (01.04.14)/end of the year (31.03.15)	% of total shares of the Company				No. of shares	% of total shares of the Company
8	Reliance Capital Trustee Co. Ltd.	478140	0.72	01.04.2014				
				31.12.2014	42695	Transfer	520835	0.79
				02.01.2015	7305	Transfer	528140	0.80
		528140	0.80	31.03.2015			528140	0.80
9	Neoworth Commercial Pvt. Ltd.	400258	0.61	01.04.2014				
				05.09.2014	-50000	Transfer	350258	0.53
				19.09.2014	-350258	Transfer	-	
		-		31.03.2015			-	
10	Tata Investment Corporation Ltd	375000	0.57	01.04.2014				
				25.07.2014	-175000	Transfer	200000	0.30
				01.08.2014	-200000	Transfer	-	
		-		31.03.2015			-	

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (2014-15)		Cumulative Shareholding during the year (2014-15)	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Shri S K Bangur	2576979	3.90	2576979	3.90
2.	Shri Saurabh Bangur	1315730	1.99	1315730	1.99
3.	Smt. Shashi Devi Bangur	1982507	3.00	1982507	3.00
4.	Shri P K Mundra	5	-	5	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc.	Nil	Nil	Nil	Nil
	At the End of the year				
1.	Shri S K Bangur	2576979	3.90	2576979	3.90
2.	Shri Saurabh Bangur	1315730	1.99	1315730	1.99
3.	Smt. Shashi Devi Bangur	1982507	3.00	1982507	3.00
4.	Shri P K Mundra	5	-	5	-

Annexure to Directors' Report (Contd.)

V. INDEBTEDNESSES

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹/Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Dealer Deposits & Employees security deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	86199.37	20408.71	2963.58	109571.66
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	430.98	-	-	430.98
Total (i+ii+iii)	86630.35	20408.71	2963.58	110002.64
Change to Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	15010.78	674.29	52.08	15737.15
Net Change	(15010.76)	(674.29)	(52.08)	(15737.15)
Indebtedness at the end of the financial year				
(i) Principal Amount	71308.48	19734.42	2911.50	93954.40
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	311.09	-	-	311.09
Total (i+ii+iii)	71619.57	19734.42	2911.50	94265.49

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Directors and/or Manager : (₹/Lacs)

Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
	Shri S K Bangur - CMD	Shri K L Chandak - WTD & CFO*	
1. Gross Salary			
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	60.00	125.04	185.04
(b) Value of perquisites u/s17(2) Income Tax Act, 1961	8.00	25.56	33.56
(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2. Stock option	-	-	-
3. Sweat Equity	-	-	-
4. Commission			
- As % of profit	-	-	-
- Others, specify	-	-	-
5. Others, please specify (Non taxable)	11.14	23.80	34.94
Total (A)	79.14	174.40	253.54

This is minimum remuneration as per Schedule V of the Companies Act, 2013.

*Shri K L Chandak, Executive Director is CFO also.

Annexure to Directors' Report (Contd.)

B. Remuneration to other directors :

(` /Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Lt. Gen. (Retd.) Utpal Bhatta-charyya	Shri Krishna Kumar Karwa	Shri M P Taparia	Shri Saurabh Bangur	Smt. Shashi Devi Bangur	Shri P N Kapadia	Shri Sanjay Kothari*	
1.	Independent Directors								
	• Fee for attending board committee meetings	0.90	0.90	0.60	-	-	-	2.40	
	• Commission	-	-	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	-	-	
	Total (1)	0.90	0.90	0.60	-	-	-	2.40	
2.	Other Non-Executive Directors								
	• Fee for attending board committee meetings	-	-	-	0.30	0.10	0.40	1.10	
	• Commission	-	-	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	-	-	
	Total (2)	-	-	-	0.30	0.10	0.40	1.10	
	Total (B) = (1+2)	0.90	0.90	0.60	0.30	0.10	0.30	3.50	
	Total Managerial Remuneration (A+B)	-	-	-	-	-	-	257.04	

*Shri Sanjay Kothari has resigned w.e.f. 25.02.2015.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

(` /Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Shri P K Mundra - Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	19.84	-	19.84
	(b) Value of perquisites u/s17(2) Income Tax Act, 1961	-	1.93	-	1.93
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please specify (Non taxable)	-	5.34	-	5.34
	Total	-	27.11	-	27.11

Annexure to Directors' Report (Contd.)

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Particulars	Section of The Companies Act.	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal Made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place : Mumbai
Dated : 27th May 2015**S. K. Bangur**
Chairman & Managing Director

Annexure to Directors' Report (Contd.)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR 2014-15

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs. : Website: <http://westcoastpaper.com/index.php?q=node/6>
2. The Composition of the CSR Committee : (1) Shri S. K. Bangur
(2) Shri Saurabh Bangur
(3) Shri M. P. Taparia
3. Average net profit of the company for last three financial years : (-) 8.82 Crores
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : N.A
5. Details of CSR spent during the financial year
 - (a) Total amount to be spent for the financial year : Not Applicable
 - (b) Amount unspent, if any; : Nil
 - (c) Manner in which the amount spent during the financial year is detailed below :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR projector or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount utlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Protection of National Heritage, Art & culture etc "Karavalli Utsav"	Rural	Other - Karwar, Karnataka	₹ 5,00,000	₹ 5,00,000		₹ 5,00,000 Spent By Deputy Commissioner Uttara Kannada Dist
2.	-do-	Rural	Local - Haliyal - Taluka HQ	₹ 1,00,000	₹ 1,00,000		The Tahsildar of Haliyal Taluka
3.	-do-	Rural	The Kannada Sahitya Parishat a Karnataka Govt. Sponsored Body for Promotion of Kannada Language	₹ 1,38,172	₹ 1,38,172		The President of Kannada Sahitya Parishat

Annexure to Directors' Report (Contd.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR projector or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount utlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
4.	Rural Development Project	Rural	Local - Medical Camps for Rural population Maintenance of Water Supply Line Under Jal Nirmal Yojana	₹ 24,352 ₹ 84,177	₹ 24,352 ₹ 84,177		Cost of Medicines supplied by us excluding the cost of Doctors Deputed by us Cost of Maintenance of the water Lines
5.	Ensuring Environment Sustainability etc.	Local	Development & Maintenance of Local Garden in the Limits of Local Body "Nandagokul Garden"	₹ 1,64,296	₹ 1,64,296		Cost Incurred by us towards maintenance of the garden
6.	-do-	Local	Installation of an Solar Powered Clock Tower	₹ 1,92,268	₹ 1,92,268		Spent by us in the current year as part of ₹ 6.50 Lacs project for the benefit of Dandeli Citizen
7.	Contribution to Registered Trusts/Society	Local	Providing assistance to Trusts maintaining Temples & Places of worship	₹ 79,499	₹ 79,499		Paid to the Temples
8.	Promoting Education etc.	Local	Distribution of Note Books at subsidized prices to Local Students	₹ 2,89,025	₹ 2,89,025		Cost of Subsidy towards note books distributed to local students

* Give details of implementing agency : The Company itself

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report - **Not Applicable**
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company - **Yes. It is in Compliance**

Place : Mumbai
Date : 27th May, 2015

K. L. Chandak
Executive Director

S. K. Bangur
Chairman

Annexure to Directors' Report (Contd.)

APPOINTMENT POLICY

THE APPOINTMENT POLICY FOR INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EXECUTIVES WILL BE AS UNDER-

(A) Independent Directors:

Independent Directors will be appointed based on the criteria mentioned under Section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

(B) Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the board of directors of the company, based on the qualification, experience and exposure in the prescribed fields. Removal of the KMP will also be done by the Resolution of the Board of Directors of the Company. Appointment/Removal will be in accordance with provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

(C) Senior Executives:

Senior Executives will be appointed by the Chairman & Managing Director and/or Executive Director of the Company based on their qualification, experience & exposure. Removal of the Senior Executives will also be by Chairman & Managing Director and/or Executive Director. Further, appointment & removal will be noted by the Board as required under clause 8(3) of Companies (Meetings of Board and its Powers) Rules, 2014.

For and on behalf of the Board

Place : Mumbai
Dated : 27th May 2015

S. K. Bangur
Chairman & Managing Director

PERFORMANCE EVALUATION CRITERIA OF INDEPENDENT DIRECTORS

- (1) Attending Board/Committee Meetings.
- (2) Going through the agenda papers and providing inputs in the meetings of Board/ Committees.
- (3) Guidance to the Company from time to time on the various issues brought to their notice.
- (4) Discharge of duties as per Schedule IV of the Companies Act, 2013 and compliance to other requirements of the said Act or other regulatory requirements.

For and on behalf of the Board

Place : Mumbai
Dated : 27th May 2015

S. K. Bangur
Chairman & Managing Director

Annexure to Directors' Report (Contd.)

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Shri S. K. Bangur	30:1		
		<i>Chairman & Managing Director</i>			
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Shri K. L. Chandak	66:1		
		<i>Executive Director</i>			
		Shri S. K. Bangur	(-) 0.04%	(` 79.14 Lacs in 2014-15 against ` 79.17 Lacs in 2013-14)	
		Shri K. L. Chandak	(-) 10.54%	(` 174.40 Lacs in 2014-15 against ` 194.95 Lacs in 2013-14)	
		<i>Executive Director</i>			
		Shri P. K. Mundra	(+) 24.93	(` 27.11 Lacs in 2014-15 against ` 21.70 Lacs in 2013-14)	
		<i>President (Finance) & Company Secretary</i>			
(iii)	the percentage increase in the median remuneration of employees in the financial year;		12.07%		
(iv)	the number of permanent employees on the rolls of company;		2398		
(v)	the explanation on the relationship between average increase in remuneration and company performance;	▶ The average increase in the remuneration is of 7.59% of all employees whereas the net profit of the company has declined by 83%.			
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	▶ The remuneration of the Managerial Personnel has changed as mentioned above whereas the Company's net profit has decreased by 83%.			
		▶ There is no variable component of salary paid in 2014-15/2013-14 linked to performance of the company in the remuneration paid to the said Managerial Personnel.			
(vii)	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 and 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 in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;				(` /Crores)
		Market capitalization	31.03.2015	31.03.2014	Variation
			323.00	353.00	- 30.00
	Price earnings ratio	31.03.2015	31.03.2014		
		288	53.4		
		Market quote over public offer			
		The Company came out with the IPO on 18.10.1955 at face value of ` 100/- at par which is equivalent face value of ` 2 per share as on 31.03.2015 whereas the market quotation was ` 48.90 as on 31.03.2015 i.e., 24.45 times.			
(viii)	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;	The average increase in salary/wages of the employees was 8.03% (other than Managerial Personnel) whereas remuneration to managerial personnel declined by 5.13%.			

Annexure to Directors' Report (Contd.)

(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	There is no variable component of salary paid in 2014-15/2013-14 linked with performance of the company for the said managerial personnel.
(x)	the key parameters for any variable component of remuneration availed by the directors;	Not Applicable as mentioned in (ix) above.
(xi)	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; and	There is no such employee being paid higher than the highest paid director.
(xii)	affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that remuneration paid is as per the remuneration policy of the company.

For and on behalf of the Board

Place : Mumbai
Dated : 27th May 2015

S. K. Bangur
Chairman & Managing Director

Annexure to Directors' Report (Contd.)

