

MD	✓		BKL	✓
CS	✓		DPY	✓
RD	✓		DIV	✓
TR	WA		PC	✓
AGM	✓	✓	SHI	✓
RE	✓	✓		✓

BORAX MORARJI LIMITED



THIRTYTHIRD ANNUAL REPORT

1996-97



BORAX MORARJI LIMITED

DIRECTORS	R. M. GOCULDAS, Chairman Y. C. AMIN L. N. GOCULDAS D. S. PAREKH (Alternate to L. N. Goculdas) H. T. KAPADIA S. K. DIWANJI
CHIEF EXECUTIVE	S. B. SHUKLA
COMPANY SECRETARY	V. A. VAKHARIA
AUDITORS	NANUBHAI & CO.
BANKERS	STATE BANK OF INDIA DENA BANK HDFC BANK LTD.
SOLICITORS	CRAWFORD BAYLEY & CO.
REGISTERED OFFICE	Jolly Bhavan No. 2, 1st Floor Sir Vithaldas Thackersey Marg New Marine Lines Mumbai 400 020 Tel. No.: 262 4814 - 4815 Fax No.: 262 4874
WORKS	CHEMICAL DIVISION Mahatma Gandhi Road Ambarnath 421 501 (Dist. Thane) Maharashtra TIMBER DIVISION Nedumangad Road Shenbagaraman Puthur 629 304 Dist. Kanyakumari Tamil Nadu WIND MILL FARM 1/198 Bhadrakali Puthur Gudimangalam P.O. 642 201 Dist. Coimbatore Tamil Nadu

Notice

NOTICE is hereby given that the THIRTYTHIRD ANNUAL GENERAL MEETING of BORAX MORARJI LIMITED will be held at the Indian Merchants' Chamber Conference Hall (Walchand Hirachand Hall), 76 Veer Nariman Road, Churchgate, Mumbai 400 020 on Thursday, the 21st August, 1997 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend for the financial year ended 31st March, 1997.
3. To appoint a Director in the place of Mr. Y.C. Amin, who retires by rotation under Article 131 of the Articles of Association and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold 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

5. To appoint a Director in place of Mr. Shishir K. Diwanji who holds office upto the date of this Annual General Meeting under the provisions of Section 260 of the Companies Act, 1956 and in respect of whom a notice in writing pursuant to Section 257 of the Companies Act, 1956 has been received by the Company from a Member signifying his intention to propose his name as a candidate for the office of Director.
6. To appoint a Director in place of Mr. Laxmikumar N. Goculdas who holds office upto the date of this Annual General Meeting under the provisions of Section 262 of the Companies Act, 1956 and in respect of whom a notice in writing pursuant to Section 257 of the Companies Act, 1956 has been received by the Company from a Member signifying his intention to propose him as a candidate for the office of Director.
7. To consider and, if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:-

"RESOLVED THAT, pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the requisite approvals, consents and permissions, if any, the Articles of Association of the Company be and are amended by deleting the existing Article 121(2) and substituting the following therefor, namely:

"Article 121 (2)

Payment of Commission to Non-Executive Directors

The Directors (including Alternate Directors), other than Directors in the whole-time employment of the Company or Managing Directors, shall be entitled to be paid and receive commission of the net profits of the Company at such rate or rates not exceeding the rates as may be prescribed under the applicable provisions of the Companies Act, 1956 and any statutory modifications or re-enactments thereof from time to time in force and such commission shall be divided among such Directors in such manner as the Chairman may from time to time determine and failing which or in default of such determination, in equal shares".

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

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

“RESOLVED THAT, pursuant to Section 309 and other applicable provisions of the Companies Act, 1956, the Foreign Exchange Regulation Act, 1973 and the Articles of Association of the Company, consent of the Company be and is hereby accorded to a commission being paid to the Directors of the Company (other than Directors in the whole-time employment of the Company or the Managing Directors) at a rate not exceeding one per cent of the net profits of the Company computed in the manner laid down in Section 198 read with Sections 349 and 350 of the Act for and in respect of a period not exceeding five years commencing from 30th August, 1998 and the subsequent Accounting Years of the Company and the same shall be distributed from time to time amongst such or all the Directors in such manner as may be determined by the Chairman of the Board of Directors from time to time, failing which or in default thereof, in equal shares absolutely:

AND RESOLVED FURTHER THAT if at any time during the period of five years commencing from 30th August, 1997, the Company does not have a Managing Director or a Whole-time Director or Manager, the commission aforesaid shall be paid at a rate not exceeding three per cent of the net profits of the Company computed, distributed and paid for the period and in the manner aforesaid.

