



bhansali ENGINEERING polymers limited

15th Annual Report

1998-99

report  junction

Now an ISO 9002 company



Certificate of Registration

KPMG Quality Registrar (A business unit of KPMG Peat Marwick) Hereby Registers:

Bhansali Engineering Polymers Limited

P.O. - Paradurga, Tal. - Saurar, Dist. - Chhannwar, PIN - 480 108, MP, India.

For its quality system described below under the American National Standards Institute
American Society for Quality

Q9002 (ISO9002:1994) Standard

The quality system is applicable to:

Manufacture and marketing of Acrylonitrile Butadiene Styrene (ABS) polymers and compounds

This registration is given subject to the conditions governing the use of this certificate as set forth in the agreement between KPMG Quality Registrar and the holder thereof. Registration does not assure the effectiveness of its products produced or services rendered.



Certificate Number: 9910015
Effective Date: March 31, 1999
Issue Date: April 23, 1999
Expiration Date: March 30, 2002

Pradeep Uthas
Pradeep Uthas
KPMG Peat Marwick

Report

ABS POLYMERS

Quality Policy

We at Bhansali Engineering Polymers Limited are committed to customer satisfaction by way of timely supply of specified, assured quality product, prompt technical support and continuous improvement in product quality by periodically upgrading process and manufacturing practices.

BEPL'S effort shall be to grow through supply of quality ABS Resin always meeting customers' requirements and giving them maximum value for money.

B.M. Bhansali
B.M. BHANSALI
MANAGING DIRECTOR



BHANSALI ENGINEERING POLYMERS LIMITED

BOARD OF DIRECTORS

Shri A. S. Gupta, *Chairman*
Shri B. S. Bhesania
Shri C. S. Sastry
Dr. P. H. Vaidya, *ICICI Nominee*
Dr. P. P. Shah
Dr. W. R. Correa
Shri P. R. Bhansali
Shri B. M. Bhansali, *Managing Director*

PRESIDENT & COMPANY SECRETARY

Shri A.R. Mundra

AUDITORS

M/s. B. L. Dasharda & Associates
Chartered Accountants

SOLICITORS

M/s. Mulla & Mulla & Craigie Blunt & Caroe

BANKERS

State Bank of India

REGISTERED OFFICE

Bhansali House,
A-5, Veera Desai Road,
Andheri (West),
MUMBAI - 400 053.

WORKS

Bhansali Nagar,
Taluka : Sausar,
Dist. Chhindwara,
Madhya Pradesh - 480 108.

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of **BHANSALI ENGINEERING POLYMERS LIMITED** will be held at the Indian Merchants' Chamber, Walchand Hirachand Hall, Veer Nariman Road, Churchgate, Mumbai - 400 020 on Saturday, 21st day of August 1999 at 11.00 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 1999, Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri C.S. Sastry who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. P.P. Shah who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the Company hereby approves the re-appointment of Shri B.M. Bhansali as Managing Director of the Company for a period of 5 years with effect from 01.04.2000 as per the terms and conditions including remuneration as set out in the agreement entered into between the Company and Shri B.M. Bhansali, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, in such manner as may be agreed to between the Board of Directors and Shri B.M. Bhansali."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to make suitable alterations/modifications and/or upward revision in the above remuneration and terms of the agreement, in the event of any modifications/amendments, if any that may be effected in Schedule XIII or such other schedule/guidelines/provisions as may be applicable of the Act, subject to the modifications so made or amended, equate and/or fall within the limits as may be prescribed under Schedule XIII or such other applicable schedule/guidelines/provisions of the Act, as may be applicable."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to the above resolution."

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

" RESOLVED THAT the Company shall delist its Equity Shares from the Stock Exchanges of Calcutta, Delhi and Madhya Pradesh and the Board of Directors of the Company be and they are hereby authorised to do all such acts, deeds and things including execution of documents as may be necessary for this purpose."

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

" RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as may be applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and is hereby altered in the following manner :

- (a) Existing Article 44 under the title " DEBENTURES" be renumbered as Article No. 44A; and
- (b) Insertion of the following Heading and Article alongwith the marginal notes as Article 44 after the existing Article 43:



DEMATERIALISATION OF SECURITIES

(1) For the purpose of this Articles :

DEFINITIONS

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"SEBI" means the Securities and Exchange Board of India established under Section 3 of the *Securities and Exchange Board of India Act, 1992*.

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

"Bye-Laws" means bye-laws made by a Depository under Section 26 of the Depositories Act.

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under subsection (1A) of Section 12 of the *Securities and Exchange Board of India Act, 1992*.

"Member" means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

"Debentureholder" means the duly registered holders from time to time of the debentures of the Company.

"Participant" means a person duly registered as such under Section 12 (1A) of the *Securities and Exchange Board of India Act, 1992*.