Information as per Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report to the members for the year ended 31st March, 2015.

(A) CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy :

1. Changing of stock pumps of Paper Machine 2 & 3 :
 - i. Cycling chest pump and motor No. 1 & 2 of Paper Machine 2 changed to lower capacity pump for power saving.
 - ii. Storage chest and motor of Paper Machine 2 changed to lower capacity pump for power saving.
 - iii. Broke chest pump and motor of Paper Machine 3 changed to lower capacity pump for power saving.
 - iv. Flotation saveall pump and motor changed to lower capacity pump for power saving.
2. Dump chest pump and motor of Paper Machine 2 changed to lower capacity pump for power saving.
3. Stock Preparation II to saveall feed pump changed to lower capacity pump for power saving.
4. Stock Preparation II to storage chest pump changed to lower capacity pump for power saving.
5. Stock Preparation III Broke chest pump changed to lower capacity pump for power saving.
6. Diversion of Machine II condensate from common header at old feed tanks to open condensate tank at new power plant.
7. Coating of Pump inner casing with corrocoat paint to save power (Fiber line Booster pump No.II).
8. Replaced of 11 Nos malfunctioning steam traps at Power House.
9. Replaced copper choke by Trinic Electronic choke to save Power at Fiber line.
10. Energy efficient Multifuel Oil Burner supplied by Clean Combustion and Elof Hansson (Sweden) is installed in Rotary Lime Kiln – 2

for reducing oil consumption. About 7-10% saving in oil consumption is expected.

11. Old motors - 16 Nos. (Rewounded motors many times) replaced for different parts of all plants.

(ii) the steps taken by the company for utilizing alternate sources of energy :

The Company is generating steam from chemical recovery boilers wherein Black Liquor Dry Solids (by product of wood) is fired to generate steam and the same is confirmed as Renewable Biomass Source by Ministry of New & Renewable Energy (U&I Group), Government of India vide their letter No. POSOC / NLDC / REC4 dated 19.12.2011.

(iii) the capital investment on energy conservation equipments :

₹ 290.96 Lacs for Multifuel Oil Burner at Rotary Lime Kiln - 2.

(B) TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption :

1. Improved machine runnability, quality & higher productivity.
2. Utilisation of the imported chips has resulted in augmenting the raw material shortage without compromising on the quality of the final product by maintaining the optimum level of production.
3. Better SS & Non-SS paper with higher Ash in the final paper resulting in the conservation of invaluable raw materials.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution :

These Research & Development activities have enabled the Company to increase productivity, improve the product quality and cost savings.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not any.

- (a) the details of technology imported.
- (b) the year of import.
- (c) whether the technology been fully absorbed.
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Annexure to Directors' Report (Contd.)

(iv) the expenditure incurred on Research and Development :

(` in Lacs)

	2014-15	2013-14
(a) Capital	Nil	Nil
(b) Recurring	47.35	44.81
(c) Total	47.35	44.81
(d) Total R&D expenditure as a percentage of total turnover	0.03	0.03

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange Earnings and Outgo were ` 2,864.35 Lacs and ` 35,109.20 Lacs respectively (` 3,538.42 Lacs and ` 30,634.22 Lacs previous year).

For and on behalf of the Board

Place : Mumbai
Dated : 27th May 2015

S. K. Bangur
Chairman & Managing Director

Particulars of Employees pursuant to the provisions of The companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report dated 27th May, 2015 for the year ended 31st March, 2015.

Name	Designation & Nature of Duties	Remuneration (` Lacs)	Qualification	Age	Experience (Years)	Date of Joining	Previous Employment, Designation Name of Employer, Period of Service (Years)
Shri S. K. Bangur	Chairman & Managing Director	79.14	B.Com.	65	41	01.05.03	Managing Director Jayshree Chemicals Ltd., Ganjam 15 years
Shri K. L. Chandak	Executive Director Overall management	174.40	B.Com, F.C.A.	69	43	18.12.71	–

Notes :

1. Remuneration includes salary, Commission, Company's contribution to Provident, Superannuation and Gratuity Funds.
2. All appointments are contractual, other terms and conditions are as per rules of the Company.
3. Shri S. K. Bangur is related to Smt. Shashi Devi Bangur (Wife) & Shri Saurabh Bangur (Son) directors of the Company.

Annexure to Directors' Report (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that :

- i) in the preparation of the accounts for the financial year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) the Directors have selected such accounting policies which have been applied consistently and made judgement and estimates that were 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 or loss of the Company for the year under review.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the accounts for the financial year ended on 31st March 2015 have been prepared on a 'going concern' basis.
- v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

On behalf of the Board

Place : Mumbai
Date : 27th May, 2015

S. K. Bangur
Chairman & Managing Director

Annexure to Directors' Report (Contd.)

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[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
The West Coast Paper Mills Limited
Bangur Nagar, Dandeli - 581325

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The West Coast Paper Mills Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me 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 31 March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper 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 by the Company for the financial year ended on 31 March 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);

Annexure to Directors' Report (Contd.)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period).**
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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

I further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place : Hubli

Date : 27th May, 2015

Srikant R. Gudi

ACS No. 21479, C P No. : 7820

Report on Corporate Governance

The detailed report on Corporate Governance for the financial year 2014-15 as incorporated in Clause 49 of the Listing Agreements is set-out here-below :

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

It is the consistent conviction of the company that sound and strong corporate governance standards lead to durable sustenance of business and generate long term value for all stakeholders ensuring the robust health of the corporate entity. In pursuance of this, the company has been passionately pursuing good corporate governance practices based on professional excellence, business ethics, and transparency which operate within the accepted norms of propriety, equity, fair play and a sense of justice. While the company's compliance of legislative and regulatory requirements is total and absolute, the company believes that good corporate governance goes much beyond the mere fulfilling of statutory requirements, but is also a projection towards the sound formulation of a distinct corporate culture. The Company further presumes that corporate governance is more about creating organizational excellence leading to increased customer satisfaction and stakeholder value.

The Company's highly professional and responsive Board of Directors is composed of eminent thought-leaders and seasoned stalwarts drawn from diverse fields ensuring extensive deliberation and expertise which have bearing on the process of decision-making. Accountability and transparency are the key drivers behind the Board decision-making which inspires stakeholder confidence. Openness and transparency of the Company's corporate governance are reflected in the exhaustive disclosures made in the Company's annual report with a view to sharing information with stakeholders, investors, analysts, and competitors.

2) BOARD OF DIRECTORS

(i) Composition

The Company's policy is to have an appropriate mix of promoters, executives and independent directors to maintain the independence of the Board. The Board comprises :

- ▶▶ Three promoter Directors, including Chairman & Managing Director and Vice Chairman.
- ▶▶ Four Independent, Non-Executive Directors and
- ▶▶ One Non-Promoter, Executive Director.

(ii) Category, Attendance & Other Directorship

The number of other Directorships, memberships of other Board Committees of which he/she is a member/chairperson as on date and attendance in the Board Meetings are as follows :

Director	Category	Board Meetings Attended	Number of Directorships*	No. of Membership of other Board Committees (*)(**)	No. of Board Committees for which Chairperson (*)(**)
Shri S. K. Bangur	Promoter, Chairman & Managing Director	2	9	–	1
Smt. Shashi Devi Bangur	Promoter, Non-Executive	1	3	–	–
Shri Saurabh Bangur	Promoter, Vice Chairman	2	3	–	–
Shri Premal N. Kapadia	Non-Executive Independent	2	3	1	–

Report on Corporate Governance (Contd.)

Director	Category	Board Meetings Attended	Number of Directorships*	No. of Membership of other Board Committees (*)(**)	No. of Board Committees for which Chairperson (*)(**)
Shri Sanjay Kothari (Resigned w.e.f. 25.02.2015)	Non-Executive Independent	1	3	1	–
Lt. Gen [Retd.] Utpal Bhattacharyya	Non-Executive Independent	4	–	–	–
Shri Krishna Kumar Karwa	Non-Executive Independent	4	5	3	–
Shri M. P. Taparia	Non-Executive Independent	3	4	1	1
Shri K. L. Chandak	Executive Director	4	2	–	1

*excluding private, foreign and companies under Section 8 of the Companies Act, 2013.

**This relates to Audit and Stakeholders' Relationship Committees only.

Shri K. L. Chandak attended the last Annual General Meeting.

(iii) Board Meetings held

During the year under review, Four Board Meetings were held on May 13, August 14, November 10, 2014 and February 02, 2015.

3) AUDIT COMMITTEE

i) Brief description of terms of reference

Terms of Reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the listing agreements with the Stock Exchanges that inter-alia, include overseeing financial reporting processes, reviewing periodic financial results, auditor's independence and performance, audit process, financial statements and adequacy of internal control systems with the Management and adequacy of internal audit functions, discussions with the auditors about the scope of audit including the observations of the auditors and discussion with internal auditor on any significant findings, approval of transactions with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets, evaluation of internal financial controls and risk management systems and review the functioning of the Whistle Blower Mechanism.

ii) Composition, names of members and Chairperson

The Audit Committee, comprises four directors, of whom three are independent, Non-Executive Directors and one is Executive Director, all of them possessing knowledge of corporate finance, accounts and company law. The chairman of the Committee is an independent Non-executive Director. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as follows :

(i) Shri Krishna Kumar Karwa	Chairman
(ii) Shri P. N. Kapadia	Member
(iii) Lt. Gen (Retd.) Utpal Bhattacharyya	Member
(iv) Shri K. L. Chandak	Member

Report on Corporate Governance (Contd.)

iii) Meetings and Attendance during the year

During the year ended March 31, 2015, four meetings of the Audit Committee were held on the following dates :

(i) May 13, 2014 (ii) August 14, 2014 (iii) November 10, 2014 (iv) February 02, 2015

The attendance of the Chairman and the members of Audit Committee at the meetings held during the year under review was as under :

Name of the Director	No. of Meetings attended
Shri Krishna Kumar Karwa	4
Shri P. N. Kapadia	2
Lt. Gen (Retd.) Utpal Bhattacharyya	4
Shri Sanjay Kothari (Resigned w.e.f. 25.02.2015)	1
Shri K. L. Chandak	4

4) NOMINATION AND REMUNERATION COMMITTEE

i) Brief description of terms of reference

To periodically approve the remuneration package of whole-time Directors and ensure appropriate disclosure of the same, determining qualifications, positive attributes and independence of a director, formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity and recommend appointment of directors and appointment and removal in senior management.

ii) Composition, names of Members and Chairperson

The Nomination and Remuneration Committee comprises three non-executive independent Directors and the Company Secretary acts as Ex-officio Secretary of the Committee.

