

38th Annual Report 1999-2000

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balkrishna industries limited



LORD GANESH TEMPLE AT AMBIVLI FACTORY

Form 2B
(see rules 4CCC and 5D)

NOMINATION FORM

(To be filled in by individual holding shares singly or jointly, if jointly, only upto 2 persons)

I/We and

the holders of shares bearing share certificate number(s)*

in Folio No..... of Balkrishna Industries Limited wish

to make a nomination and do hereby nominate the following person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of my/our death.

Name & address of Nominee

(to be furnished in case the nominee is a minor)

Name

Date of Birth :

Address

Name of Guardian :

.....

Address :

.....

.....

Name :

Name:

Signature of the sole/1st holder

Signature of the 2nd joint holder

Date :

Date:

Name and Address of Witness

Signature

Date

1.

2.

INSTRUCTIONS:

1. The Nomination can be made by **individuals only** holding share on their own behalf singly or jointly **upto two persons**. If the Shares are held jointly all joint holders shall sign the nomination form. (Non-individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of power of attorney **cannot** nominate).
2. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian shall be given by the holder.
3. The nominee shall not be a trust, society, body corporate, partnership firm, karta of Hindu Undivided Family or a power of attorney holder.
4. Nomination shall stand rescinded upon transfer of share.
5. Transfer of share in favour of a nominee shall be a valid discharge by a company against the legal heir.
6. The signature of the sole/first/joint holder should be as per the specimen signature registered with the company.
7. Nomination form which is incomplete or which contains incorrect particulars is liable to be rejected.
8. *If the space provided for share certificate numbers is not adequate, please use additional sheets/and authenticate the same.

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the members of BALKRISHNA INDUSTRIES LIMITED will be held as scheduled below:

DAY : Thursday
 DATE : 17th August, 2000
 TIME : 10.30 A.M.
 PLACE : Hall of Harmony, Nehru Centre,
 Dr. Annie Besant Road,
 Worli, Mumbai 400 018.

The Agenda for the Meeting will be as under :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Statement of Accounts for the year ended 31st March, 2000.
2. To note payment of dividend on shares.
3. To appoint a Director in place of Shri Shrikishan D. Poddar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Yogeshkumar A. Mahansaria who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their Remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such sanctions and approvals as may be necessary, the consent of the company be and is hereby accorded for reappointment of Shri Ashokkumar P. Mahansaria as the Vice Chairman and Managing Director of the Company for further period of 5 years w.e.f. 1st April, 2000 on the terms and conditions set out in the Explanatory Statement relating to this Resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Shri Ashokkumar P. Mahansaria, within the limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII of the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, allowances etc., within such prescribed limit or ceiling and the terms and conditions between the Company and Shri Ashokkumar P. Mahansaria be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting."

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

7. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act,

1956, and subject to such sanctions and approvals as may be necessary, the consent of the company be and is hereby accorded for reappointment of Shri Pramodkumar D. Poddar as the Executive Director of the Company for further period of 5 years w.e.f. 1st April, 2000 on the terms and conditions set out in the Explanatory Statement relating to this Resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Shri Pramodkumar D. Poddar, within the limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII of the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, allowances etc., within such prescribed limit or ceiling and the terms and conditions between the Company and Shri Pramodkumar D. Poddar be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting."

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

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as under:

After Article 2 new Article 2 A be inserted:

- a. Article 2 (A) of the Articles of Association shall include the following interpretations at appropriate places.

"Beneficial Owner" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;

"Bye-laws" means bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

"Depositories Act" means the Depository Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force;

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of registration to act as a Depositories by SEBI;

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company and a Beneficial Owner;

"Record" includes the records maintained in the form of books or stored in a computer or such other form as may be determined by regulations made by Regulators;

"SEBI" means the Securities and Exchange Board of India;

"Security" means shares, debentures and such security as may be specified by the SEBI from time to time.

- b. After article 13, the following new Articles shall be inserted as Article 13A, 13B, 13C and 13D respectively with the



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following marginal notes:

DEMATERIALISATION OF SECURITIES:

- 13A "Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities, held in the depositories and/or to offer its fresh securities in the dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any."

OPTION FOR INVESTORS:

- 13B "Every person subscribing to securities offered by the Company shall have the option to receive 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 the 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 certificate of securities. 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."

