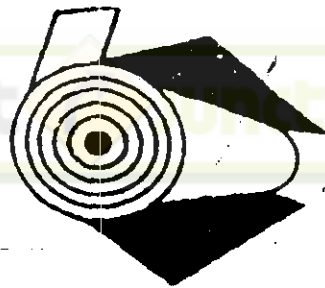


20th

**ANNUAL REPORT
1999-2000**



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B.K. DUPLEX BOARD LIMITED



B.K. DUPLEX BOARD LIMITED

BOARD OF DIRECTORS

1. SH. BUPINDER SINGH	Managing Director
2. SH. KULBIR SINGH	Director
3. SMT. HARBANS KAUR	Director
4. SH. GURDEEP SINGH CHADHA	Director
5. SH. HARBHAJAN SINGH	Director
6. SH. YOGESH GOEL	Nominee Director

CORPORATE CONSULTANTS

SH. S.P. SHARMA

FINANCIAL CONSULTANT

SH. PARVEEN MALHOTRA (F.C.A.)

AUDITORS

M/S KRISHAN K. MITTAL & CO.
CHARTERED ACCOUNTANTS,
LUDHIANA-141 003.

BANKERS

STATE BANK OF INDIA,
PAHWA HOSPITAL COMPLEX,
MILLER GANJ,
LUDHIANA.

REGISTERED OFFICE

35, BHADAUR HOUSE,
LUDHIANA-141008.

WORKS

G.T. ROAD,
VILLAGE BHATIAN,
LUDHIANA.

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B.K. DUPLEX BOARD LIMITED

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of the company will be held on Friday, the 22nd day of September, 2000 at the works of the company at G.T. Road, Village Bhattian, Ludhiana at 9.00 A.M. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000, Profit & Loss account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To Appoint a Director in place of Mr. Kulbir Singh who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. The Statutory Auditors M/s. Krishan K. Mittal & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

AS SPECIAL BUSINESS:

TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION THE FOLLOWING RESOLUTIONS:

4. AS AN ORDINARY RESOLUTION.

"RESOLVED THAT pursuant to the provisions of Section 198,269,309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including and statutory modification or re-enactment thereof, for the time being in force) Sh.Bhupinder Singh, be and is hereby re-appointed as Managing Director of the Company for a period of five years w.e.f. 01.09.2000 on remuneration alongwith other perquisites and benefits as detailed in the explanatory statement and as decided by the Board of Directors from time to time."

"RESOLVED FURTHER THAT where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the company will pay to Sh.Bhupinder Singh remuneration by way of salary, perquisites and other allowances etc. not exceeding the limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter & vary the terms and conditions of the said re-appointment so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to between the Board of Directors and Sh.Bhupinder Singh, the Managing Director of the company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary to give effect to above resolution."

5. - AS A SPECIAL RESOLUTION :

"Resolved that pursuant to the provisions of section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the company be and are hereby altered as under:"

(i) After the existing Article 16 of Articles of Association of the Company, the following new article 16A be inserted:

DEMATERIALISATION OF SECURITIES

16A. For the purpose of this Article, unless the context otherwise requires:

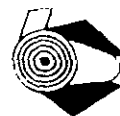
a. Definitions:

- | | | |
|------------------|---|---|
| Beneficial Owner | : | 'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996. |
| Bye-laws | : | 'Bye-laws' means bye-laws made by a Depository. |
| Depositories Act | : | 'Depository Act' means the Depositories Act, 1996 and any statutory modification or re-enactment thereof for the time being in force. |
| Depository | : | 'Depository' means a Company formed and registered under the Companies Act, 1956 (1 of 1956) ('the Act') and which has been granted a certificate of registration under sub section (1A) of Section 2 of the Securities and Exchange Board of India Act, 1992 (15 of 1992); |



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- Record : 'Record' includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;
- Regulations : 'Regulations' means the regulations made by SEBI;
- SEBI : 'SEBI' means the Securities and Exchange Board of India;
- Security : 'Security' means such security as may be specified by SEBI from time to time;
- Shareholder or Member. : 'Shareholder' or 'Member' means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and/or preference shares of the company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;
- b. Dematerialisation of Securities. : Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any;
- c. Option for Investors. : Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the company shall, in the manner and within the time prescribed issue to the beneficial owner the required certificates of securities.
- Whereas person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- d. Securities in Depositories to be in fungible form Rights of Depositories and Beneficial Owners. : All securities held by a Depository shall be dematerialise and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B and 187C of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners;
- i. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer to the beneficial owner;
 - ii. Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;
 - iii. Every person holding securities of the company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.
- f. Depository to furnish information. : Notwithstanding anything to the contrary in the Act or these Articles, where the securities are in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies and discs.
- g. Option to opt out in respect of any security. : If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall on receipt of the intimation as above, make appropriate entries in its records and shall inform the company accordingly. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fee as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
- h. Section 83 and 108 of the Act not : Notwithstanding anything to the contrary contained in the Articles,
- i. Section 83 of the Act shall not apply to the shares with a Depository.
 - ii. Section 108 of the Act shall not apply to transfer of security effected by the transferor and



