

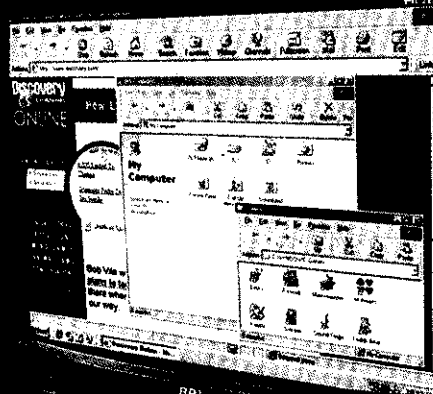
Believe in the Best



BPL BPL Limited
ANNUAL REPORT 1998-99

Annual Report 1998-99

BELIEVE IN THE BEST
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BPL LIMITED

Investors' Service Cell Phone : 080-2275997, 2276282
 BPL Plaza, 82/1 Fax : 080-2990514
 Richmond Road
 Bangalore - 560025

Notice of Annual General Meeting

NOTICE is hereby given that the 36th Annual General Meeting of BPL Limited, will be held on Thursday, the 23rd September 1999, at 10.00 AM, at Shree Parvathi Mandapam, Palakkad-678 007, Kerala, to transact the following business:

Ordinary Business

1. To consider and adopt the Report of Directors, the audited Profit and Loss Account for the year ended 31st March 1999 and the Balance Sheet as at that date.
2. To declare final dividend on Equity Shares and to confirm dividend on Preference Shares.
3. To appoint a Director in place of Mr. TPG Nambiar, who retires, by rotation, and being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. MA Uppal, who retires by rotation, and being eligible, offers himself for re-election.
5. To appoint a Director in place of Mr. Rajeev Chandrasekhar, who retires by rotation, and being eligible, offers himself for re-election.
6. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Special Business

7. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT in accordance with the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Authorised Share Capital of the Company, be and is hereby increased from Rs.80,00,00,000/- (Rupees Eighty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each, to Rs.140,00,00,000/- (Rupees One Hundred and Forty Crores only) divided into 4,00,00,000 (Four Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each and consequently the existing clause V of the Memorandum of Association of the Company, relating to Share Capital, be and is hereby altered by deleting the same and substituting in its place and stead, the

following as new Clause V:

"V The Authorised Capital of the Company is Rs 140,00,00,000/- (Rupees One Hundred and Forty Crores only) divided into 4,00,00,000 (Four Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto, respectively, such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or the Articles of Association of the Company, for the time being."

8. To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT in accordance with the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) and re-enactment thereof, the Articles of Association of the Company, be and is hereby altered as follows:

- i. Existing Article 3 of the Articles of Association of the Company, be and is hereby deleted and be substituted in its place by the following new Article:

New Article 3:

"The Authorised Capital of the Company is Rs.140,00,00,000/- (Rupees One Hundred and Forty Crores only) divided into 4,00,00,000 (Four Crores) Equity Shares of Rs.10/- (Rupees Ten only) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each, with power to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto, respectively, such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or the Articles of Association of the Company for the time being."



- ii) The following Article 17 (b) & 17 (c) shall be inserted after the existing Article 17 (a) ;

17 (b) Right of Nomination:

- i) Every shareholder or debentureholder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.
- ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be, shall vest in the event of death of all the joint holders in such manner, as may be prescribed under the Act.
- iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.
- iv) Where the nominee is a minor, it shall be lawful for the holder(s) of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his/their death, during the minority.

17 (c) Transmission of shares to Nominee :

- (i) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -
 - (1) to register himself as holder of the shares or debentures, as the case may be; or
 - (2) to make such transfer of the shares or debentures, as the deceased shareholder(s) or debentureholder(s), as the case may be, could have made.
- (ii) If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder(s) or debentureholder(s), as the case may be.
- (iii) A nominee shall be entitled to the shares, dividends, interests and other advantages to which he would be entitled if he were the registered holder of the shares or debentures. However,

he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

9. To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT in terms of Section 81 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and subject to the consent of all concerned authorities, if and to the extent necessary, and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed under applicable laws or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution"), consent of the Company be and is hereby accorded to the Board to offer/issue/allot from time to time and in one or more tranches 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of the face value of Rs.100/- (Rupees One Hundred only) each, of an aggregate nominal amount not exceeding Rs.50,00,00,000/- (Rupees Fifty Crores only), to such person or persons, whether or not shareholders of the Company, as the Board may at its absolute discretion decide, including one or more of the Members, Promoters, Financial Institutions, Banks, Mutual Funds, Non-Resident Indians, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs), Bodies Corporate and other entities, in one or more combinations thereof, whether through public issue, rights issue, private placement, preferential allotment, exchange of securities, conversion of loans or otherwise, in one or more modes or combinations thereof and in one or more tranches and on such terms and conditions including the rate of dividend, amount of premium, if any, on redemption, redemption period, manner of redemption and matters incidental thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorised, on or before redemption of the Preference Shares



issued pursuant to this resolution, to issue fresh shares upto the nominal amount of the Shares redeemed or about to be redeemed, as if those shares had never been issued to persons and in the manner and on terms referred to herein above.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilisation of the proceeds and further to do all such acts, deeds, matters and things and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient, as it may deem fit.