The names of the Members & Chairperson of the Remuneration Committee are as under :

(i) Shri M. P. Taparia	Chairman
(ii) Shri P. N. Kapadia	Member
(iii) Shri Sanjay Kothari (Resigned w.e.f. 25.02.2015)	Member

iii) Meetings and attendance during the year

The Nomination and Remuneration Committee met on 13th May, 2014 to recommend the Board a policy relating to remuneration for directors, key managerial personnel & other employees. Attendance of members at Committee Meeting was as follows :

Name of the Director	No. of Meetings attended
Shri M. P. Taparia	1
Shri P. N. Kapadia	–
Shri Sanjay Kothari	1

Report on Corporate Governance (Contd.)

iv) Remuneration Policy

Except Chairman & Managing Director and Executive Director, the remaining directors do not receive any remuneration, other than sitting fees for attending the meetings of the Board of Directors, Audit Committee, Remuneration Committee, CSR Committee and Independent Directors Meeting @ ` 10,000/- per meeting in terms of the resolution passed by the Board of Directors in its meeting held on June 27, 2005.

v) Details of remuneration

The details of Remuneration package, sitting fees paid etc., to directors during the year ended March 31, 2015, for information of members, are furnished here below :

(a) Paid to Non-Executive Directors :

Sl. No.	Name of Director	Sitting Fees paid (`)	Remarks	
1.	Shri S. K. Bangur	–		
2.	Smt. Shashi Devi Bangur	10,000	Except sitting fees for meetings of Board or its Committees, non-executive directors are not paid any salary, benefits, bonuses, stock options, pension etc.	
3.	Shri Saurabh Bangur	30,000		
4.	Shri P. N. Kapadia	40,000		
5.	Lt. Gen. [Retd.] Utpal Bhattacharyya	90,000		
6.	Shri Krishna Kumar Karwa	90,000		
7.	Shri Sanjay Kothari	30,000		
8.	Shri M. P. Taparia	60,000		
9.	Shri K. L. Chandak	–		There is no contract, Notice period or severance fees applicable.
				Stock Option details - Not applicable as the same is not given.
	TOTAL	3,50,000		

Note : Shri S. K. Bangur is related to Smt. Shashi Devi Bangur (wife) and Shri Saurabh Bangur (son).

(b) Paid to Chairman & Managing Director/Executive Director :

Sl. No.	Particulars	Shri S. K. Bangur Chairman & Managing Director	Shri K. L. Chandak Executive Director
(i)	Remuneration :		
	- Salary	60,00,000	87,00,000
	- Contribution to Provident, Gratuity and Superannuation Funds	19,08,461	15,62,269
	- Benefits : Allowances/Perks	5,389	71,77,618
	- Commission	–	–
	Total	79,13,850	1,74,39,887

Report on Corporate Governance (Contd.)

Sl. No.	Particulars	Shri S. K. Bangur Chairman & Managing Director	Shri K. L. Chandak Executive Director
(ii)	Details of Fixed Component and performance linked incentives along with the performance criteria :		
	a) Fixed Component :	(` Per month)	(` Per month)
	Salary – per month	5,00,000	7,25,000
	Contribution to Provident Fund (12%) & Superannuation Fund (15%) of salary	As per Rules	As per Rules
	Perks and other allowances	As per Rules	As per Rules
	(b) Performance Linked Incentive :		
	Commission (Based on Net Profit for the year within the individual/overall ceiling for managerial remuneration from time to time).	Up to 5% of net profit by way of Salary, Perks and Commission, all taken together.	–
	(c) Minimum Remuneration :		
	In case of inadequacy of profit in any year as calculated under Section 197/198 of the Companies Act, 2013.	Within the ceiling of Schedule V, as amended from time to time.	Within the ceiling of Schedule V, as amended from time to time.
(iii)	Service Contracts, notice period, severance fees :		
	(a) Service Contract	The re-appointment is for a further period of five years i.e., till April 30, 2016.	The re-appointment is for a further period of two years i.e., till November 30, 2015.
	(b) Notice period	Not specified	Three months from either side
	(c) Severance fees	Not specified	Not specified
(iv)	Stock Option details, if any, and whether the same has been issued at discount as well as the period over which accrued and over which exercisable.	No Stock option issued, hence not applicable.	No Stock option issued, hence not applicable.

Note : Shri S. K. Bangur is related to Smt. Shashi Devi Bangur (wife) and Shri Saurabh Bangur (son).

5) STAKEHOLDERS RELATIONSHIP COMMITTEE

The “Stakeholders Relationship Committee” deals with approval of share transfer/transmission, issue of duplicate share certificates, split and consolidation requests, rematerialization of shares and other matters relating to transfer and registration of shares.

Report on Corporate Governance (Contd.)

Composition

The composition of the Stakeholders Relationship Committee is as under :

(i) Smt. Shashi Devi Bangur	Chairperson
(ii) Shri Saurabh Bangur	Member
(iii) Shri K. L. Chandak	Member

Shri P. K. Mundra, Company Secretary is the Compliance Officer.

Meetings and Attendance during the year

During the year, two meetings were held on April 14, 2014 and January 02, 2015. Details of attendance are as follows :

Name of the Director	No. of Meetings attended
Smt. Shashi Devi Bangur	2
Shri Saurabh Bangur	2
Shri K. L. Chandak	–

Complaints Status

The Share Department of the Company and Link Intime India Pvt. Ltd., the RTA of the Company attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the satisfaction of the investors.

During the year under review, the Company has received 2 complaints from shareholders/investors, which inter-alia included non-receipt of dividend and all the complaints were resolved.

No complaint was pending as on March 31, 2015.

6) GENERAL BODY MEETINGS

The details of General Body Meetings held in the last three years are as under :

(i) Annual General Meetings

AGM	Day	Date	Time	Location
57th	Tuesday	31.07.2012	4:00 P.M.	Bangur Nagar, Dandeli
58th	Wednesday	31.07.2013	4:00 P.M.	Bangur Nagar, Dandeli
59th	Thursday	31.07.2014	4:00 P.M.	Bangur Nagar, Dandeli

(ii) Special Resolutions passed in the previous 3 AGMs

- (1) At the 59th Annual General Meeting held on 31st July 2014 following Special Resolutions were passed :
 - i) Approval of re-appointment and remuneration of Shri K L Chandak, as Executive Director.
 - ii) Approval for borrowing money upto ` 2,000 Crores over and above the aggregate of the paid up share capital and free reserves of the Company.
- (2) No Special Resolution was passed in 58th Annual General Meeting held on 31.07.2013.

Report on Corporate Governance (Contd.)

(3) At the 57th Annual General Meeting held on 31st July, 2012 consent of the Members was accorded for payment of minimum remuneration as per Schedule XIII of the Companies Act, 1956 to Shri S K Bangur, Chairman and Managing Director of ₹ 89.23 Lacs and to Shri K. L. Chandak, Executive Director of ₹ 79.63 Lacs for the financial year ended on 31st March, 2012.

(iii) Special Resolution passed last year through postal ballot (under Section 192A) and details of voting pattern

No special resolutions were passed through postal ballot last year.

(iv) Special Resolution proposed to be passed through Postal Ballot during this year

At present, no Special Resolution is proposed to be passed through Postal Ballot during the current year.

7) DISCLOSURES

(a) Related Party Transactions

The Company has not entered into any transaction of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc., that may have any potential conflict with the interests of the Company.

(b) Compliance of various legal requirements by the Company

The Company has complied with the various requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and no penalties/strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

(c) The Company has formed Whistle Blower Policy and no personnel has been denied access to the audit committee.

(d) The Company has mostly complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement. Regarding non-mandatory requirements :

- ▶▶ The Company is maintaining office for the Non-Executive Chairman.
- ▶▶ Remuneration Committee has been constituted to approve remuneration of Executive Director.
- ▶▶ The Company is normally publishing unaudited/audited financial results without any qualifications.
- ▶▶ The Board members are having adequate experience and expertise to deal with business matters.

(e) The Company has set up mechanism for evaluating Non-executive Board members through Nomination & Remuneration Committee.

8) MEANS OF COMMUNICATION

- (i) The Board of Directors of the Company approves the quarterly and half-yearly unaudited financial results in the proforma prescribed by Clause 41 of the Listing Agreements within Forty Five days of the close of the respective periods (except audited results for the year/last quarter within Sixty days of the end of the accounting year).
- (ii) The approved financial results are faxed/e-mailed immediately after the Board Meeting to the Stock Exchanges where the Company's shares are listed and are published in Business Standard (English) and Karavali Munjavu (Kannada), within twenty-four hours of approval thereof by the Board of Directors.
- (iii) The Company's financial results, official news releases and presentations are displayed on the Company's website - www.westcoastpaper.com.
- (iv) Management Discussion and Analysis forms part of the Annual Report, to the shareholders of the Company.

Report on Corporate Governance (Contd.)

9) GENERAL SHAREHOLDER INFORMATION

60th Annual General Meeting

Date	31st July, 2015
Time	4.00 P.M.
Venue	Shree Rangnath Auditorium, Bangur Nagar, Dandeli - 581 325

Tentative Financial Calendar 2015-16

Adoption of Quarterly Results of the quarter ending June 30, 2015	1st/2nd week of - August 2015
September 30, 2015	November 2015
December 31, 2015	February 2016
March 31, 2016 (year ending)	2nd/3rd week of May 2016
Book Closure date	18th July to 31st July 2015 (Both days inclusive)

Listing of Equity Shares on Stock Exchanges

The Company's equity shares are listed on the following Stock Exchanges, having nationwide trading terminals :

- (a) **Bombay Stock Exchange Limited**
Corporate Services
Floor 25, P. J. Towers, Dalal Street, Mumbai - 400 001
- (b) **National Stock Exchange of India Limited**
Listing Department, Exchange Plaza
Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

Listing Fees

Listing fee for the year 2014-15 and 2015-16 has been paid to Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

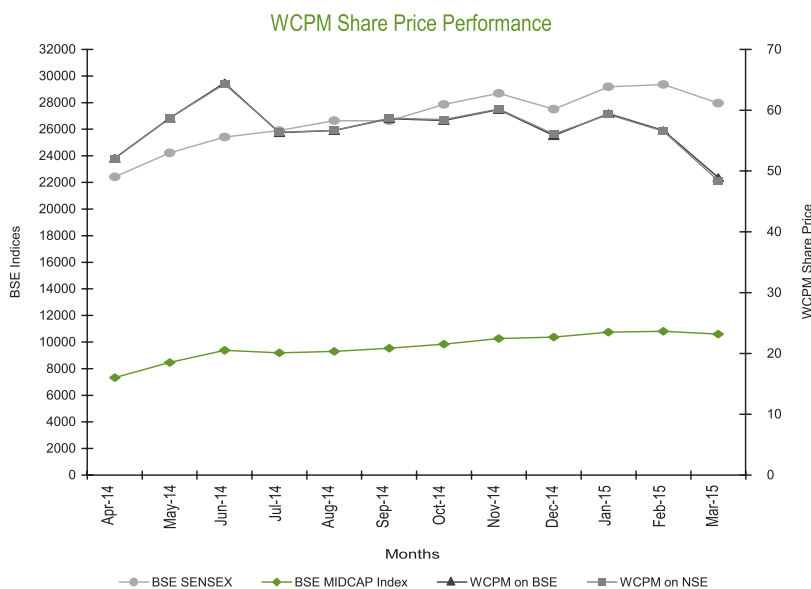
Stock Code

1) Bombay Stock Exchange Limited	500444
2) The National Stock Exchange of India Ltd	WSTCSTPAPR
3) ISIN NO.	INE976A01021

Report on Corporate Governance (Contd.)