SECURITIES IN DEPOSITORIES TO BE IN FUNGIBLE FORM:

- 13C "All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Section 153, 153A, 153B, 187A, 187B, 187C and 372A of the Act shall apply to a depository in respect of securities held by it on behalf of the beneficial owners. No certificate shall be issued for the securities held by the depository."

DISTINCTIVE NUMBERS OF SECURITIES HELD IN A DEPOSITORY:

- 13D "Nothing contained in the Act or the Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository."

- c. After Article 109, the following new Article shall be inserted as Article 109A with the following marginal notes:

VOTING RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNER:

- 109A "Notwithstanding anything contained in Article 109 of the Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of securities on behalf of a beneficial owner.

Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it; and

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 shall be entitled to all the rights and benefits and shall be subject to all the liabilities in respect of such of his

securities which are held by a Depository."

- d. After Article 8, the following new Article shall be inserted as Article 8A with the following marginal notes:

ALLOTMENT OF SECURITIES DEALT WITHIN A DEPOSITORY:

- 8A "Notwithstanding anything contained in the Act or the 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."

- e. After Article 13D, the following new Article shall be inserted as Article 13E with the following marginal notes:-

- 13E "The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles."

- f. After Article 45, the following new Article shall be inserted as Article 45A with the following marginal notes:-

TRANSFER OF SECURITIES:

- 41A "Nothing contained in Section 108 of the Act or the Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository."

- g. After Article 42, the following new Article shall be inserted as Article 42A:

SERVICE OF DOCUMENTS:

- 42A "Notwithstanding anything contained in the Act or the 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."

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

Article 53 shall commence with the following words:-

"In the absence of a nomination recorded in accordance with the Section 109A of the Act, which shall in any event have precedence,....."

The following Article 53A shall be inserted after the existing Article 53 with the following marginal notes:-

RIGHT OF NOMINATION:

- 53A (1) Every shareholder or debenture holder 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.

- (2) 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.

- (3) Notwithstanding anything contained in any other law for the time being in force or 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.
- (4) Where the nominee is a minor, it shall be lawful for the holder 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 death, during the minority".

The following Article 54A shall be inserted after the existing Article 54 with the following marginal notes:-

OPTION TO NOMINEE :

- 54A (1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-
- (a) to register himself as holder of the share or debenture, as the case may be; or
 - (b) to make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be, could have made.
- (2) If the nominee elects to be registered as holder of the share or debenture, 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 or debenture holder, as the case may be.
- (3) A nominee shall be entitled to the Share, dividend and other advantages to which he would be entitled if he were the registered holder of the share or debenture. Provided that 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 further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with.

10. To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an Special Resolution.

"RESOLVED THAT subject to the provisions of the Companies Act,

1956 (including any statutory modification(s) or re-enactments thereof for the time being in force and as may be enacted hereinafter), Securities Contracts (Regulation) Act, 1956, and the Rules framed thereafter, Listing Agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such, conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by the Resolution), be and is hereby authorised to agree to if acceptable to the Board, the consent of the Company be and is hereby accorded to the Board to delist the equity shares and all other Securities of the Company from the Stock Exchange at Ahmedabad."

11. To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 146(2) and other applicable provision if any, of the Companies Act, 1956, the Registered Office of the Company situated at 418, Creative Industrial Estate, 72, N.M. Joshi Marg, Mumbai 400 011 be shifted to H-3/1 MIDC, 'A' Road, Tarapur, Boisar 401 506, Maharashtra with effect from 18th August, 2000 and that the consequential amendments in the official documents, nameplates etc. be made consequent upon the new address becoming effective and that the board be and is further authorised to do all such acts, deeds, matters and things as maybe necessary, proper or expedient to give effect of this resolution."

"RESOLVED FURTHER that consequently the registers and the indexes of the members, debenture holders and copies of all annual returns prepared under Section 159 of the Companies Act, 1956 together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act or any one or more of them, be kept at the Registered Office of the Company at H-3/1 MIDC, 'A' Road, Tarapur, Boisar 401 506, Maharashtra with effect from 18th August, 2000."

By Order of the Board of Directors
For **BALKRISHNA INDUSTRIES LIMITED**

VIPUL SHAH
Company Secretary

Registered Office:
418, Creative Industrial Estate,
72, N. M. Joshi Marg,
Mumbai-400 011.

Mumbai,
Dated: 16th June, 2000

NOTES

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- 2) The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.



