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**The
Bombay Burmah Trading Corporation, Limited.**

2000

One hundred and thirty-sixth annual report

The Bombay Burmah Trading Corporation, Limited**The Bombay Burmah Trading Corporation, Limited****LOCATION OF CORPORATION'S
TEA/COFFEE ESTATES AND FACTORIES**

Tea and Coffee Estates	: (1) Mudis Group of Estates, Mudis P.O. 642 117, Coimbatore District, Tamil Nadu.
	(2) Singampatti Group of Estates — Manjolai P.O. 627 420, Tirunelveli District, Tamil Nadu.
	(3) Dunsandle Estate — Dunsandle P.O., Nilgiris, S. India.
	(4) Elk Hill Group of Estates — Post Box No. 12, Sidapur, P. & T.O. 571 253, South Coorg, Karnataka State.
	(5) Usambara Group, Herkulu Estate, P.O. Box 22, Soni, Tanzania.
Formica India	: Akurdi, Pune 411 035.
Central India Board Products	: Pathrota Road, Itarsi 461 111.
BCL Springs	: M.I.D.C. Industrial Area, Plot F-12-A, Chikalthana, Aurangabad-431 210.
Afcoset Balances	: Plot 304, GIDC, Valsad Industrial Estate, Gundlav, Valsad-396 035.
Afcoset Scales	: Plot No. 2, Kanjur Village Road, Kanjur Marg (East), Mumbai-400 042.

DISTRIBUTION OF SHAREHOLDINGS (AS ON 30-9-2000)

Category of Shareholders	No. of Shares	Percentage
1. Companies and Bodies Corporate	88,32,483	63.30
2. Financial Institutions	19,00,370	13.62
3. Nationalised Banks	40,970	0.29
4. Foreign Institutional Investors	77,800	0.56
5. Individuals and Others	31,02,757	22.23
TOTAL	1,39,54,380	100.00
Total Number of Shareholders: 12,335.		

ANNUAL GENERAL MEETING — 14TH DECEMBER, 2000 AT
 "BIRLA MATUSHRI SABHAGAR", 19, SIR VITHALDAS THACKERSEY MARG,
 MUMBAI 400 020 — 3.45 p.m.

The Bombay Burmah Trading Corporation, Limited

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The Bombay Burmah Trading Corporation, Limited**ANNUAL REPORT 1999-2000****DIRECTORS**

NUSLI N. WADIA, Esq., *Chairman*
A. K. HIRJEE, Esq. *Vice Chairman*
KESHUB MAHINDRA, Esq.
FIELD MARSHAL S. H. F. J. MANEKSHAW, M. C.
J. MATTHAN, Esq.
G. V. KAPADIA, Esq.
M. L. APTE, Esq.
D. E. UDWADIA, Esq.
P. K. CASSELS, Esq.
S. P. TAO, Esq.
B. N. B. TAO, Esq., Alternate Director to Mr. S. P. TAO

SECRETARY

N. H. DATANWALA, Esq.

REGISTERED OFFICE

9, WALLACE STREET, FORT, MUMBAI 400 001.
Tel. No. 207 9351 (4 lines)

PRINCIPAL BANKERS

UNION BANK OF INDIA
STANDARD CHARTERED BANK
ANZ GRINDLAYS BANK
THE HONGKONG AND SHANGHAI BANKING
CORPORATION LIMITED
BANQUE NATIONALE DE PARIS

AUDITORS

C. C. CHOKSHI & CO.
Chartered Accountants

SOLICITORS

CRAWFORD BAYLEY & CO.
UDWADIA, UDESHI & BERJIS

The Bombay Burmah Trading Corporation, Limited

NOTICE

NOTICE is hereby given that the One Hundred and Thirty-Sixth Annual General Meeting of the Members of the Corporation will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai - 400 020, on Thursday, the 14th day of December, 2000 at 3.45 p.m. for the purpose of transacting the following business:

1. To consider and adopt the Profit and Loss Account for the 18 months period ended 30th September, 2000 and the Balance Sheet as at that date, together with the Reports of the Board of Directors and Auditors.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Nusli N. Wadia who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Field Marshal S.H.F.J. Manekshaw, M.C. who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. J. Matthan, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act, the re-appointment of Mr. M. C. Muthanna as a Whole-time Director of the Corporation designated as Executive Director for the period from 1st April, 2000 to 7th August, 2000 on the terms and remuneration set out in the Explanatory Statement annexed to this Notice, be and the same are hereby approved."

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

"RESOLVED that M/s. C. C. Chokshi & Co., Chartered Accountants, be and are hereby appointed Auditors of the Corporation from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Corporation, at a remuneration to be fixed by the Board of Directors."