Market Price Data (`)

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
April, 2014	58.30	51.90	58.35	51.80
May, 2014	63.00	49.60	62.70	49.40
June, 2014	73.50	57.05	73.75	56.65
July, 2014	67.00	54.50	66.85	54.25
August, 2014	63.35	55.00	63.50	55.00
September, 2014	70.80	56.55	70.85	56.45
October, 2014	60.35	54.55	60.80	54.65
November, 2014	67.50	58.05	67.40	58.20
December, 2014	62.15	53.00	62.15	52.90
January, 2015	63.10	54.50	64.30	54.00
February, 2015	62.65	56.00	63.05	56.00
March, 2015	58.00	48.10	58.00	48.05



Registrar and Transfer Agents

For Shares held in physical mode as well as in dematerialized form :

Link Intime India Pvt. Ltd.

C-13, Kantilal Maganlal Estate

Pannalal Silk Mills Compound

LBS Marg, Bhandup (W)

Mumbai - 400 078

Phone : (022) 2596 3838

Fax : (022) 2596 2691

E-mail : rnthelpdesk@linkintime.co.in

Report on Corporate Governance (Contd.)

Share Transfer System

The Company's Registrar and Transfer Agent (RTA) has been entrusted with handling of Physical transfer of shares also, as per the directions of SEBI, w.e.f. February, 2003, apart from dematerialisation of shares. The Board of Directors of the Company has delegated the power of approval of share transfers executed/ processed by the RTA to the Stakeholders Relationship Committee comprising of two Directors, Executive Director and Company Secretary of the Company. The RTA does the physical share transfers once in a week and sends the statement to the Company for approval purpose.

Shareholding pattern as on March 31, 2015

Category	No. of shares held	% of shareholding
Promoters	3,62,98,627	54.96
Mutual Funds & UTI	21,29,740	3.22
Banks, Financial Institutions, Insurance Companies & FII	24,45,376	3.70
Private Corporate Bodies	59,11,550	8.95
Indian Public	1,89,22,992	28.65
NRIs/OCBs	3,28,573	0.50
Foreign Nationals	12,050	0.02
ADRs/GDRs	–	–
TOTAL	6,60,48,908	100%

Distribution of Shareholding as on March 31, 2015

From	To	No. of shareholders		No. of shares	
		Number	%	Number	%
Upto	5,000	17,806	96.20	96,44,896	14.60
5,001	10,000	326	1.76	24,57,236	3.72
10,001	20,000	193	1.04	28,51,159	4.32
20,001	30,000	67	0.36	16,69,702	2.53
30,001	40,000	31	0.17	11,16,974	1.69
40,001	50,000	14	0.07	6,40,082	0.97
50,001	1,00,000	33	0.18	23,41,511	3.54
1,00,001	& Above	40	0.22	4,53,27,348	68.63
TOTAL		18,510	100	6,60,48,908	100.00

Dematerialisation of Shares

The shares of the Company are in compulsory demat segment w.e.f. July 2000. The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31st March 2015, 97.36% of the shares of the Company were held in dematerialized form and rest in physical form.

Plant Location of the Company :

Paper & Paperboard and Duplex Board

Bangur Nagar, Dandeli - 581 325
Uttara Kannada Dist. (Karnataka)

Optical Fibre Cable Unit :

Sudarshan Telecom
Plot No.386/387, KIADB
Electronic City
Hebbal Industrial Area
Mysore - 570 016

Report on Corporate Governance (Contd.)

Address for Correspondence

The shareholders may address their communications/suggestions/grievances/queries pertaining to share transfer/demat including physical transfer requests and demat requisition forms, to the Company's RTA at the following address :

Link Intime India Pvt. Ltd.

C-13, Kantilal Maganlal Estate
Pannalal Silk Mills Compound
LBS Marg, Bhandup (W), Mumbai - 400 078
Phone : (022) 2596 3838 • Fax : (022) 2596 2691
E-mail : rnthelpdesk@linkintime.co.in

10) CEO/CFO CERTIFICATION

As required by the revised Clause 49 (IX) of the Listing Agreements, the Certificate from CEO and CFO was placed before the Board of Directors at the meeting held on 27th May, 2015.

11) COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges and the same forms part of the Annual Report.

The Certificate from the Statutory Auditors will be sent to the Stock Exchanges along with the Annual Report of the Company.

DECLARATION

As provided under Clause 49 (II) (E) of the Listing Agreements with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with Code of Conduct adopted by the Board in its meeting held on 2nd February 2015.

For **THE WEST COAST PAPER MILLS LTD.**

Place : Mumbai
Date : 27th May, 2015

S. K. Bangur
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members

The West Coast Paper Mills Limited

We have examined the compliance of conditions of Corporate Governance by The West Coast Paper Mills Limited ("The Company") for the year ended on March 31, 2015, as stipulated in clause 49 of the listing agreements of the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, 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 statements 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 the above mentioned listing agreements, subject to non attendance of the Annual General Meeting by the Chairman of Audit Committee.

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

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Registration No. 101048W

R. D. Hangekar
Partner

Membership No. 30615

Place : Mumbai
Date : 27th May, 2015

SECRETARIAL COMPLIANCE CERTIFICATE**TO WHOMSOEVER IT MAY CONCERN**

This is to certify that The West Coast Paper Mills Limited, having its Registered Office at Bangur Nagar, Dandeli-581 325, Karnataka, has complied with all the statutory requirements and maintained all books/records as required under The Companies Act, 2013 and all other applicable statutes and rules there under.

For **THE WEST COAST PAPER MILLS LTD.**

P. K. Mundra
President (Finance) & Company Secretary

Place : Mumbai
Date : 27th May, 2015

Independent Auditors' Report

To the Members,
The West Coast Paper Mills Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of "The West Coast Paper Mills Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated 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 cash flows 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 Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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.

AUDITORS' 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 thereunder.

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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 qualified audit opinion on the financial statements.

BASIS FOR QUALIFIED OPINION

- a) The Company has not made provision for the diminution of ₹ 4540.11 lacs and ₹ 54.56 lacs in the value of its long term investments in Shree Rama Newsprint Limited (Refer Note No 2.38) and Jayashree Chemicals Limited. (Refer Note No.2.40) respectively.
- b) The Company has not made provision for ₹ 763.43 Lacs towards the receivables from Speciality Coatings and Laminations Limited. (Refer Note No. 2.39)

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph on the Profit and Reserves and Surplus for the year, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its Profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by 'The Companies (Auditors' report) Order, 2015', issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the

Independent Auditors' Report (Contd.)

“Order”) and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

AS REQUIRED BY SECTION 143(3), WE REPORT THAT:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 examination 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record
- by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

Place : Mumbai
Date : 27th May, 2015

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Reg. No. 101048W

R. D. Hangekar
Partner

Membership No: 30615

Annexure to Independent Auditors' Report (Contd.)

With reference to the annexure referred in the Auditors' Report to the members of The West Coast Paper Mills Limited ('the Company') on the financial statements for the year ended March 31, 2015, we report that:

- i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification, which, in our opinion, needs to be strengthened. No material discrepancies have been noticed on such verification.
- ii) a) Inventories have been physically verified during the year by management at reasonable intervals.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of its inventory and no material discrepancies were noticed on physical verification.
- iii) During the year, the Company has granted unsecured loans to two body corporates - Shree Rama Newsprint Limited (SRNL) and Speciality Coatings and Laminations Ltd (SCL) covered in the register maintained under section 189 of the Act.
- a) The Company has written off ₹ 5159.50 lacs given to SRNL (Refer Note No.-2.37). The terms of principal and interest payments have not been stipulated for SCL. The receipt of the interest is irregular and not received by the Company from SCL (Refer Note No. 2.39).
- b) In our opinion and based on the information and explanation given to us, the Company should make efforts for the recovery of the principal and interest from SCL.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of our audit, but the same needs to be further strengthened.
- v) The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder are not applicable to the Company.
- vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determining whether they are accurate or complete.
- vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, we are of the opinion that the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, and any other material statutory dues, as applicable, with the appropriate authorities.
- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the particulars of dues in respect of Customs duty, Excise duty, Service tax, Sales tax and Income tax, which have not been deposited with the appropriate authorities on account of disputes are as follows:

(₹ in Lacs)

Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
The Tamilnadu General Sales Tax Act	Sales Tax	30.66	Madras High Court
Income Tax Act, 1961	Income Tax	8.90	Income Tax Appellate Tribunal
Income tax Act, 1961	Income Tax	262.28	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income Tax	197.32	Honourable High Court of Bombay
Central Excise Act, 1944	Excise	5.15	Commissioner – CESTAT
Central Excise Act, 1944	Excise	0.13	Asst. Commissioner – CESTAT

Annexure to Independent Auditors' Report (Contd.)

(` in Lacs)

Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
Central Excise Act, 1944	Excise	76.33	Addl. Commissioner – CESTAT
Central Excise Act, 1944	Excise	0.71	Superintendent
The Custom Act 1962	Custom	439.03	CESTAT (Mumbai)
Service Tax Act, 1994	Service Tax	3.09	Asst. Commissioner – CESTAT
Service Tax Act, 1994	Service Tax	0.41	Deputy Commissioner – CESTAT

- c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii) The Company does not have accumulated losses as at the balance sheet date and has not incurred cash losses in the current or in the immediately preceding financial year.
- ix) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in repayment of the dues to any financial institutions, banks or debenture holders.
- x) The Company has given guarantees amounting to ` 24,625 lacs (Previous year ` 24,625.00 lacs) for loans taken by others from banks or financial institutions.
- xi) According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the Company.
- xii) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans were applied for the purposes for which they were obtained.
- xiii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Reg. No. 101048W

R. D. Hangekar
Partner

Membership No: 30615

Place : Mumbai

Date : 27th May, 2015

Balance Sheet as at 31st March, 2015

(Amount in ` Lacs)

	Note	2015	2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	1,320.98	1,320.98
Reserves & Surplus	2.2	58,456.41	58,344.91
		59,777.39	59,665.89
Non-Current Liabilities			
Long Term Borrowings	2.3	39,606.52	58,571.51
Deferred Tax Liabilities (Net)	2.4	7,233.31	6,871.45
Other Long Term Liabilities	2.5	2,911.50	2,963.58
Long Term Provisions	2.6	423.97	393.94
		50,175.30	68,800.48
Current Liabilities			
Short Term Borrowings	2.7	30,128.43	27,350.54
Trade Payables	2.8	24,944.77	25,819.12
Other Current Liabilities	2.9	27,353.09	26,845.17
Short Term Provisions	2.10	147.50	964.81
		82,573.79	80,979.64
Total		1,92,526.48	2,09,446.01
ASSETS			
Non-Current Assets			
Fixed Assets	2.11		
Tangible Assets		1,14,650.56	1,24,243.26
Intangible Assets		18.49	30.81
Capital Work in Progress		230.05	492.20
		1,14,899.10	1,24,766.27
Non-Current Investments	2.12	4,671.20	4,671.20
Long Term Loans & Advances	2.13	6,440.45	11,112.46
Current Assets			
Inventories	2.14	48,324.54	48,793.65
Trade Receivables	2.15	12,499.23	10,092.26
Cash & Cash Equivalents	2.16	1,313.34	913.35
Short Term Loans & Advance	2.17	1,806.37	2,023.05
Other Current Assets	2.18	2,572.25	7,073.77
		66,515.73	68,896.08
Total		1,92,526.48	2,09,446.01
Accounting Policies	1		
Notes on Financial Statements	2.1 to 2.42		