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- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from 11th August, 2000 to 17th August, 2000 (both days inclusive).
- 4) The Board of Directors at their meeting held on 27th March, 2000 has declared payment of interim dividend of Rs.3 per Equity Share for the year 1999-2000. The Board has decided to treat the interim dividend as final dividend. Accordingly, shareholders would note the payment of interim dividend made in the shares of the Company. (Refer item No.2 of the Notice.)
- 5) Members are requested to notify to the Company immediately change of address, if any.
- 6) Shareholders desiring any information with regards to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- 7) Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
- 8) Pursuant to section 205 A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31st March, 1996 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, Hakoba Mill Compound, 2nd floor, Kalachowki, Mumbai 400 033.
- 9) In case members are holding shares under different folio numbers, but in the same order of name, the holdings can be consolidated under one folio. In such cases, members may send the certificates to the Registered Office of the Company by Registered Post.
- 10) To avail the facility of nomination, Members are requested to submit the Nomination Form annexed to the notice, duly filled in.

ANNEXURE TO NOTICE

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

ITEM NO : 6

The Board of Directors at its meeting held on 27th March, 2000 reappointed Shri Ashokkumar P. Mahansaria as the Vice Chairman and Managing Director of the company for a period of 5 years w.e.f. 1st April, 2000 to 31st March, 2005.

The Board of Directors has fixed the following remuneration to be paid to Managing Director during his term with power to make such variation or increase therein as may thought fit from time to time, but within the ceiling/s laid down in Schedule XIII of the Companies Act, 1956, or any Statutory amendment or relaxation thereof:

Salary

Rs.90,000/- per month, in the scale of (90,000 - 10,000 - 1,30,000). The next increment shall fall due on 1st April, 2001 and thereafter on 1st April every year.

Commission

As may be determined by the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated from time to time under Sections 198, 309 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956, as may for the time being be in force.

Perquisites

In addition to the salary and commission, the following perquisites shall also be allowed to him.

a) Housing

The Company shall provide him fully furnished residential accommodation together with all amenities, facilities and utilities such as Gas, Water, Electricity and Fuel etc. as may be approved by the Board from time to time.

In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance to the extent of 60% of the salary.

The expenditure incurred by the Company on Gas, Electricity, Water & Furnishings shall be valued as per Income Tax Rules, 1962 and shall be subject to a ceiling of 10% of the salary.

b) Medical reimbursement

Reimbursement of medical expenses incurred in India or abroad and including hospitalisation, nursing home and surgical charges and premium for medical insurance incurred for self and family.

c) Leave Travel Concession

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and family.

d) Club Membership

Fees of the Clubs subject to a maximum of two clubs including admission and life membership.

e) Personal Accident Insurance

The annual premium for which shall not exceed Rs.10,000/-

f) Provident Fund, Superannuation Fund and Annuity Fund

Contribution to Provident Fund, Superannuation Fund and Annuity Fund will not be included in the computation of remuneration to the extent these singly or put together are not taxable under Income Tax Rules, 1962.

g) Gratuity

Gratuity shall be payable at half month's salary for each completed year of service and will not be included in computation of remuneration.

h) Leave and Encashment of Leave

The Managing Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

i) Conveyance

The Company shall provide suitable conveyance facilities as may be required by the Managing Director.

j) Free Telephone, Facsimile and other Communication Facilities

The Company shall provide him free Telephone, Facsimile and other communication facilities at the Managing Director's residence.

k) Minimum remuneration

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Managing Director shall be paid remuneration by way of

salary, perquisites and allowances as specified above subject to limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto."

Explanation

For the purpose of the perquisites family shall mean the spouse, the dependent children and the dependent parents of the appointee.

None of the Directors except Shri Ashokkumar P. Mahansaria himself and Shri Yogeshkumar A. Mahansaria, being his relative, is interested in the Resolution.

ITEM NO : 7

The Board of Directors at its meeting held on 27th March, 2000 reappointed Shri Pramodkumar D. Poddar the Executive Director of the company for a period of 5 years w.e.f. 1st April, 2000 to 31st March, 2005.