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- to apply. the transferee both of whom are entered as beneficial owners in the records of a Depository.
- i. Register and Index of Beneficial Owners : The Register and Index of Beneficial Owners, maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders, as the case may be for the purposes of these Articles.
 - j. Intimation to Depository : Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.
 - k. Stamp duty on securities held in dematerialised form : No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium.
 - l. Applicability of the Depositories Act : In case of transfer of shares, debentures and other marketable securities, where the company has not issued any certificate and where such share, debentures or securities are being held in an electronic and fungible form in a depository, the provisions of the depositories Act 1996 shall apply.
 - m. Company to recognise the rights of Registered Holders as also the Beneficial Owners in the records of the Depository : Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the company and accordingly the company shall not expect as ordered by a court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
- (II) After existing article 50 the following new article 50 A be inserted alongwith margin heads: Nomination Facility:
- 50A
- i) Every holder of shares in or holder of debentures of the company may, at any time, nominate, in the prescribed manner, a person to whom his shares in or debentures of the company shall vest in the event of his death.
 - ii) Where the shares in or debentures of the company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights of the shares in or debentures of the company shall vest in the event of death of all the joint holders.
 - iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or debentures of the company, the nominee shall, on the death of the shareholder or holder of debentures of the company or as the case may be on the death of the joint holder becomes entitled to all the rights in the shares or debentures of the company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
 - iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of the debentures to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the company, in the event of his death, during the minority.

By order of the Board
For B.K.DUPLEX BOARD LTD.,

Sd/-

(Bhupinder Singh)
Managing Director

Place: Ludhiana
Dated: 23rd August, 2000



B.K. DUPLEX BOARD LIMITED

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one/more Proxy(ies) to attend and vote instead of himself/herself and such Proxy (ies) need not be a member of the company. A blank Proxy (ies) form is enclosed.
Proxy (ies) duly executed in order to be made effective, must be deposited with the company at its Registered Office not less than 48 hours before the commencement of Annual General Meeting.
2. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of items of special business is annexed hereto and forms part of this notice.
3. Members/ Proxies should bring the attendance slips duly filled in at the Annual General Meeting.
4. Members are requested to notify any change in their address immediately to the Company.
5. The Share Transfer Books and Register of Members shall remain closed from Tuesday, the 19th September, 2000 to Friday, the 22nd September, 2000 (both days inclusive).
6. Members are requested to bring their copy of Annual Report along with them to the meeting.
7. Members are requested to quote their folio number in all their correspondence with the company.
8. Members desiring any information on accounts or other items of agenda are requested to write to the company at its registered office at least 7 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
9. The Meeting is for Members or their proxy(ies) only. Please avoid being accompanied by non members, relatives, spouse and children. They will not be allowed to attend the meeting.
10. MEMBERS PLEASE NOTE THAT NO GIFTS SHALL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING, THEREFORE, THEY SHOULD NOT INSIST FOR THE GIFT AT THE MEETING TO AVOID ANY INCONVENIENCE TO THEMSELVES.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEMS OF SPECIAL BUSINESS.

FOR ITEM NO.4: Mr. Bhupinder Singh was appointed as First Managing Director in terms of the provisions of Articles of Association. His term as Managing Director expires on 31.8.2000. His sincere and untiring efforts have resulted in the implementation of the project for manufacture of Fine Grade Duplex Board and commencement of commercial production thereof. Further, under his able leadership, it has been proposed to expand the production capacity. Keeping these in view, the Board of Directors in its meeting held on 23.08.2000 re-appointed him as Managing Director w.e.f. 1.9.2000 for a further period of five years, subject to the approval of shareholders on the following terms & conditions:

Remuneration:-

- a. Salary Rs.50000/- per month in the grade of 50,000/- -5000/- - 70,000/-.
- b. Perquisites will be allowed in addition to salary restricted to an amount equal to the annual salary or Rs. 4,50,000/- per annum which ever is less. The perquisites are classified into three categories:

CATEGORY A

(a) Housing:

i) Housing I:-

The expenditure on hiring unfurnished accommodation will be subject to the following ceilings : 60% of the Salary over & above 10% payable by the Managing Director.

ii) Housing II:-

In case the accommodation is owned by the company 10% of the salary of the Mg. Director shall be deducted by the Company.

iii) Housing III:-

In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I above. The expenditure incurred by the company on gas, electricity, water and furnishing will be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of Managing Director.