As per our Report of even date

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Registration No. 101048W

R. D. Hangekar
Partner
Membership No: 30615
Place : Mumbai
Date : 27th May, 2015

P. K. Mundra
Company Secretary

S. K. Bangur
Chairman & Managing Director

P. N. Kapadia
Director

Lt. Gen. (Retd.) Utpal Bhattacharyya
Director

For and on behalf of the Board

Krishna Kumar Karwa
Director

K. L. Chandak
Executive Director

Statement of Profit & Loss Account for the year ended 31st March, 2015

(Amount in ` Lacs)

	Note	2015	2014
I. REVENUE FROM OPERATIONS	2.19	1,75,345.57	1,65,994.75
Less: Excise Duty		(10,508.56)	(9,762.45)
		1,64,837.01	1,56,232.30
II. Other Income	2.20	306.99	669.56
III. Total Revenue [I + II]		1,65,144.00	1,56,901.86
IV. EXPENSES			
Cost of Materials Consumed	2.21	1,01,489.34	1,04,074.71
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	2.22	1,999.26	(7,084.96)
Employee Benefits Expense	2.23	9,744.64	9,045.69
Finance Costs	2.24	6,708.99	7,322.53
Depreciation and Amortization expenses	2.11	12,220.09	12,719.40
Other Expenses	2.25	27,348.82	29,429.50
Total Expenses		1,59,511.14	1,55,506.87
V. Profit before exceptional and Extra Ordinary items and Tax (III - IV)		5,632.86	1,394.99
VI. Exceptional Items (Refer Sl. No.2.37 of Note on Financial Statements)		5,159.50	-
VII. Profit before Extra-ordinary items & Tax (V-VI)		473.36	1,394.99
VIII. Extra Ordinary items		-	-
IX. Profit Before Tax (VII - VIII)		473.36	1,394.99
X. Tax Expenses			
- Current Tax		-	166.29
- Less : MAT Credit Entitlement		-	(153.82)
- Deferred Tax		361.86	719.47
XI. Profit for the period from Continuing Operations (IX - X)		111.50	663.05
XII. Profit from Discontinuing Operations		-	-
XIII. Tax Expenses of Discontinuing Operations		-	-
XIV. Profit from discontinuing Operations (After Tax) (XII - XIII)		-	-
XV. Profit for the period (XI + XIV)		111.50	663.05
XVI. Earnings Per Share			
(1) Basic		0.17	1.00
(2) Diluted		0.17	1.00
Accounting Policies	1		
Notes on Financial Statements	2.1 to 2.42		

As per our Report of even date

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Registration No. 101048W

R. D. Hangekar
Partner
Membership No: 30615
Place : Mumbai
Date : 27th May, 2015

P. K. Mundra
Company Secretary

S. K. Bangur
Chairman & Managing Director

P. N. Kapadia
Director

Lt. Gen. (Retd.) Utpal Bhattacharyya
Director

For and on behalf of the Board

Krishna Kumar Karwa
Director

K. L. Chandak
Executive Director

Cash Flow Statement for the year ended 31st March, 2015

(Amount in ` Lacs)

	2015	2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	473.36	1,394.99
Add : Adjustments for:		
Depreciation	12,220.09	12,719.40
Exceptional item	5,159.50	-
Interest Expenses	6,708.99	7,322.53
Assets Discarded	0.44	3.32
Loss on Sale of Fixed Assets	-	169.57
Loss on Impairment of Asset	-	-
	24,562.38	21,609.81
Less : Adjustment for:		
Profit on Sale of Fixed Assets	62.24	-
Interest & Dividend Received	61.11	562.80
Operating Profit before Working Capital Changes	24,439.03	21,047.01
Add : Decrease in Working capital:		
Trade & Other Payables	-	14,534.15
Inventories	469.11	-
Trade & Other Receivables	7,024.41	-
	31,932.55	35,581.16
Less : Increase in Working capital:		
Trade & Other Payables	1,054.97	-
Inventories	-	18,723.32
Trade & Other Receivables	-	1,512.89
Cash Generated from Operations	30,877.58	15,344.95
Less : Direct Taxes Paid	41.17	395.07
Cash Flow before Extraordinary Items	30,836.41	14,949.88
Less : Exceptional Items	5,159.50	-
Less : Extraordinary items	-	-
Net Cash Flow in Operating Activities	25,676.91	14,949.88

Cash Flow Statement (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

	2015	2014
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Add : Inflow :		
Sale of Fixed Assets / Subsidy	69.16	490.82
Interest Received	60.69	562.38
Dividend Received	0.42	0.42
Profit on Investment	-	-
	130.27	1,053.62
Less : Outflow :		
Purchase of Fixed Assets (including notional Exchange rate variation)	2,360.28	6,117.91
Purchase of Investment	-	-
	2,360.28	6,117.91
Net Cash Used in Investing Activities	(2,230.01)	(5,064.29)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Add : Proceeds from borrowings (including notional exchange rate variation)	4,184.81	27,164.31
	4,184.81	27,164.31
Less : Repayment of loans (including notional exchange rate variation)	19,749.99	28,619.00
Less : Interest paid	6,708.99	7,322.53
Less : Dividend and Dividend Tax Paid	772.74	772.74
Net Cash Used in Financing Activities	(23,046.91)	(9,549.96)
Net Increase/(Decrease) in Cash and Cash equivalents during the year	399.99	335.63
Cash & Cash Equivalents at the beginning of the year	913.35	577.72
Cash & Cash Equivalents at the end of the year	1,313.34	913.35

As per our Report of even date

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Registration No. 101048W

R. D. Hangekar
Partner
Membership No: 30615

Place : Mumbai
Date : 27th May, 2015

For and on behalf of the Board

P. K. Mundra
Company Secretary

S. K. Bangur
Chairman & Managing Director

Krishna Kumar Karwa
Director

P. N. Kapadia
Director

K. L. Chandak
Executive Director

Lt. Gen. (Retd.) Utpal Bhattacharyya
Director

Accounting Policies for the year ended 31st March, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statements :

The financial statements of The West Coast Paper Mills Ltd., have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on the accrual basis. Indian GAAP comprises accounting standards notified by the Central Government of India under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Account) Rules 2014, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India.

The Company has prepared these financial statements as per the format prescribed in Schedule III to The Companies Act, 2013.

b. Use of Estimates :

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the

reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Fixed Assets :

Tangible Assets :

- Tangible Assets are stated at cost of acquisition (net of Cenvat and VAT wherever applicable) or construction less accumulated depreciation and impairment loss, if any. Cost includes any directly attributable cost of bringing each asset to its working condition for intended use.
- Assets under installation or under construction as at balance sheet date are shown as Capital work in progress together with project expenses.

Intangible Assets :

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion & impairment, if any.

d. Depreciation & Amortisation :

- The Company is providing depreciation on certain assets as per the Method & the rates as under :

Sl. No.	Particulars	Rate of Depreciation (%)
1.	Paper Machine	5.28 [SLM]
2.	Fibre lines, Power House, Soda Recovery Plant, Effluent Treatment Plant & Duplex Board Palnt	15.33 [WDV]
3.	Roads & Drainage	1.63 [SLM]
4.	OFC Plant & Machinery	10.34 [SLM]
5.	JFTC Plant & Machinery	15.33 [WDV]
6.	Other Assets	
	a) Factory Buildings	10 [WDV]
	b) Non Factory Buildings	5 [WDV]
	c) Railway Siding, Construction Equipments, Air Conditioner & Refrigerators, Office Equipments, Weighing Machines	13.91 [WDV]
	d) Water Treatment Plant	15.33 [WDV]
	e) Furniture & Fittings	18.10 [WDV]
	f) Furniture & Fittings (special category)	25.88 [WDV]
	g) Computers & Computer Software	40 [WDV]
	h) Trucks & Vehicles	30 [WDV]
	i) Motor Car & Jeeps	25.89 [WDV]

On the other assets (S.No.6 above) acquired / constructed on or after 01.04.2014 the depreciation is charged as per Schedule II of The Companies Act, 2013.

- In respect of incremental cost arising on account of realized gain / loss on foreign currency liability for acquisition of fixed assets, depreciation is provided over the remaining residual life of the respective assets.

Accounting Policies (Contd.) for the year ended 31st March, 2015

e. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date to determine if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognized in the prior accounting years is reversed if there has been a change in the estimate of recoverable amount.

f. Investments :

Current investments are carried at the lower of cost or quoted/ fair value, computed category-wise. Long term investments are stated at cost and provision is made for any diminution in such value, which is not temporary in nature.

g. Valuation of Inventories :

- a) Inventories of raw materials, stores, spares, machinery parts, building materials, loose tools etc. are valued at weighted average cost, after providing for obsolescence, if any.
- b) Work in process is valued at cost.
- c) Finished goods & Stock-in-trade are valued at lower of cost or net realizable value.
- d) Stock of scrap is valued at realizable value.
- e) Standing crops intended for captive use are valued at the total amount of expenditure incurred comprising of material, labour, interest & overheads, less any incidental revenue realized.

h. Revenue recognition :

- a) Turnover is recognized when goods are dispatched to customers and are adjusted for Discounts (net), Sales Tax/ VAT and foreign exchange differences. Turnover is inclusive of Excise Duty and exclusive of returns goods.
- b) Export Incentive Scheme Benefits are recognized on accrual basis.
- c) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

i. Research and Development Expenditure :

Revenue expenditure on research & development is charged to Profit & Loss account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

j. Employee Benefits :

- a) Contribution to Provident Fund is accounted for on accrual basis. The Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust is

not lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous' Provisions Act, 1952 and shortfall, if any, is made good by the Company. Such shortfall on account of interest, if any, is recognized in the Profit and Loss account.

- b) Company's defined contributions made to Pension Fund of Government and Superannuation Scheme of Life Insurance Corporation of India are charged to the Profit and Loss account on accrual basis.
- c) Contribution to Gratuity Fund and provision for Leave Encashment is based on actuarial valuation carried out as on the Balance Sheet date as per Projected Unit Credit Method.

k. Foreign Currency Transactions :

- a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions.
- b) Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the resultant gain or loss is recognized in the Profit & Loss account.
- c) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account except in case of long term liabilities, where they relate to acquisition or construction of fixed assets, in which case they are adjusted to the carrying cost of such assets.

l. Borrowing Cost :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets upto the date when they are ready for their intended use and other borrowing costs are charged to Profit & Loss account.

m. Taxation :

Provision for Taxation is determined on the basis of the Taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be adjusted in future.

n. Contingent Liabilities :

Claims against the Company not acknowledged as debts are treated as Contingent Liabilities. Provision in respect of contingent liabilities if any, is made when it is probable that a liability may be incurred and the amount can be reasonably estimated.