The Board of Directors has fixed the following remuneration to be paid to Executive Director during his term with power to make such variation or increase therein as may thought fit from time to time, but within the ceiling/s laid down in Schedule XIII of the Companies Act, 1956, or any Statutory amendment or relaxation thereof:

Salary

Rs.85,000/- per month, in the scale of (85,000 - 10,000 - 1,25,000). The next increment shall fall due on 1st April, 2001 and thereafter on 1st April every year.

Commission

As may be determined by the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated from time to time under Sections 198, 309 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956, as may for the time being be in force.

Perquisites

In addition to the salary and commission, the following perquisites shall also be allowed to him.

a) Housing

The Company shall provide him fully furnished residential accommodation together with all amenities, facilities and utilities such as Gas, Water, Electricity and Fuel etc. as may be approved by the Board from time to time.

In case no accommodation is provided by the Company, the Executive Director shall be entitled to House Rent Allowance to the extent of 60% of the salary.

The expenditure incurred by the Company on Gas, Electricity, Water & Furnishings shall be valued as per Income Tax Rules, 1962 and shall be subject to a ceiling of 10% of the salary.

b) Medical reimbursement

Reimbursement of medical expenses incurred in India or abroad and including hospitalisation, nursing home and surgical charges and premium for medical insurance incurred for self and family.

c) Leave Travel Concession

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and family.

d) Club Membership

Fees of the Clubs subject to a maximum of two clubs including admission and life membership.

e) Personal Accident Insurance

The annual premium for which shall not exceed Rs.10,000/-

f) Provident Fund, Superannuation Fund and Annuity Fund

Contribution to Provident Fund, Superannuation Fund and Annuity Fund will not be included in the computation of remuneration to the extent these singly or put together are not taxable under Income Tax Rules, 1962.

g) Gratuity

Gratuity shall be payable at half month's salary for each completed year of service and will not be included in computation of remuneration.

h) Leave and Encashment of Leave

The Executive Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

i) Conveyance

The Company shall provide suitable conveyance facilities as may be required by the Executive Director.

j) Free Telephone, Facsimile and other Communication Facilities

The Company shall provide him free Telephone, Facsimile and other communication facilities at the Executive Director's residence.

k) Minimum remuneration

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Executive Director shall be paid remuneration by way of salary, perquisites and allowances as specified above subject to limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto."

Explanation

For the purpose of the perquisites family shall mean the spouse, the dependent children and the dependent parents of the appointee.

None of the Directors except Shri Pramodkumar D. Poddar himself and Shri Dharaprasad R. Poddar and Shri Shrikishan D. Poddar, being his relatives, are interested in the Resolution.

ITEM NO : 8

With the introduction of Depositories, Act, 1996, and the introduction of the Depository System, some of the provisions of the Companies Act, 1956 relating to the issue, holding, transfer, transmission of shares and other securities have been amended to facilitate the implementation of the new system. The depository system of holding securities in an electronic form is considered to be a far safer and more convenient method for holding and trading in the securities of a company. Your Company proposes to joined the Depository and its securities can be dematerialised and it is, therefore, proposed that the Company's Articles of Association be suitably altered as set out in Resolution at item no. 8 to reflect the provisions introduced by the Depositories Act, 1996 and to spell out the rights of the beneficial



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owners of the securities in such a system.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

ITEM NO : 9

As per the amendment in the Companies Act, 1956, through the Ordinance, now every holder of shares in, or holder of debentures of, a 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. It is therefore, necessary to amend Article 53 and 54 and add Articles 53A and 54A in the Articles of Association as set out in the Resolution accordingly.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

ITEM NO : 10

Presently, the Company's securities are listed on the following two Stock Exchanges in India:-

- i. The Stock Exchange, Mumbai;
- ii. The Stock Exchange, Ahmedabad

With the extensive networking of The Stock Exchange, Mumbai (BSE) and the extension of the BSE terminals to other cities as well, investors have access to online dealings of the Company's securities across the country. The bulk of the trading in the Company's equity shares in any case takes place on the BSE and the depth and liquidity of trading in the Company's securities on the Ahmedabad Stock Exchange is lower. The Company's securities are also traded on virtually all other stock exchanges in the country, in the "permitted" category. The investors located in the Gujarat region have an access to trade on the securities of the Company through extension of BSE Terminals in Ahmedabad.

It is also observed that the listing fee paid to the Ahmedabad Stock Exchange is disproportionately higher, and as stated herein, the trading volumes and liquidity are low compared to the BSE.