"Record" includes the records maintained in the form of books or stored in computer or in such other forms as may be determined by regulations made by the SEBI in relation to the Depository Act.

"Regulations" means the regulations made by the SEBI.

"Security" means such security as may be specified by the SEBI.

Words imparting the singular number only include the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used and not defined in the Act but defined in the Depositories Act shall have the same meanings respectively assigned to them in that Act.

COMPANY TO RECOGNISE INTEREST IN DEMATERIALISED SECURITIES UNDER DEPOSITORIES ACT.

(2) Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

DEMATERIALISATION OF SECURITIES

(3) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the rules framed hereunder, if any.

OPTION TO RECEIVE SECURITY CERTIFICATES OR HOLD SECURITIES WITH A DEPOSITORY

(4) Every person subscribing to or holding securities of the Company shall have the option to receive security certificate or to hold the securities with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.

BHANSALI ENGINEERING POLYMERS LIMITED

**SECURITIES IN
DEPOSITORIES
TO BE IN
FUNGIBLE FORM**

- (5) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

**RIGHTS OF
DEPOSITORIES AND
BENEFICIAL OWNERS**

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

**BENEFICIAL
OWNER
DEEMED AS
ABSOLUTE
OWNER**

- (7) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**DEPOSITORY
TO FURNISH
INFORMATION**

- (8) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

**CANCELLATION OF
CERTIFICATES
UPON SURRENDER
BY A PERSON**

- (9) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

**OPTION TO
OPT OUT IN
RESPECT OF
ANY SECURITY**

- (10) 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 information as above make appropriate entries in its records and shall inform the Company.

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 fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.



| | |
|---|--|
| SERVICE OF DOCUMENTS | (11) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs. |
| PROVISIONS OF ARTICLES TO APPLY TO SHARES HELD IN DEPOSITORY | (12) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act. |
| ALLOTMENT OF SECURITIES DEALT WITH IN A DEPOSITORY | (13) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities. |
| DISTINCTIVE NUMBER OF SECURITIES HELD IN A DEPOSITORY | (14) The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinbefore mentioned, no share shall be subdivided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished. |
| REGISTER AND INDEX OF BENEFICIAL OWNERS | (15) The Company shall cause to be kept a Register and index of Members and a Register and index of Debentureholders in accordance with Sections 151 and 152 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and index of Members and Register and index of Debentureholders, as the case may be, for the purposes of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country. |
| REGISTER OF TRANSFERS | (16) The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form." |

By order of the Board
For BHANSALI ENGINEERING POLYMERS LIMITED

Place : Mumbai
Dated : 29th May, 1999

A.R. MUNDRA
PRESIDENT & COMPANY SECRETARY

BHANSALI ENGINEERING POLYMERS LIMITED

NOTES :

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- b. The instrument of proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- c. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, 3rd August, 1999 to Saturday, 21st August, 1999 (both days inclusive).
- d. Members are requested to notify promptly any change in their address to the Share Department at the Registered Office of the Company. Any other correspondence relating to Equity Shares should also be addressed to the said department.
- e. Members are requested to bring their copies of Annual Report to the meeting.
- f. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the meeting.
- g. Members intending to seek additional information about Accounts are requested to inform the Company atleast 5 days before the date of the Annual General Meeting to enable the Company to provide proper information at the meeting.
- h. The copy of agreement dated 29th May, 1999 entered into between the Company and Shri B.M Bhansali for his re-appointment as the Managing Director of the Company and terms and conditions thereof and details of remuneration payable to him, shall be available at the registered office of the Company for the inspection of the members of the Company during all working days between 11.00 a.m. and 1.00 p.m. till the date of the ensuing Annual General Meeting of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**Item No. 5 :**

The present term of Shri B. M. Bhansali as the Managing Director of the Company, expires on 31st March, 2000. The Board of Directors at their Meeting held on 29th May 1999, considered and approved re-appointment of Shri B. M. Bhansali as the Managing Director of the Company for a further period of five years with effect from 1st April, 2000 pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions of and subject to the limits of Schedule XIII to the Companies Act, 1956.

In accordance with the resolution passed by the Board of Directors of the Company at its meeting held on 29th May, 1999 an agreement was entered into on the same day between the Company and Shri B. M. Bhansali for the re-appointment of Shri B. M. Bhansali as the Managing Director of the Company and the terms and conditions thereof and details of remuneration payable to him.

Shri B. M. Bhansali is the main Promoter of the Company and managing the Company since its inception. Shri B. M. Bhansali is expected to play a prominent role in the Company's future endeavors and activities. The Board of Directors consider the services of Shri B. M. Bhansali as Managing Director will be useful to the Company.

As per Schedule XIII to the Companies Act, 1956, the re-appointment of and remuneration payable to Shri B. M. Bhansali require approval of the Members of the Company.