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

"RESOLVED that the audit of the accounts of the South India Branches of the Corporation be carried out by M/s. Fraser & Ross, Chartered Accountants and that they be and are hereby appointed Branch Auditors for the current financial year at a remuneration to be fixed by the Board of Directors."

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to appoint in consultation with M/s. C. C. Chokshi & Co., the Corporation's Auditors, in

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respect of the audit of the accounts of the Corporation's branch offices outside India, a person who is either qualified for appointment as auditor of the Corporation under Section 226 of the Companies Act, 1956 or as accountant duly qualified to act as an auditor of the accounts of such branch offices, for the current financial year in accordance with the laws of the concerned countries and to fix the remuneration and the terms and conditions of their appointment as branch auditors."

By Order of the Board,

N. H. DATANWALA
Secretary

Registered Office:

9, Wallace Street,
Fort,
Mumbai 400 001.

Dated, the 14th day of November, 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 IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE CORPORATION.
2. In respect of Item No. 6, an Explanatory Statement as required under Section 173 of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Corporation will remain closed from 23rd November, 2000 to 14th December, 2000 (both days inclusive).
4. Warrants in respect of dividend, if declared, will be posted to the Members on or after 18th December, 2000. Dividend will be payable on and from that date to those Members whose names appear in the Register of Members at the close of business on 14th December, 2000.
5. Members who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 1996, or any subsequent dividend payment(s) are requested to make their claim to the Corporation.
6. The amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund in accordance with Section 205A of the Companies Act, 1956.
7. The Corporation's Equity Shares are listed at (1) The Stock Exchange, Mumbai, (Regional Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and (2) National Stock Exchange of India Limited, Tradeworld, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. The Annual Listing Fee as prescribed has been paid to each of these Stock Exchanges.

The Bombay Burmah Trading Corporation, Limited**EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to Item No. 6 mentioned in the accompanying Notice dated the 14th day of November, 2000.

Item No. 6:

Mr. M. C. Muthanna was appointed as a Whole-time Director of the Corporation designated as Executive Director for a period of five years with effect from 1st April, 1995, vide an Agreement dated 21st day of July, 1995 between the Corporation and Mr. Muthanna. By a Circular Resolution dated 28th March, 2000 the Board of Directors has subject to approval of the Members in General Meeting re-appointed Mr. Muthanna as a Whole-time Director of the Corporation designated as Executive Director, for a further period of two years with effect from 1st April, 2000, upon the remuneration including perquisites and other terms as set out below.

The remuneration including perquisites payable to Mr. Muthanna is in conformity with the requirements of Schedule XIII to the Companies Act, 1956. Consequently, no approval of the Central Government is required for his re-appointment.

Mr. Muthanna's re-appointment referred to in the Resolution at Item No. 6 of the Notice was on the terms and on the remuneration as under:

1. Mr. Muthanna to serve the Corporation as its Whole-time Director designated as Executive Director for a term of two years from 1st April, 2000 unless previously determined.
2. Mr. Muthanna to carry out such functions, exercise such powers and perform such duties as the Board and/or the Managing Director shall from time to time, in their absolute discretion determine and entrust to him.
3. Mr. Muthanna to devote his whole-time and attention to the business of the Corporation and exert his best endeavours to promote its interests and welfare.
4. Mr. Muthanna to undertake such travelling in and outside India as may be necessary in the interests of the Corporation's business or as may from time to time be required or directed by the Managing Director and/or the Board in connection with or in relation to the business of the Corporation.

Mr. Muthanna to be entitled to reimbursement of all expenses including travelling, entertainment/business promotion and other out of pocket expenses incurred in the course of the Corporation's business.

5. Mr. Muthanna to be entitled to the following remuneration, benefits and perquisites, subject to the limits laid down under Schedule XIII to the Companies Act, 1956.

- | | | |
|-----------------|---|---|
| (i) Salary | : | Rs. 53,400/- per month. |
| (ii) Commission | : | Such commission over and above the salary as the Board of Directors may at its sole discretion determine. |

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PROVIDED HOWEVER subject always to the limits contained in Sections 198 and 309 of the Companies Act, 1956, the Corporation may at its sole discretion, pay by way of salary, allowances, commission on profits and/or bonus, as may be determined by the Board, from time to time, which shall not exceed a maximum limit of Rs. 15 lakhs per annum.

