

**FOURTEENTH
ANNUAL REPORT
1999-2000**



BNK CAPITAL MARKETS LTD.



BOARD OF DIRECTORS

Dr. N. K. Sengupta, (M.P.), *Chairman*

Mr. R. S. Khandelwal, *Vice-Chairman*

Mr. P. Brahmachari

Mr. P. Chakraborti

Mr. S. Khandelwal

Mr. Ajit Khandelwal, *Managing Director*

AUDITORS

M/s R. Bhattacharya & Associates

Chartered Accountants

7, Panchanantala Road

Calcutta - 700 029.

BANKERS

American Express Bank Ltd.

Oriental Bank of Commerce

AGM on 15th July 2000
at Jhajharia Committee Room,
Merchant Chambers
at 10.30 a.m.

REGISTERED OFFICE

111, Block A, 'Tivoli Court',

1A, Ballygunge Circular Road

Calcutta - 700 019, India.

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BNK CAPITAL MARKETS LTD.**NOTICE**

Notice is hereby given that the 14th Annual General Meeting of the Company will be held on Saturday, 15th July, 2000 at Jhajharia Committee Room, Merchant Chambers, 15B, Old Court House Street, Calcutta - 700 001, at 10.30 a.m. to transact the following business :

As Ordinary Business

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March 2000, alongwith the Balance Sheet as at that date together with the report of the Directors and Auditors thereon.
2. To elect the Directors in place of those retiring by rotation.
3. To appoint Auditors and to fix their remuneration.

As Special Business

1. To consider and if thought fit, to pass, with or without modifications, the following Ordinary Resolution :
 "RESOLVED that the consent of Members be and is hereby accorded to invest upto a sum of Rs. 450 lacs (Rupees four hundred fifty lacs) in BNK e Solutions Pvt. Ltd. in form of equity / preference capital or in any form as the Board may think fit".
 "Further Resolved that the Board of Directors be and is hereby authorised to do all such act as may be required for the purpose.

Registered Office :

111, Block A, 'Tivoli Court',
 1A, Ballygunge Circular Road
 Calcutta - 700 019, India.

By order of the Board

Ajit Khandelwal
(Managing Director)

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. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 7th July to 15th July, 2000 (both days inclusive).
3. Members are requested to :
 - a) Notify immediately any change in their address to the Company.
 - b) Bring their copy of the Annual Report to the Meeting.
 - c) Members desiring any information on the business to be transacted at the Meeting are requested to write to the Company atleast 10 days in advance to enable the Management to keep the information, as far as possible, ready at the Meeting.
4. A copy of the Memorandum and Articles of Association and other relevant documents are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m.



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present before you the 14th Annual Report and audited accounts for the year ending 31st March, 2000.

Financial Results

During the year under review, your Company's performance was as under :

	Year Ended 31/3/2000 (Rs. in '000s)	Year Ended 31/3/1999 (Rs. in '000s)
Total Income	81,972	52,543
Income from Operations	81,912	52,426
Income from other sources	60	117
Gross Profit	13,643	2,890
Interest & Finance Charges	65,196	47,091
Depreciation	304	9,433
Profit before Tax	13,339	(6,543)
Provision for Tax / MAT	425	251
Profit after Tax	12,914	(6,794)
Balance brought forward	(9,406)	(2,612)
Profit available for Appropriation	3,508	(9,406)
Profit & Loss Account	3,508	(9,406)

Your Directors do not recommend any payment of Dividend for the year-ended 31.3.2000, due to inadequate profits, and desire to conserve the resources of the Company to diversification and expansion of its activities.

Operations and Future Prospects

During the period under review, economic sentiments remained by and large good. The industrial growth was steady. This was reflected on the capital markets which remained buoyant in the second half of the year. Your Company took full advantage of this recovery in the capital markets. The installation of a stable government at the Centre and continuation of the reforms process shall help to keep the "feel good" factor alive.

However your Directors are taking steps and changing the mix of business to utilise resources of the Company in a more productive manner. Your directors hope to improve the performance of the Company in the current year..

Investments & Diversifications

Your Company plans to invest into BNK e Solutions Pvt. Ltd. to a tune of Rs. 450 lacs to set up a state-of-art International Call Centre (an IT-enabled service) at Infinity Think Tank, Salt Lake, Calcutta. This would be the first project of its kind in eastern India. The total project cost is estimated to be Rs. 1200 lacs. Necessary resolution for the same is proposed in the AGM.

Y2K Status

Your Company had taken necessary steps to ensure that the activities of the company were not adversely affected because of Y2K problems. There was a smooth transition of the activities of the Company into the new millennium.

Fixed Deposits

The Company has not raised any Fixed Deposits during the year.

Directors

Dr. N.K. Sengupta (M.P.) and Mr. Sanjeev Khandelwal, Directors of the Company, being the oldest in office, retire by rotation at the conclusion of the forthcoming Annual General Meeting, and being eligible offer themselves for re-election. Necessary resolutions are proposed for their reappointment.

Auditors

M/s R. Bhattacharya & Associates, Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Statutory Information

The provision relating to conservation of energy and technology absorption does not apply to the Company. The Company has no foreign exchange earnings during the year under report. There is no employee of the Company as covered u/s 217(2A) of the Companies Act, 1956, for which a separate disclosure is required.

For and on behalf of the Board

Place : Calcutta
Date : 30th May, 2000

R.S. Khandelwal
Vice-Chairman