By order of the Board

A R RAJARAM
Company Secretary

Bangalore
8th May 1999

Registered Office

BPL Works,
Palakkad-678 007, Kerala.

NOTES:

1. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business set out in the accompanying notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Members/Proxies should bring the Attendance Slip sent herewith duly filled in, for attending the Meeting.
4. The Register of Members and Share Transfer Books of the Company will be closed from 1st September 1999 to 23rd September 1999 (both days inclusive).
5. Dividend on equity shares as recommended by the Directors for the year ended 31st March 1999, if declared at the Meeting, will be paid to those members whose names appear in the Register of Members as on 23rd September 1999. In respect of shares held in the electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depository for this purpose.

6. Shareholders are requested to encash dividend warrants immediately on their receipt, as dividends remaining unclaimed for seven years is required to be transferred to the Investor Education and Protection Fund to be established by the Central Government. Shareholders may be aware that unlike under the erstwhile provisions of the Section 205A of the Companies Act, 1956, where a claim could have been made with the Registrar of Companies, after the transfer of the unclaimed dividend to the account of the Central Government, no claims will be entertained after the transfer of the unclaimed dividend to the above fund, pursuant to the new provisions promulgated under the Companies (Amendment) Ordinance, 1999.

7. The Company has already transferred the unclaimed dividend declared upto the financial year ended 31st March 1995 to the General Revenue Account of the Central Government as required by the Companies Un-paid dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed or collected their dividend upto the aforesaid financial year may claim their dividend from the Registrar of Companies-Kerala, M G Road, Ernakulam, Cochin 682 001.

8. Shareholders intending to require information about accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.

9. Shareholders are requested to communicate all their correspondence including change in address, Share Transfer matters etc., to:

INVESTORS' SERVICE CELL, BPL Limited, BPL Plaza, 82/1, Richmond Road, Bangalore-560 025, Phone Nos. 080 - 2275997/2276282, Fax No. 080-2990514.

By order of the Board

A R RAJARAM
Company Secretary

Bangalore.
8th May 1999

Registered Office:
BPL Works,
Palakkad-678 007, Kerala.



ANNEXURE TO NOTICE

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

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying notice and should be taken as forming part of the Notice.

ITEM Nos. 7 & 8

INCREASE IN AUTHORISED SHARE CAPITAL

Presently, the Authorised Share Capital of the Company is Rs. 80,00,00,000/- comprising of 3,00,00,000 Equity Shares of Rs.10/- each aggregating Rs.30,00,00,000/- and 50,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each aggregating Rs.50,00,00,000/-.

Several Corporates, Banks and Institutional Investors, have approached the Company in the recent past for subscription to Preference Shares on a private placement basis. Your Directors intend to consider such proposals as and when necessary, based on terms offered, to raise financial resources in order to repay the high cost debts and also to meet the long term working capital needs of the Company.

The proposed issue of capital together with the existing Subscribed Capital of the Company would exceed the present Authorised Capital, hence, it is proposed to increase the Preference Share Capital of the Company from Rs. 50 Crores to Rs.100 Crores, by creation of 50,00,000 additional Cumulative Redeemable Preference Shares of Rs.100/- each, aggregating Rs. 50,00,00,000/-. Since the Capital Clauses in the Memorandum and Articles of Association of the Company is being altered to increase the Preference Share Capital of the Company, it is also simultaneously proposed to increase the Equity Share Capital of the Company from Rs. 30 crores to Rs. 40 crores, by creating additional 1,00,00,000 equity shares of Rs. 10/- each.

Sections 94 and 31 of the Companies Act, 1956 provide inter-alia, that the alteration of Capital Clauses in the Memorandum and Articles of Association of the Company requires the consent of members in a General Meeting.

NOMINATION FACILITY TO SHARE/ DEBENTUREHOLDERS

The Companies (Amendment) Ordinance, 1999 has introduced through Sections 109A and 109B, the facility of nomination to share/debenture holders. These provisions enable shares/debenture holders holding shares/debentures in single/joint name(s) to nominate a person to whom shares/debentures held in companies shall vest in the event of his/their death. The Company intends to extend this facility to all the shareholders of the Company towards which separate nomination forms are being mailed to all the shareholders alongwith this notice.

It is proposed to amend the Articles of Association of the Company to incorporate the provisions relating to nomination. The amendment to the Articles of Association of the Company inter-alia requires

consent of the members by way of Special Resolution passed in a General Meeting.

