



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

2002-2003

One hundred and thirty-eighth annual report

**ANNUAL GENERAL MEETING — 10TH SEPTEMBER, 2003 AT
PATKAR HALL, SIR VITHALDAS THACKERSEY MARG,
MUMBAI 400 020 — 4.00 p.m.**

The Bombay Burmah Trading Corporation, Limited

ONE HUNDRED AND THIRTY-EIGHTH ANNUAL REPORT 2002-2003

CONTENTS

	<i>Page</i>
The Bombay Burmah Trading Corporation, Limited	1
Location of Corporation's Tea/Coffee Estates and Factories	2
Board of Directors	3
Notice of Annual General Meeting	4-11
10 Years' Financial Review	12
Directors' Report	13-21
Section 212 Statement	22-23
Management Discussion and Analysis	24-29
Corporate Governance	30-40
Auditors' Report	41-43
Balance Sheet	44
Profit and Loss Account	45
Schedule 1 to 21	46-70
Cash Flow Statement	71-72
Auditors' Report on Consolidated Financial Statements	73
Consolidated Balance Sheet	74
Consolidated Profit and Loss Account	75
Schedules 1 to 21, forming part of Consolidated Balance Sheet and Profit and Loss Account	76-92
Consolidated Cash Flow Statement	93-94

The Bombay Burmah Trading Corporation, Limited

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**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., Nilgiri Dist., Tamil Nadu State.
	(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.
	: K-103, MIDC, Waluj, Aurangabad.
Afcoset Balances	: Plot 304, GIDC, Valsad Industrial Estate, Gundlav, Valsad-396 035.
Malaysian Branch	: Suit 628, 6th Floor, Pan Global Plaza, Jalan Wong Ah Fook 80000, Johor Bahru, Malaysia.

The Bombay Burmah Trading Corporation, Limited

ANNUAL REPORT 2002-2003

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.
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
A. PANJWANI, Esq., (Managing Director
w.e.f. 24.6.2002)
J. N. WADIA, Esq., (Deputy Managing Director
w.e.f. 24.10.2002)

SECRETARY

N. H. DATANWALA, Esq.

REGISTERED OFFICE

9, WALLACE STREET, FORT, MUMBAI 400 001.
Tel. No. 2207 9351 (4 lines)

PRINCIPAL BANKERS

UNION BANK OF INDIA
STANDARD CHARTERED BANK
HDFC BANK LIMITED
UTI BANK LIMITED

AUDITORS

C. C. CHOKSHI & CO.
Chartered Accountants

SOLICITORS

CRAWFORD BAYLEY & CO.
UDWADIA & UDESHI

The Bombay Burmah Trading Corporation, Limited

NOTICE

NOTICE is hereby given that the One Hundred and Thirty-Eighth Annual General Meeting of the Members of the Corporation will be held at Patkar Hall, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Wednesday, the 10th day of September, 2003 at 4.00 p.m. for the purpose of transacting the following business:

1. To consider and adopt the Profit and Loss Account for the year ended 31st March, 2003 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. A. K. Hirjee who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Keshub Mahindra who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. D. E. Udwadia, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Ashok Panjwani, who was appointed as an Additional Director of the Corporation and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 but being eligible, offers himself for re-appointment and in respect of whom the Corporation has received from a Member a notice in writing under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.
7. To appoint M/s. C.C. Choksi & Co., Chartered Accountants, as Auditors and to authorise the Board of Directors to fix their remuneration.
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 branches of the Corporation in south India, 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 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."

9. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution:

"RESOLVED that pursuant to Section 309 (4) read with Section 309(7) and other applicable provisions, if any, of the Companies Act, 1956, so long as the Corporation has a Managing Director, a Deputy Managing Director or a Whole-time Director, the Corporation do pay to its Directors (other than the Managing Director, the Deputy Managing Director or the Whole-time Director) commission not exceeding 1% of the net profits of the Corporation computed in the manner laid down in Section 198 of the Companies Act, 1956 for each of the five financial years commencing 1st April, 2003, such commission being divisible amongst the Directors as aforesaid in such proportion as the Board may determine or failing such determination, as the Chairman for the time being of the Board shall decide from time to time.

RESOLVED FURTHER that if at any time the Corporation does not have a Managing Director, a Deputy Managing Director or a Whole-time Director, then the Corporation to pay to its Directors (other than the Managing Director, the Deputy Managing Director or the Whole-time Director), as aforesaid, commission not exceeding 3% of the net profits of the Corporation computed in the manner laid down in Section 198 of the Companies Act, 1956 for each of the aforesaid five financial years, such commission being divisible amongst them in the manner stated above.