As a part of its cost reduction measures, the Company has proposed this resolution, which will enable it to delist of all its securities from The Stock Exchange, Ahmedabad.

In line with the SEBI regulations, members' approval is being sought by a Special Resolution for enabling voluntary delisting of its Securities from the said Stock Exchange.

The Company is also separately giving Special Notice of the proposed enabling resolution for the said delisting in one National Newspaper and one circulating in the region of the Stock Exchange, Ahmedabad. The proposed delisting of the Company's securities from the Stock Exchange, Ahmedabad, as and when the same takes place, will not adversely affect the investors. The Company's securities will continue to be listed on the BSE, apart from being traded on almost all the major

exchanges in the country in the "permitted" category. The delisting will take effect after all approvals, permissions and sanctions are received. The exact date on which delisting will take effect will be suitably notified at that time.

Your Directors recommend the Special Resolution for approval of the members.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

ITEM NO : 11

Presently the Registered Office of the Company is situated at 418, Creative Industrial Estate, 72, N M Joshi Marg, Mumbai 400 011, whereas its major production, sales and other commercial and administrative activities are situated at Ambivli/Tarapur/Aurangabad. The activities at Tarapur needs continues supervision and follow up, due to which most of the Senior Executives and major departments of the Company are stationed at Tarapur. It is therefore considered advantageous, economical and for better co-ordination and speedy disposal of matters, to have the Registered Office shifted to Tarapur. This will provide better synergy of work, better efficiency thereby resulting in smooth functioning, effective communication and all round improvement in services.

As a consequence, the documents referred to in Section 163 of the Companies Act, 1956 will be effective from 18th August, 2000, kept at the proposed new location of the Registered Office of the Company at Tarapur, as per the requirements of Section 163 of the Act.

The Board of Directors commend the resolution for your approval.

A copy of the proposed resolution has been sent in advance to the Registrar of Companies, Maharashtra, Mumbai.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors
For **BALKRISHNA INDUSTRIES LIMITED**

VIPUL SHAH
Company Secretary

Registered Office:

418, Creative Industrial Estate,
72, N. M. Joshi Marg,
Mumbai-400 011.

Mumbai,
Dated: 16th June, 2000

BALKRISHNA INDUSTRIES LIMITED

Registered Office: 418, Creative Industrial Estate,
72, N.M. Joshi Marg, Mumbai - 400 011.

ATTENDANCE SLIP

THIS ATTENDANCE SLIP DULY FILLED IN TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL.

Name of the Attending Member/Proxy (in Block Letters).....

Member's Folio Number.....

No. of Shares held.....

I hereby record my presence at the 38th Annual General Meeting at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 on Thursday, the 17th August, 2000, at 10.30 a.m.

.....
Member's/Proxy's Signature.

BALKRISHNA INDUSTRIES LIMITED

Registered Office: 418, Creative Industrial Estate,
72, N.M. Joshi Marg, Mumbai - 400 011.

FORM OF PROXY

Folio No.

I/We of

in the district of being a Member/Members of the abovenamed Company hereby appoint

..... of in the district of

or Failing him of in the district of

..... as my/our proxy to vote for me/us on my/our behalf at the 38th Annual General

Meeting of the Company to be held on Thursday, the 17th August, 2000 at 10.30 a.m. or at any adjournment thereof.

Signed this day of 2000

Affix
30 paise
Revenue
Stamp

Note: The Proxy and the Power of Attorney (if any) under which it is signed or notarially certified copy of that power of Attorney must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting. The proxy need not be a member of the Company.

BALKRISHNA INDUSTRIES LIMITED

Registered Office: 418, Creative Industrial Estate,
72, N.M. Joshi Marg, Mumbai - 400 011.

16th June, 2000

Dear Shareholder,

Sub : Furnishing of Bank Account particulars

We have been mailing dividend warrants from time to time on the shares held by you directly to your address. These warrants are drawn in your name and crossed "Account Payee Only."

With a view to minimizing the chances of fraudulent encashment of dividend warrants, we propose to print on the dividend warrants the bank account number and name of the bank through whom the warrants should be encashed. The information required is in terms of the recommendation of the Securities and Exchange Board of India in line with their guidelines for issue of refund orders. Kindly note that your furnishing the information would not be construed as a mandate and the warrants will continue to be mailed directly to your address. We seek your co-operation in this regard and request you to furnish your bank account details in the format given back side.