Your Directors commend the resolutions as set out in Item Nos. 7 & 8 for your approval. None of the Directors of the Company is either concerned or interested in the resolution.

ITEM NO. 9

ISSUE OF CUMULATIVE REDEEMABLE PREFERENCE SHARES

Pursuant to the resolution passed by the members for creation and issue of Cumulative Redeemable Preference Shares aggregating Rs.50 Crores at the Extra-ordinary General Meeting held on 3rd March 1998, the Company has so far issued and allotted 50,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each, aggregating Rs.50 Crores to certain Banks/Financial Institutions.

Several Corporates, Banks and Institutional Investors, have approached the Company in the recent past for subscription to Preference Shares on a private placement basis. Your Directors intend to consider such proposals as and when necessary, based on terms offered, to raise financial resources in order to repay the high cost debts and also to meet the long term working capital needs.

Accordingly, it is proposed to offer 50,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each aggregating Rs.50,00,00,000/-, to such persons, whether they are Members of the Company or not carrying such rate of dividend, as may be determined by the Directors.

Section 81 of the Companies Act, 1956 provides inter alia that when it is proposed to increase the issued capital of the Company by issue of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 81, unless the shareholders in a General Meeting decide otherwise.

Accordingly, consent of the shareholders is being sought for issue of additional Cumulative Redeemable Preference Shares as aforesaid. Your Directors recommend the resolution for approval of the shareholders.

None of the Directors of the Company is either concerned or interested in the resolution.

By order of the Board

A R RAJARAM
Company Secretary

Bangalore
8th May 1999

Registered Office:
BPL Works,
Palakkad-678 007, Kerala.



Believe in the Best.

**BPL LIMITED**

Investors' Service Cell Phone : 080-2275997, 2276282
BPL Plaza, 82/1 Fax : 080-2990514
Richmond Road
Bangalore - 560025

8th May 1999

Dear Shareholder,

We are pleased to offer the following facilities:

Nomination

The Companies (Amendment) Act, 1999 has introduced through Section 109A, the facility of nomination to shareholders. This facility is useful for all holders holding shares in single names. In cases where shares are held in joint names, the nomination will be effective only on the death of all the holders.

Investors are advised to avail of this facility, especially investors holding shares in single names, to avoid the process of transmission by law.

Investors holding shares in physical form may send enclosed nomination form as per ANNEXURE - A directly to the Registrar and Share Transfer Agent of the Company, Karvy Consultants Limited, Bangalore. However, if shares are held in dematerialised form, the nomination has to be conveyed to your Depository Participant directly, as per the format prescribed by them.

Electronic Clearing Service for payment of dividends

You may be aware that the Reserve Bank of India (RBI) has introduced a new system by which you could have your account credited electronically for the dividend amount. This facility is presently available in those cities where the ECS service is covered by RBI. RBI has already covered several cities in the country. This would facilitate shareholders to obtain the dividend electronically and payment would consequently be faster and loss in postal transit would be eliminated.

Under this method, we would issue payment instructions to the Clearing Authority through our bankers and the Clearing Authority would supply credit reports to the bank with whom you maintain the specified account. On the advice of your bank, the respective branch would credit your account and indicate the credit entry as ECS in your pass book/statement of account. If you maintain more than one bank account, you can have any of these accounts credited electronically with the dividend. You are not required to open any new bank account for this purpose. We would issue a dividend



advice to you directly, after the transaction is effected, as is presently done for shareholders whose bank accounts are being credited directly.

If you wish to participate in this scheme, please fill in the attached Mandate Form appended at ANNEXURE - B and send the same directly to the Registrar and Share Transfer Agent of the Company. The information provided by you will be treated confidential and will be utilized only for the purpose of effecting the payments meant for you. In case of Shareholders at locations where the ECS service has not been extended by RBI, the particulars of Bank Accounts furnished by them shall be incorporated on the Dividend warrants.

The forms should be mailed to the Registrar and Share Transfer Agent at the following address :

KARVY CONSULTANTS LIMITED

Unit : BPL LIMITED

T.K.N. Complex, 51/2, Vani Vilas Road

Basavanagudi

Bangalore - 560 004

Tel : 080 - 6621192 / 93 Fax : 080-6621169

Very truly yours,

BPL LIMITED

A R RAJARAM

General Manager & Company Secretary



Believe in the Best.

BPL is a **part** of people's lives.

It adds excitement to day-to-day life

with the best ideas and technology
for entertainment and good living.

Across millions of homes and hearts.

BPL is larger-than-life.

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BPL is committed to
achieve a leadership
position in all its
business groups
through utilisation
of the best and the
most appropriate

MISSION**S t a t e m e n t**

technologies,
applying the finest
manufacturing
disciplines and most
efficiently
marketing high
quality products and
services to
consistently give its
customers the best
value for money.