AND RESOLVED that this Resolution shall be effective for a period of five financial years commencing 1st April, 2003 and for determining the commission payable for any broken period of a year, in pursuance of the above Resolution, the net profits of the Corporation shall be arrived at on a proportionate basis."

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

"RESOLVED that pursuant to the provisions of Section 163 of the Companies Act, 1956, the Corporation hereby approves that the Register of Members, the Index of Members and copies of all Annual Returns prepared under Section 159 of the aforesaid Act, together with the copies of Certificates and documents required to be annexed thereto under Section 161 of the said Act, or any one or more of them be kept at the office of the Corporation's Registrars and Share Transfer Agents, M/s. Sharepro Services, at Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai-400 099, instead of keeping them at the Corporation's Registered Office at 9, Wallace Street, Fort, Mumbai-400 001."

By Order of the Board,

N. H. DATANWALA

Secretary

Registered Office:

9, Wallace Street,

Fort,

Mumbai-400 001.

Dated, the 22nd day of July, 2003.

The Bombay Burmah Trading Corporation, Limited

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 Nos. 6, 9 and 10, 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 26th August, 2003 to 10th September, 2003 (both days inclusive).
4. Warrants in respect of dividend, if declared, will be posted to the Members on or after 16th September, 2003. 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 10th September, 2003. In respect of shares held in dematerialised form in the depository system, the dividend will be paid to the beneficial owner as per the list provided by the depositories.
5. Members are requested to immediately notify the Registrars and Share Transfer Agents or the Depository Participants (in case of shares which have been dematerialised) of any change in their address and/or bank account details to ensure correct and prompt receipt of the dividend warrants.
6. Members are advised, in their own interest that all communications to the Corporation or its Registrars and Share Transfer Agents which would have the effect of amending the permanent details of their ledger folio, should be signed by all the Members registered under that ledger folio.
7. 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.
8. 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.
9. The Corporation's equity shares are listed at (1) BSE (Regional Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and (2) National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/I, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. The Annual Listing Fee as prescribed has been paid to each of these Stock Exchanges.
10. Pursuant to the requirements of paragraph VI(A) of Clause 49 of the Listing Agreement, details of the three Directors retiring by rotation and eligible for re-appointment are furnished below:

Mr. A. K. HIRJEE:

Mr. A. K. Hirjee, 64, was the Managing Director of the Corporation from 1st October, 1988 till 30th September, 1998. He was appointed as the Director of the Corporation on 1st October, 1998 and is the Vice-Chairman of the Corporation since 25th January, 2000.

Mr. Hirjee is B.A. (Hons.), LL.B. (Hons.), Barrister-at-Law and Fellow of London Business School. He has 39 years of experience in different areas of Business Management and his expertise extends to finance, banking, legal, commercial, industrial and general administration. Mr. Hirjee has been actively associated with leading Charitable Institutions.

Other Directorships: The Bombay Dyeing & Manufacturing Co. Ltd., Gherzi Eastern Ltd., B. R. T. Ltd. (Chairman), Atlas Copco (India) Ltd. (Chairman), Nowrosjee Wadia & Sons Ltd., Wadia BSN India Ltd., Britannia Industries Ltd., Citurgia Biochemicals Ltd., HDFC Trustee Co. Ltd., National Peroxide Ltd., 8 foreign companies and 2 private companies.

Committee Memberships: Audit Committee of the Boards of The Bombay Burmah Trading Corporation Ltd. (Chairman), Atlas Copco (India) Ltd. (Chairman), and National Peroxide Ltd., Remuneration Committee of the Boards of The Bombay Burmah Trading Corporation Ltd., Atlas Copco (India) Ltd. (Chairman) and The Bombay Dyeing & Manufacturing Co. Ltd., Shareholders'/Investors' Grievance Committee of the Boards of The Bombay Burmah Trading Corporation, Ltd. (Chairman), Atlas Copco (India) Ltd. and Britannia Industries Ltd. and also Shareholders'/Investors' Grievance and Ethics & Compliance Committee of the Board of The Bombay Dyeing & Manufacturing Co. Ltd.

Mr. KESHUB MAHINDRA:

Mr. Keshub Mahindra, 79, is a B.Sc. graduate from Wharton, University of Pennsylvania. He joined Mahindra & Mahindra Ltd. in 1948 as a Director and became the Chairman in 1963.

Mr. Mahindra had been appointed by the Government of India to serve on a number of Committees including the Sachar Commission on Company Law & MRTP, Central Advisory Council of Industries, etc. Mr. Mahindra is the recipient of several awards including International Awards.