Notes on Financial Statements for the year ended 31st March, 2015

(Amount in ` Lacs)

2.1 SHARE CAPITAL

	2015	2014
Authorised		
15,00,00,000 Equity Shares of ` 2 each	3,000.00	3,000.00
65,00,000 Cumulative Redeemable Non-convertible Preference Shares of ` 100 each	6,500.00	6,500.00
	9,500.00	9,500.00
Issued, Subscribed and Paid up		
6,60,48,908 Equity Shares of ` 2 each Fully paid-up	1,320.98	1,320.98
Total	1,320.98	1,320.98

Notes :

[a] Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

	Equity Shares			
	As at 31st March 2015		As at 31st March 2014	
	Number	Amount in ` Lacs	Number	Amount in ` Lacs
Shares outstanding at the beginning of the year	66,048,908	1,320.98	66,048,908	1,320.98
Shares issued during the year	Nil	Nil	Nil	Nil
Shares bought back during the year	Nil	Nil	Nil	Nil
Redemption of Shares	Nil	Nil	Nil	Nil
Shares outstanding at the end of the year	66,048,908	1,320.98	66,048,908	1,320.98

[b] Rights, Preferences & restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ` 2 per share. Each Shareholder is eligible for one vote per share. The dividend if proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend (No dividend proposed for accounting year 2014-15). In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

[c] Shares in the Company held by each Shareholder holding more than 5% Shares

	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
(1) Veer Enterprises Pvt Ltd.,	10,597,100	16.04%	10,597,100	16.04%
(2) Shree Satyanarayan Investment Co. Ltd.	10,312,973	15.61%	10,312,973	15.61%

[d] 33,00,000 Equity Shares belonging to Promoter Group are locked-in till 14-06-2015.

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.2 RESERVES AND SURPLUS

	2015	2014
Capital Redemption Reserve	6,500.00	6,500.00
Securities Premium Reserve	14,572.54	14,572.54
Equity Share Warrants Forfeited	277.50	277.50
General Reserve		
Balance at commencement of the year	36,934.35	37,034.35
Transferred to/from Profit & Loss Account	-	(100.00)
	36,934.35	36,934.35
Surplus in Statement of Profit & Loss		
As per Last Balance Sheet	60.52	70.21
Transfer from General Reserve	-	100.00
Net Profit/(Loss) for the year	111.50	663.05
Amount available for appropriation	172.02	833.26
Appropriations:		
Proposed Dividend on Equity Shares	-	660.49
Tax on Proposed Dividend	-	112.25
Transferred to General Reserve	-	-
Closing Balance	172.02	60.52
Total	58,456.41	58,344.91

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.3 LONG TERM BORROWINGS

	2015	2014
a) Secured Loans		
Term Loans from Banks:		
International Finance Corporation [IFC, Washington, DC] (Payable from 15.07.2011 in 17 Equal Half Yearly Instalments)	10,292.47	12,686.83
ICICI Bank Ltd., Singapore (Payable from 18.10.2011 in 9 Equal Half Yearly Instalments)	-	13,903.41
IDBI Bank Ltd., (Payable from 01.06.2014 in 24 Equal monthly instalments)	208.33	1,458.33
IDBI Bank Ltd., (Payable from 01.10.2014 in 24 Equal monthly instalments)	625.00	1,875.00
Axis Bank Ltd., (Payable from 20.06.2016 in 24 Equal monthly instalments)	7,500.00	7,500.00
State Bank of Mysore (Plantation) (Repayable ` 15 Crores on 31.12.2017 ` 10 Crores on 31.12.2018 & ` 7.85 Crores on 31.12.2019) (Refer Note 2.9) for current maturities of these loans)	3,285.00	2,500.00
	21,910.80	39,923.57
b) Unsecured Loans from others		
Interest Free Loan under Sales Tax Defferment Scheme Yes Bank Ltd., (Repayable ` 15 Crores on 31.12.2014, ` 7.75 Crores on 31.12.2015 & ` 12.25 Crores on 31.12.2016)	16,470.72	16,647.94
	1,225.00	2,000.00
	17,695.72	18,647.94
Total	39,606.52	58,571.51

- Term loans from IFC, Washington & ICICI Bank Ltd., are secured by way of hypothecation on all movable fixed assets both present and future and are secured by equitable mortgage of immovable assets, both present and future on pari-passu basis.
- Loan from State Bank of Mysore is secured by second charge on plant and machinery acquired / to be acquired under the project.
- Interest free loan under Sales Tax Defferal Scheme availed from August 1994 to July 2006 of ` 66.88 Crores is being repaid in 12 installments of ` 5.57 Crores payable yearly starting from August 2006. (Balance outstanding - ` 11.15 Crores excluding current maturities)
Interest free loan under Sales Tax Defferal Scheme availed from June 2002 to June, 2014 of ` 160.98 Crores is being repaid in 12 installments on a year to year basis from 2014 to 2025. (Balance outstanding - ` 153.56 Crores excluding current maturities).
- Loan of ` 25 Crores from IDBI Bank Ltd., (` 6.25 Crores excluding current maturities) is secured by second charge on movable fixed assets whereas Loan of ` 25 Crores (` 2.08 Crores excluding current maturities) is secured by current assets on pari-passu basis.
- Loan from Axis Bank Ltd., is secured by second charge on movable fixed assets both present and future.
- There is no default in repayment of loans and interest.

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.4 DEFERRED TAX LIABILITIES (NET)

	2015	2014
a) Deferred tax liability on account of Depreciation	14,011.62	13,864.53
b) Deferred tax asset on account of		
- Carried forward of unabsorbed depreciation	6,494.26	6,740.77
- Disallowances under Section 43B of Income Tax Act	284.05	252.31
Total	7,233.31	6,871.45

2.5 OTHER LONG TERM LIABILITIES

Dealer Deposits	2,894.52	2,942.02
Others - Employee Security Deposit	16.98	21.56
Total	2,911.50	2,963.58

2.6 LONG TERM PROVISIONS

Provision for Employee Benefits	423.97	393.94
Total	423.97	393.94

CURRENT LIABILITIES

2.7 SHORT TERM BORROWINGS

Secured		
Loan repayable on demand from banks	29,150.30	26,386.43
Note: The working capital facilities from Banks are secured by Joint Hypothecation of Stores, Spares, Raw Materials, Stock-in-Process, Finished Goods, Book Debts etc., ranking pari-passu interse		
Unsecured		
Loan repayable on demand from banks	978.13	964.11
Total	30,128.43	27,350.54

Note : There is no default in repayment of loans and interest.

2.8 TRADE PAYABLES

Principal amount of dues, Micro, Small & Medium Enterprises as at 31st March, 2015 is ` 139.17 Lacs (` 177.81 Lacs) and interest paid or payables is ` Nil (` Nil)	24,944.77	25,819.12
Total	24,944.77	25,819.12

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.9 OTHER CURRENT LIABILITIES

	2015	2014
Current Maturities of long-term debts (refer Note 2.3)	21,307.95	20,686.03
Interest accrued but not due on Borrowings	311.09	430.98
Unpaid Dividends	57.99	64.20
Creditors for Capital Expenditure	157.89	501.71
Accrued salaries and benefits	1,399.37	1,235.33
Other liabilities		
- Statutory Dues	1,556.59	1,252.57
- for Expenses	1,267.75	1,370.14
- Others	1,294.46	4,118.80
Total	27,353.09	26,845.17

2.10 SHORT TERM PROVISIONS

	2015	2014
Provision for Employees benefits (refer Note-1)	147.50	192.07
Proposed Dividends (refer Note-2)	-	660.49
Tax on Proposed Dividends (refer Note-2)	-	112.25
Total	147.50	964.81
Note :		
1) Gratuity is funded, hence provision is made for shortfall as on 31-03-2015 of ` 97.34 Lacs (Previous Year - ` 143.05 Lacs)		
2) The Board of Directors have not recommended dividend for the year ended 31-03-2015 (` 1/- per share for the year ended 31-03-2014)		
Total	82,573.79	80,979.64

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.11 FIXED ASSETS

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET DEPRECIATED BLOCK		
	As at 01-04-2014	Additions	Sales/ Adjustments	As at 31-03-2015	As at 01-04-2014	For the Year	Deductions/ Adjustments	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014	
[A] TANGIBLE ASSETS											
Land - Leasehold	156.11	-	-	156.11	-	-	-	-	156.11	156.11	
- Freehold	61.61	-	-	61.61	-	-	-	-	61.61	61.61	
Factory Buildings	18,196.68	348.87	38.43	18,507.12	7,658.93	1,058.94	33.78	8,684.09	9,823.03	10,537.75	
Non-Factory Buildings	1,208.61	-	-	1,208.61	665.54	27.15	-	692.69	515.92	543.07	
Roads and Drainage	713.86	-	-	713.86	60.89	11.72	-	72.61	641.25	652.97	
Plant and Machinery	1,80,105.24	2,207.61	-	1,82,312.85	69,231.53	10,849.68	-	80,081.21	1,02,231.64	1,10,873.71	
Plant and Machinery [Leased]	644.41	-	-	644.41	644.41	-	-	644.41	-	-	
Railway Siding	303.08	-	-	303.08	138.21	22.93	-	161.14	141.94	164.87	
Effluent Treatment Plant	2,081.06	-	-	2,081.06	1,213.30	131.75	-	1,345.05	736.01	867.76	
Construction Machinery and Equipments	4.49	-	-	4.49	3.97	0.07	-	4.04	0.45	0.52	
Water Treatment Plant	46.29	-	-	46.29	46.23	0.01	-	46.24	0.05	0.06	
Furniture, Fittings and Airconditioners	317.45	29.42	2.75	344.12	195.98	21.84	1.66	216.16	127.96	121.47	
Trucks & Vehicles	478.29	-	16.76	461.53	345.12	38.45	15.27	368.30	93.23	133.17	
Office Equipments	468.92	35.46	0.42	503.96	346.22	44.42	0.32	390.32	113.64	122.70	
Electric Installations	21.66	1.07	0.08	22.65	14.27	0.80	0.05	15.02	7.63	7.39	
Fire Fighting Equipments	6.78	-	-	6.78	6.68	0.01	-	6.69	0.09	0.10	
TOTAL	2,04,814.54	2,622.43	58.44	2,07,378.53	80,571.28	12,207.77	51.08	92,727.97	1,14,650.56	1,24,243.26	
[B] INTANGIBLE ASSETS											
Computer Software	325.61	-	-	325.61	294.80	12.32	-	307.12	18.49	30.81	
TOTAL	2,05,140.15	2,622.43	58.44	2,07,704.14	80,866.08	12,220.09	51.08	93,035.09	1,14,669.05	1,24,274.07	
Capital Work-in-Progress									230.05	492.20	
TOTAL									1,14,899.10	1,24,766.27	
Previous Year	2,01,331.80	5,889.88	2,081.53	2,05,140.15	69,564.50	12,719.40	1,417.82	80,866.08	1,24,766.27	1,32,031.47	

Note :

- Buildings are constructed on leasehold land for which the Company pays only ground rent except Non-factory buildings worth ` 188.03 Lacs (` 188.03 Lacs) being the cost of ownership premises.
- Leasehold Land represents the amount paid to Karnataka Industrial Area Development Board (KIADB), Bangalore against allotment of land at Kesaroli Village, Haliyal on Lease- cum-sale basis.
- During the current year, foreign exchange fluctuation loss amounting to ` 941.85 Lacs (Previous Year ` 4646.00 Lacs) has been capitalized to the block of Plant & Machinery pursuant to notification No.G.S.R. 913 (E) dated 29.12.2011, applicable upto March 31, 2020. Notional exchange rate variation capitalised till 31.03.2015 is ` 7829.12 Lacs.
- The Company has not incurred any capital expenditure for Research & Development during the year (Previous Year - NIL).
- The Company was providing depreciation on Straight Line Method (SLM) for certain Plant & Machinery as per Schedule XIV of the Companies Act, 1956 wherein useful life was 18 years for continuous process plant which is increased to 25 years as per Schedule II of the Companies Act, 2013. However, Company is of the view that looking to the Chemical process industry useful life should not be more than 18 years and will therefore continues to provide depreciation at 5.28% on SLM. Similarly, on Road & Drainage of RCC, it will continue to provide depreciation @ 1.63% on SLM. Further, the Company has also been providing depreciation on Written Down Value Method on "Other Assets" which the Company has decided to retain in terms of Proviso to Clause 3(i) of Part A of Schedule II of the Companies Act, 2013. However, for such assets acquired / constructed on or after 01.04.2014 useful life method (SLM) is followed as per Schedule II of the Companies Act, 2013 (Refer Note No.1.d.1 of Significant Accounting Policies)