- (iii) In addition to the above remuneration Mr. Muthanna also to be entitled to perquisites such as furnished accommodation or house rent allowance, gas, electricity, water, furnishings, medical reimbursement, leave travel concession for self and family, club fees, medical insurance and other benefits and amenities in accordance with the Rules of the Corporation, the monetary value of such perquisites being restricted to Rs. 8 lakhs per annum.

For the purpose of computing the aforesaid ceiling, perquisites to be valued as per the Income Tax Rules, 1962, wherever applicable. Provision for use of Corporation's car for official duties and telephone at residence (including payment of local calls and long distance official calls) not to be included in the computation of perquisites for the purpose of computing the aforesaid ceiling.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund not exceeding 27% of the remuneration, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure of service not to be included in the computation of the ceiling of the remuneration payable as aforesaid.

- (iv) Where in any financial year during the tenure of Mr. Muthanna as the Executive Director, the Corporation has no profits or its profits are inadequate, Mr. Muthanna to be entitled, subject to the approval of the Central Government, if required, to the remuneration as per the terms above, notwithstanding that the same may be in excess of the maximum remuneration permitted to be paid to him under the applicable provisions of the Companies Act, 1956 for the time being and from time to time in force.

6. Mr. Muthanna not to be paid any fees for attending Meetings of the Board or of any Committee thereof.
7. Mr. Muthanna as long as he functions as an Executive Director of the Corporation not to become interested or otherwise concerned directly or indirectly in any contract with the Corporation as contemplated under sub-section (1) of Section 297 of the Companies Act, 1956 without the prior approval of the Central Government.
8. Mr. Muthanna not to, except in the proper course of his duties during the continuance of his employment or any time thereafter, divulge or disclose to any person whomsoever or make any use whatsoever for his own purpose or for any purpose, any information or knowledge obtained by him as to the business or affairs of the Corporation.
9. In the event of Mr. Muthanna's death during the course of his employment, the Corporation to pay to his legal personal representatives the salary and other

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emoluments payable for the then current month together with such further sum as the Board in its sole and uncontrolled discretion may determine.

Pending the approval of the Members for his re-appointment and the terms thereof, unfortunately, Mr. Muthanna died on 7th August, 2000 while in the employment with the Corporation, after having served the Corporation for more than forty four years.

The approval of the Members, is however necessary for the re-appointment of Mr. Muthanna for the period 1st April, 2000 to 7th August, 2000 and the remuneration aggregating to Rs. 7,17,139 paid to him/legal personal representatives in view of the provisions of Schedule XIII to the Companies Act, 1956.

Accordingly the resolution at Item No. 6 of the Notice is recommended for your approval. *None of the Directors of the Corporation is interested in the said Resolution.*

The foregoing material terms may also be treated as an abstract of the terms of Mr. Muthanna's re-appointment for the purposes of Section 302 of the Companies Act, 1956.

By Order of the Board,

N. H. DATANWALA
Secretary

Registered Office:
9, Wallace Street,
Fort,
Mumbai 400 001.

Dated, the 14th day of November, 2000.



DIRECTORS' REPORT

Your Directors have pleasure in presenting their Report and the Audited Accounts for the 18 months period ended 30th September, 2000.

1. CHANGE OF ACCOUNTING YEAR:

To counter the effects of the prolonged labour problem at Singampatti Group of Tea Estates and to absorb its impact in accounts, it was thought advisable to extend the current financial year from March, 2000 to September, 2000 consisting of a period of 18 months from 1st April, 1999 to 30th September, 2000

2. PROFIT & LOSS ACCOUNT SUMMARY:

	1999-2000		1998-1999	
	Rupees in Lakhs	Rupees in Lakhs	Rupees in Lakhs	Rupees in Lakhs
Gross Income		20183.95		13,672.52
Gross (Loss)/Profit before Depreciation		(871.48)		866.46
Add/Less: Depreciation		739.63		591.60
		(1,611.11)		274.86
Add/Less: Taxes for the period		27.21		267.00
(Loss)/Profit after Tax		(1,638.32)		7.86
Less/Add: Transferred from Investment Allowance Reserve	3.92		9.51	
Transferred from Debenture Redemption Reserve	496.79			
Excess Provision/Refund of Taxes of earlier years	54.71		2.95	
		555.42		12.46
(Loss)/Profit for the period		(1,082.90)		20.32
Less/Add: Balance brought forward Transferred from General Reserves		153.76		330.72
		1,099.38		
Amount available for Appropriation		(170.24)		351.04
Appropriations:				
Debenture Redemption Reserve		—	42.39	
Proposed Dividend	139.54		139.54	
Corporate Dividend Tax thereon	30.70		15.35	
		170.24		197.28
Balance to be carried forward		Nil		153.76