Other Directorships: Mahindra & Mahindra Ltd. (Chairman), Mahindra Ugine Steel Co. Ltd. (Chairman), Mahindra Holdings & Finance Ltd. (Chairman), Housing Development Finance Corporation Ltd. (Vice-Chairman), The Bombay Dyeing & Manufacturing Co. Ltd., Tata Chemicals Ltd., Tata Iron & Steel Co. Ltd., Infrastructure Leasing & Financial Services Ltd., Mahindra Automotive Steels Ltd. and 2 private companies.

Committee Memberships: Remuneration/Compensation Committee of the Boards of Mahindra & Mahindra Ltd., Housing Development Finance Corporation Ltd. (Chairman), Tata Iron & Steel Co. Ltd. (Chairman), The Bombay Dyeing & Manufacturing Co. Ltd. (Chairman), Tata Chemicals Ltd. and Infrastructure Leasing & Financial Services Ltd., Share Transfer and Shareholders'/Investors' Grievance Committee of the Board of Mahindra & Mahindra Ltd. (Chairman).

Mr. D. E. UDWADIA:

Mr. D. E. Udwadia, 63, is M.A., LL.B., who is a Solicitor and Advocate by profession. He has been a partner of M/s. Udwadia & Udeshi, Solicitors & Advocates, Mumbai, since July, 1997. Prior to this, he was a partner of M/s. Crawford Bayley & Co.,

The Bombay Burmah Trading Corporation, Limited

Solicitors and Advocates, for over 22 years. His firm and he are Legal Advisors to many Indian companies; multinational corporations and foreign banks having a presence in India.

Other Directorships: ADF Foods Ltd., AstraZeneca Pharma India Ltd. (Chairman), Coromandel Fertilizers Ltd., Escotel Mobile Communications Ltd., Eureka Forbes Ltd., Macmillan India Ltd. (Vice Chairman), Mechanalysis (India) Ltd., Skanska Cementation India Ltd., Sundaram-Clayton Ltd, Wyeth Ltd. and 12 private companies.

Committee Memberships: Audit Committee of the Boards of Coromandel Fertilizers Ltd., Escotel Mobile Communications Ltd., Macmillan India Ltd. and AstraZeneca Pharma India Ltd., Remuneration Committee of the Boards of Escotel Mobile Communications Ltd. and Macmillan India Ltd.

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EXPLANATORY STATEMENT

Pursuant to Section 173 of the Companies Act, 1956.

Item No. 6:

Mr. Ashok Panjwani was appointed as an Additional Director with effect from 24th June, 2002 by the Board of Directors of the Corporation pursuant to Article 113 of the Corporation's Articles of Association. Pursuant to Section 260 of the Companies Act, 1956 ("the Act"), he holds office upto the date of the forthcoming Annual General Meeting. The Corporation has received a Notice from a Member signifying his intention to propose Mr. Ashok Panjwani as a candidate for the office of Director of the Corporation, alongwith a deposit of Rs. 500/- as required under Section 257 of the Act.

Mr. Ashok Panjwani, 46, is a Chartered Accountant by profession and has more than 20 years of experience of running business units in various capacities. He was with the Sterlite Group, working with its Telecommunication Company having an annual turnover of approximately Rs.1.5 Billion, designated as Director and CEO. He has successfully turned around loss making businesses while with the Sterlite Group.

Nature of Expertise:

Mr. Ashok Panjwani has extensive experience and expertise in the field of financial management and overall general management to run the business units as a profit center head.

Other Directorships:

Dental Products of India Limited (Chairman), Inor International Private Limited (Chairman) and Inor Medical Products Limited (Chairman).

Mr. Panjwani is not a Member of any committee of the Board.

It is considered desirable and in the interest of the Corporation that the Board should receive the benefit of his services.

Mr. Ashok Panjwani is interested in the resolution at Item No. 6 since it relates to his own appointment.

Item No. 9:

In terms of the Special Resolution passed at the 133rd Annual General Meeting of the Corporation held on 1st August, 1997, the shareholders of the Corporation authorised the Board to pay Commission to be divided amongst the Directors (other than the Managing Director or Whole-time Director) equal to 1% of the net profits of the Corporation so long as the Corporation has a Managing Director or Whole-time Director and 3% of the net profits of the Corporation so long as the Corporation does not have a Managing Director or a Whole-time Director, for every financial year calculated in accordance with the provisions of the Act or such lower amount as the Board may determine for a period of five years commencing from 1st April, 1998. Pursuant to Section 309(7) of the Act, this Special Resolution was in force upto 31st March, 2003.