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.12 NON CURRENT INVESTMENTS

	2015	2014
Long term at cost, unless otherwise specified		
a) Investment in Equity Instruments		
TRADE INVESTMENTS		
Quoted		
542,399 Equity Shares of ` 10 each of Jayashree Chemicals Ltd.	94.96	94.96
21,124,791 Equity Shares of ` 10 each of Shree Rama Newsprint Ltd. (Associate) [Refer note no. 2.38]	4,540.86	4,540.86
Total [A]	4,635.82	4,635.82
Unlisted		
18,50,130 Equity Shares of ` 10 each of Speciality Coatings & Lamination Ltd. (Associate)	-	-
37 Equity Shares of ` 100 each of Placid Limited	0.01	0.01
20,943 Equity Shares of ` 10 each of The Thirumbadi Rubber Co. Ltd.	35.27	35.27
Total [B]	35.28	35.28
OTHER INVESTMENTS		
b) Investments in Government or Trust Securities		
6 Year National Savings Certificate	0.10	0.10
Total [C]	0.10	0.10
Total Investment - Net (A+B+C)	4,671.20	4,671.20
Aggregate amount of quoted investments	4,635.82	4,635.82
Aggregate market value of quoted investments	1,286.77	1,464.69
Aggregate amount of unquoted investments	35.28	35.28

2.13 LONG TERM LOANS & ADVANCES

Unsecured, Considered good		
Security Deposits with Electricity Board	171.26	171.26
Loans & Advances to Related Parties	806.02	5,519.20
MAT Credit Entitlement	3,600.36	3,668.24
Advance Tax/Tax paid at source (net of provision)	1,862.81	1,753.76
Total	6,440.45	11,112.46

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

CURRENT ASSETS**2.14 INVENTORIES**

	2015	2014
Raw materials (at weighted average cost) (refer note 1)	23,625.63	24,095.78
Work-in-progress (at cost)	653.41	1,103.10
Finished Goods (at cost) (refer note 2)	8,487.49	10,140.87
Stores and Spares (at weighted average cost)	15,228.45	13,214.37
Loose Tools (at cost)	200.25	152.96
Stock of Scrap (at realisable value)	129.31	86.57
Total	48,324.54	48,793.65
Note:		
1) Raw material inventory includes material in transit of ` 1424.39 Lacs (` 123.05 Lacs)		
2) Finished Goods inventory includes material in transit of ` 219.14 Lacs (` 253.13 Lacs)		

2.15 TRADE RECEIVABLES

	2015	2014
Unsecured Considered Good		
Over Six months	1,160.35	263.34
Others	11,338.88	9,828.92
Total	12,499.23	10,092.26

2.16 CASH & CASH EQUIVALENTS

a) Balances with banks		
In current Account	636.48	422.15
b) Cash on hand	33.43	20.22
c) Other Bank balances		
In Fixed Deposit Account		
- Against Margin Deposit with Banks	566.69	387.53
- In Employees Security Deposit	18.75	19.25
- In Unpaid Dividends Account (refer note 1)	57.99	64.20
Total	1,313.34	913.35

Note:

There are no amounts due for payment to the Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 at the year end. Section 125 of Companies Act, 2013 which corresponds to Section 205C of Companies Act, 1956 has not yet been notified.

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.17 SHORT TERM LOANS & ADVANCES

	2015	2014
Unsecured, Considered good		
Advances recoverable in cash or kind	1,396.69	1,579.02
Deposits	409.68	444.03
Total	1,806.37	2,023.05

2.18 OTHER CURRENT ASSETS

Balance with Government Authorities	2,572.25	7,073.77
Total	66,515.73	68,896.08

2.19 REVENUE FROM OPERATIONS

Sales of Products				
Paper and Board	1,64,368.42			1,61,074.29
Cables	10,316.11			4,375.60
Wind Power	30.52			33.02
Other Operating Revenues				
Sale of Fly Ash	31.24		44.85	
Sale of Scrap	599.28	630.52	466.99	511.84
Total	1,75,345.57		1,65,994.75	

2.20 OTHER INCOME

Interest Income	60.69			562.38
Dividend Income	0.42			0.42
Other Non-operating income (net)				
- Profit on sale of fixed assets	62.24			-
- Other Income	142.32			84.22
Net Foreign Exchange Gain	41.32			22.54
Total	306.99		669.56	

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.21 COST OF MATERIALS CONSUMED

	2015	2014
Pulp Wood, Pulp & Waste Paper	74,213.34	75,271.22
Chemicals & Dyes	22,705.40	24,159.64
Packing Materials	4,570.60	4,643.85
Total	1,01,489.34	1,04,074.71

2.22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK IN TRADE

Opening Stock of Finished Goods				
- Paper and Board	10,136.44		3,328.09	
- O.F.C. Cables etc.	4.43	10,140.87	52.76	3,380.85
Closing Stock of Finished Goods				
- Paper and Board	8,476.27		10,136.44	
- O.F.C. Cables etc.	11.22	8,487.49	4.43	10,140.87
		1,653.38		(6,760.02)
Opening Stock of Work-in-process	1,103.10		349.16	
Closing Stock of Work-in-process	653.41	449.69	1,103.10	(753.94)
		449.69		(753.94)
Variation in Excise Duty on Opening & Closing Stock of Finished Goods		(103.81)		429.00
Total		1,999.26		(7,084.96)

2.23 EMPLOYEE BENEFIT EXPENSE

Salaries, Wages and Bonus	8,066.88	7,392.91
Contribution to Provident & Other Funds:		
- Provident & Family Pension Funds	568.92	536.90
- Employees State Insurance	35.52	80.02
- Gratuity Fund	284.22	300.35
- Superannuation Fund	15.61	57.00
- Employees Group Insurance	14.11	8.90
- Leave Encashment	30.03	41.23
- Staff Welfare Expense	729.35	628.38
Total	9,744.64	9,045.69

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.24 FINANCE COSTS

	2015	2014
Interest Expense :		
- Term Loans	2,348.44	3,243.65
- Others (Net)	4,022.87	3,570.42
Other Borrowing Cost	337.68	335.15
Applicable Net Loss on foreign currency transactions & translation	-	173.31
Total	6,708.99	7,322.53

2.25 OTHER EXPENSES

	2015	2014
Consumption of Stores & Spare Parts	5,177.91	5,485.98
Power & Fuel	15,692.72	16,963.92
Water Charges & Cess	58.07	64.03
Rent	188.32	177.25
Repairs and Maintenance		
- Buildings	901.47	1,002.81
- Plant and Machinery	1,030.92	1,229.31
- Other Assets	207.25	220.33
Insurance	159.14	137.02
Rates & Taxes	29.19	33.31
Research & Development Expenses	47.35	44.81
Miscellaneous Expenses	1,107.41	1,173.07
Payments to Auditors :		
- As Auditors	14.00	11.00
- For limited review under listing agreement	1.50	1.50
- for Taxation Matters	4.50	0.75
- For Other Services	1.57	2.03
- Reimbursement of Expenses	2.27	2.93
Cost Auditor's Remuneration & Expenses	0.05	1.15
Forwarding Charges on Sales	1,734.87	1,852.68
Commission on Sales	909.13	789.24
Directors Fees & Expenses :		
- Sitting Fees	3.50	3.80
- Travelling Expenses	27.32	19.49
Charity & Donation	34.20	40.20
Corporate Social Responsibility Expenses	15.72	-
Obsolete Assets Written Off	0.44	3.32
Loss on Sale of Fixed Assets	-	169.57
Total	27,348.82	29,429.50

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.26 CONTINGENT LIABILITIES AND COMMITMENTS

	2015	2014
I. Contingent Liabilities & Commitments		
a. Guarantees Issued by Banks	3,150.19	4,688.83
b. Letters of Credit outstanding	13,807.09	11,494.57
c. Corporate guarantees given to the Banks & Institutions on behalf of related party - Shree Rama Newsprint Limited. (Refer note 2.38)	24,625.00	24,625.00
II. Claims against the Company not acknowledged as debts in respect of		
a. Income tax matters, pending decisions on various appeals made by the Company and by the Department (refer notes below)	468.50	468.50
b. Excise matters & Service Tax under dispute	82.32	136.77
c. Custom matter under dispute	439.03	439.03
d. Sales Tax matter, under dispute	30.66	30.66
e. Other matters, under dispute	2,100.00	2,100.00
III. Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advance)	4,171.12	3,316.94

Notes :

- The Income tax assessments of the Company have been completed upto Assessment Year 2012-13.
- The total demand outstanding as on 31.03.2015 on account of income tax dues of various years is ` 468.50 lacs (` 468.50 lacs). The Company and the Income Tax Department are in appeal before the appellate authorities for various years. Since most of the issues raised in these years are already covered by the decisions of Hon'ble Income Tax Appellate Tribunal and CIT(A) in Company's favour, the Company is of the opinion that the demand is likely to be either deleted or substantially reduced in appeal before appellate authorities and in view of this, the Company has decided to adjust the short/excess provision, if any, after the appeals are disposed off.
- The Company and the Income Tax Department are in appeal before the High Court of Bombay on various grounds decided by the Income Tax Appellate Tribunal. The Company has therefore not recorded adjustment of taxes/orders in the books.

2.27 EARNINGS PER SHARE (EPS) COMPUTED IN ACCORDANCE WITH ACCOUNTING STANDARD 20

	2015	2014
Earnings		
Net Profit after Tax	111.50	663.05
Shares		
Number of shares at the beginning of the period	6,60,48,908	6,60,48,908
Add : Shares issued during the period	-	-
Total number of equity shares outstanding at the end of the period	6,60,48,908	6,60,48,908
Weighted average number of equity shares outstanding during the period	6,60,48,908	6,60,48,908
Earnings per share of par value ` 2 - Basic (`)	0.17	1.00
- Diluted (`)	0.17	1.00

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.28 RELATED PARTY DISCLOSURES

I. Relationship :

a. Associate Company

- 1) Fort Gloster Industries Ltd., Kolkata (FGI)
- 2) Shree Rama Newsprint Limited (SRNL)
- 3) Speciality Coatings and Laminations Ltd.

b. Enterprises where principal shareholders have control

- 1) Veer Enterprises Ltd.
- 2) Shree Satyanarayan Investment Company Ltd.
- 3) Siddhi Trade & Holdings Pvt. Ltd.
- 4) Rangnath Bangur Charitable Trust

c. Key Management Personnel represented on the Board

- 1) Shri S. K. Bangur, Chairman & Managing Director
- 2) Shri K. L. Chandak, Executive Director

d. Non-Executive/Independent Directors on the Board

- 1) Shri Saurabh Bangur
- 2) Smt. Shashi Devi Bangur
- 3) Shri P. N. Kapadia
- 4) Lt. Gen. [Retd.] Utpal Bhattacharyya
- 5) Shri Krishna Kumar Karwa
- 6) Shri M. P. Taparua

II. The following is a summary of related party transactions

	2015	2014
i. Sales to	-	-
ii. Purchases from		
1) Shree Rama Newsprint Limited (SRNL)	-	237.62
iii. (a) Rent paid to :		
1) Veer Enterprises Ltd.	30.00	29.20
2) Shree Satyanarayan Investment Company Ltd.	36.00	33.23
3) Siddhi Trade & Holdings Pvt. Ltd.	14.74	13.20
(b) Rent received from Shree Rama Newsprint Ltd. (SRNL)	-	0.98
iv. Charity & Donations :		
1) Rangnath Bangur Charitable Trust	30.20	30.20
v. Remuneration to :		
1) Executive Director	174.40	194.95
2) Chairman & Managing Director	79.14	79.17
vi. Interest received from :		
1) Shree Rama Newsprint Limited (SRNL)	-	537.81
2) Speciality Coatings and Laminations Ltd (net of TDS)	32.02	1.78

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

III. The Company has the following amounts due to/from related parties :

	As at March 31, 2015	As at March 31, 2014
i. Due from related Parties		
1) Shree Rama Newsprint Limited (SRNL) (Refer Note No. 2.37)	70.00	5,105.00
2) Veer Enterprises Ltd.	1.05	1.05
3) Shree Satyanarayan Investment Company Ltd.	6.60	6.60
4) Speciality Coatings and Laminations Ltd (Refer note No. 2.39)	763.43	441.61
ii. Due to related parties		
1) Shree Rama Newsprint Limited (SRNL)	1.80	1.80

2.29 RAW MATERIALS CONSUMED DURING THE YEAR

Wood	63,693.05	66,098.25
Waste Paper cuttings, wood pulp etc.,	5,226.99	5,948.16
Optical Fibre	1,820.37	1,135.38
Steel Tape	315.78	155.46
Other allied inputs	3,157.15	1,933.97
Total	74,213.34	75,271.22

Other allied inputs include items which do not individually exceed 10% of total consumption.

2.30 DETAILS OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARES AND PACKING MATERIAL CONSUMED

	12 months ended March 31, 2015		12 months ended March 31, 2014	
	in Lacs	% of total consumption	in Lacs	% of total consumption
Raw Materials				
Imported	40,101.59	54.04	28,406.17	37.74
Indigenous	34,111.75	45.96	46,865.05	62.26
	74,213.34	100.00	75,271.22	100.00
Stores, chemicals, spares and packing materials				
Imported	3,245.65	10.00	3,497.15	10.20
Indigenous	29,208.26	90.00	30,792.32	89.80
	32,453.91	100.00	34,289.47	100.00

2.31 CIF VALUE OF IMPORTS

	2015	2014
Raw Materials	31,312.92	25,497.50
Components & Spare Parts	2,370.64	3,298.60
Capital Goods	224.98	233.30
Total	33,908.54	29,029.40

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.32 EARNINGS IN FOREIGN CURRENCY

	2015	2014
Export on FOB basis	2,864.35	3,538.42

2.33 EXPENDITURE IN FOREIGN CURRENCY

Travelling	25.92	14.67
Interest	1,156.28	1,575.67
Others	18.46	14.48
Total	1,200.66	1,604.82

2.34 EMPLOYEE BENEFIT PLANS

	For the period ended	
	2014-15	2013-14
As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :		
[A] Defined Contribution Plan		
Contribution to Defined Contribution Plan, recognised as expenses for the year are as under :		
Employer's Contribution to Provident Fund/Pension Fund	568.92	536.90
Employer's Contribution to Superannuation Fund	15.61	57.00
[B] Defined Benefit Plan		
The following table sets out the status of the Gratuity Plan as required under AS-15 (Revised).		
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Opening defined benefit obligation	2,265.39	2,197.34
Current Service cost	101.09	99.52
Interest Cost	211.82	175.78
Benefits paid	(372.10)	(390.64)
Actuarial losses/(gain)	284.26	183.39
Obligations at the end of the period	2,490.46	2,265.39
Change in Plan Assets		
Opening fair value of plan assets	2,164.40	2,197.34
Expected return on plan assets	190.47	193.37
Actuarial gain/(Losses)	223.48	(136.01)
Contributions by employer	284.22	300.35
Benefits paid	(372.10)	(390.64)
Closing fair value of plan assets	2,490.46	2,164.40
Amount recognized in Balance Sheet		
Present value of funded obligations	2,490.46	2,164.40
Fair value of plan assets	2,490.46	2,265.39
Net asset/(liability)	-	100.99

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

	For the period ended	
	2014-15	2013-14
Expense recognised in statement of Profit and Loss Account		
Current service cost	101.09	99.52
Interest Cost	211.82	175.79
Expected return on plan assets	(190.47)	(193.37)
Net Actuarial losses/(gain) recognized	161.78	218.41
Amount included in Employee Benefit Expense	284.22	300.35
Category of Plan Assets		
GOI Securities	0.14	0.20
LIC	57.33	58.37
PSU/State Government Securities	3.17	5.04
ICICI Prudential Life Insurance	39.36	36.39
Financial assumptions at the valuation date		
Discounted rate %	7.92	9.35
Estimated rate of Return on plan assets %	7.92	8.80
Salary escalation over & above highest of salary in grade %	1.00	1.00

2.35 DIVIDEND REMITTANCE IN FOREIGN CURRENCY

	2015	2014
Number of non-resident shareholders	154	157
Number of shares held by them on which dividend was paid	3,60,804	3,42,257
Amount remitted - net of tax (` lacs)	3.61	3.42

2.36 SEGMENT INFORMATION

Pursuant to Accounting Standard 17 – Segment Reporting, information about Business Segments (Information provided in respect of revenue items for the year ended 31.03.2015 and in respect of assets / liabilities as at 31.03.2015 is disclosed as under :

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as “ Unallocable”

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ₹ Lacs)

Particulars	Paper		Cables		Others		Unallocable		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue										
Gross Turnover	164998.95	161586.14	10316.11	4375.59	30.52	33.02			175345.58	165994.75
Less : Excise Duty	9387.29	9302.62	1121.27	459.83	-	-			10508.56	9762.45
Net Turnover	155611.66	152283.52	9194.84	3915.76	30.52	33.02			164837.02	156232.30
Segment result before Interest and Taxes	5316.28	7866.38	1835.04	307.44	-29.66	-18.68			7121.66	8155.14
Less : Interest Expenses							6708.99	7322.53	6708.99	7322.53
Add : Interest Income							60.69	562.38	60.69	562.38
Profit before Tax	5316.28	7866.38	1835.04	307.44	-29.66	-18.68	-6648.30	-6760.15	473.36	1394.99
Current Tax							-	166.29	0.00	166.29
MAT Credit							-	-153.82	0.00	-153.82
Deferred Tax							361.86	719.47	361.86	719.47
Profit After Tax	5316.28	7866.38	1835.04	307.44	-29.66	-18.68	-7010.16	-7492.09	111.50	663.05
Other Informations										
Segment Assets	187308.65	205909.36	5177.26	3465.42	40.57	71.23	-	-	192526.48	209446.01
Segment Liabilities	131662.78	148854.57	1086.31	925.55	-	-	-	-	132749.09	149780.12
Capital Expenditure	2360.28	6117.91	-	-	-	-	-	-	2360.28	6117.91
Depreciation/ Amortisation	12124.77	12617.91	64.66	70.83	30.66	30.66	-	-	12220.09	12719.40
Non Cash Expenses other than depreciation amortisation	-	-	-	-	-	-	-	-	-	-

2.37

The Company has agreed to accept payment of ₹ 70 Lacs on completion date of Share Purchase Agreement (SPA) dated 21.05.2015 executed between the Company and Riddhi Siddhi Gluco Biols Ltd., ("Acquirer") against the outstanding inter corporate deposits of ₹ 5229.50 Lacs given to Shree Rama Newsprint Ltd (SRNL) as per books of accounts and balance amount of ₹ 5159.50 Lacs has been written off. This has also been confirmed by SRNL & acknowledged by the Acquirer on the letter dated 21.05.2015 written by the Company in pursuance of the said SPA.

2.38

The Company has entered into Share Purchase Agreement with Riddhi Siddhi Gluco Biols Ltd., ("Acquirer") on 21.05.2015 for sale of its Long Term Investments of 2,11,24,791 equity shares of Shree Rama Newsprint Ltd., for ₹ 0.75 Lacs against book value of ₹ 4540.86 Lacs subject to release of Corporate Guarantees of ₹ 24625.00 Lacs given to various banks by the Company and the Acquirer complying with the requirement of the Open Offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or any other statutory approval. Since the transaction will be completed on fulfillment of the above conditions, loss of ₹ 4540.11 Lacs will be accounted by the Company in the Accounting Year 2015-16 on date of completion of transaction.

Notes on Financial Statements (Contd.) for the year ended 31st March, 2015

(Amount in ` Lacs)

2.39

The Company had paid ` 362.22 Lacs towards the invocation of Corporate Guarantee given to a Bank on behalf of Speciality Coatings and Laminations Ltd (SPCL) and has extended fresh ICD of ` 50.00 Lacs & Interest of ` 1.78 Lacs – net of TDS (during 2013-14) for O.T.S. with Oriental Bank of Commerce & further it has also to recover ` 27.41 Lacs against supplies made to SPCL. Also it has given fresh ICD of ` 290 Lacs & interest of ` 32.02 Lacs-net of TDS, during 2014-15. The Company is hopeful of recovering the said total amount of ` 763.43 Lacs out of disposal of the assets of SPCL and hence, no provision has been made in the books of accounts.

2.40

The Company has investment of ` 4540.86 Lacs in Shree Rama Newsprint Ltd. (SRNL) and ` 94.96 Lacs in Jayashree Chemicals Ltd. There has been continuous diminution in the value of investment and at the year end there has been substantial reduction in the market value of these investments by ` 3294.50 Lacs and ` 54.56 Lacs respectively. The company has not made any provision towards the diminution in value as said investments are long term trade investments and diminution in value is temporary in nature.

2.41

Management expects that it would earn sufficient taxable income in future and therefore will be in a position to pay normal tax within the period specified under the Income Tax Act, 1961 and accordingly MAT credit entitlement of ` 3668.24 Lacs (Current Year ` NIL Previous year ` 153.82 Lacs) has been recognized.

2.42

Previous year's figures have been regrouped and reclassified wherever necessary.

As per our Report of even date

For **BATLIBOI & PUROHIT**
Chartered Accountants
Firm Registration No. 101048W

R. D. Hangekar
Partner
Membership No: 30615
Place : Mumbai
Date : 27th May, 2015

P. K. Mundra
Company Secretary

S. K. Bangur
Chairman & Managing Director

P. N. Kapadia
Director

Lt. Gen. (Retd.) Utpal Bhattacharyya
Director

For and on behalf of the Board

Krishna Kumar Karwa
Director

K. L. Chandak
Executive Director



THE WEST COAST PAPER MILLS LIMITED
www.westcoastpaper.com