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

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

“RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1956 and Article 4 of the Articles of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from the present Rs. 5,00,00,000/- (Rupees Five Crores) divided into 50,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 70,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each and 30,00,000 Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each and consequently the existing Clause V of the Memorandum of Association of the Company be and the same is hereby altered by deleting the same and substituting the following:-

“The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 70,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each and 30,00,000 Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each.”

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

“RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 of the Articles of Association of the Company be and is hereby deleted and substituted by the following:-

“The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 70,00,000 Equity Shares of Rs. 10/- (Rupees Ten) each and 30,00,000 Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each.”

11. 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 Sections 80, 81 and other applicable provisions, if any, of the Companies Act, 1956, and enabling provisions in the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the Mumbai Stock Exchange where the Equity Shares of the Company are listed and subject to the approval of the Securities & Exchange Board of India (SEBI), Reserve Bank of India (RBI) and other concerned authorities and departments, if and to the extent necessary, and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them in

granting such approvals, permissions, sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly authorised committee thereof for the time being exercising the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to offer/issue/allot in accordance with the applicable guidelines/regulations as may be permissible in law now or at any time hereafter, Redeemable Preference Shares, Cumulative or non-cumulative with option to convert or otherwise as the Board in its sole discretion may at any time hereafter decide, to domestic and/or foreign investors including Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), and/or other persons as the Board may decide, whether Members of the Company or not, Overseas Corporate Bodies (OCBs), Mutual Funds (Domestic and Foreign), Indian Financial Institutions, employees of the Company or any other Company, through Public Issue and/or Rights Issue and/or Private Placement or Preferential allotment and/or otherwise and in one or more tranches and on such terms and conditions, at such price or prices, rate of dividend as may be decided by the Board in accordance with the applicable guidelines/regulations, if any, and in such manner as the Board may in its absolute discretion think fit upto a maximum limit of Rs. 3,00,00,000 (Rupees three crores only) in terms of face value."

"RESOLVED FURTHER THAT in the event of any Equity Shares being issued against Convertible Preference Shares, this Resolution shall be deemed to have authorised the Board/Committee in terms of Section 81 of the Companies Act, 1956, to offer/issue/allot as many Equity Shares of the Company as are required for the purpose on such terms as the Board/Committee may in its sole discretion deem proper."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do, perform and execute all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Preference Shares."

Registered Office:

Jolly Bhavan No. 2, 1st Floor,
Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai 400 020.

Mumbai, dated 23rd June, 1997.

By Order of the Board
V.A. VAKHARIA
Company Secretary

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 A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (2) An Explanatory Statement under Section 173(2) of the Companies Act, 1956 in respect of the Special Business referred to in Item Nos. 5 to 12 is hereto annexed.
- (3) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and Public holidays between 11.00 a.m. and 3.00 p.m. upto the date of the Annual General Meeting.
- (4) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, the 7th August, 1997 to Thursday, the 21st August, 1997 (both days inclusive).
- (5) The Dividend, if declared, will be paid on and from Tuesday, the 23rd September, 1997 to those members who are entitled thereto and whose names appear on the Register of Members of the Company as on 21st August, 1997.

BORAX MORARJI LIMITED

Registered Office:

JOLLY BHAVAN NO. 2, 1ST FLOOR, SIR VITHALDAS THACKERSEY MARG, NEW MARINE LINES, MUMBAI-400 020.

FORM OF PROXY

I/We
of being a member/members
of the above-named Company hereby appoint Shri
of or failing him
Shri of
as my/our proxy to vote for me/us on my/our behalf at the Thirtythird Annual General Meeting of the Company to
be held on Thursday, 21st August, 1997 and at any adjournment thereof.

This form is to be used in favour of/against the Resolutions.

Unless otherwise instructed, the Proxy will act as he thinks fit.

Signed this day of 1997.

Signature



BORAX MORARJI LIMITED

Registered Office:

JOLLY BHAVAN NO. 2, 1ST FLOOR, SIR VITHALDAS THACKERSEY MARG, NEW MARINE LINES, MUMBAI-400 020.

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

L. F. No.

NAME OF THE SHAREHOLDER/PROXY*

ADDRESS

No. of shares held:

I hereby record my presence at the Thirtythird Annual General Meeting of the Company on Thursday, 21st August, 1997, at Indian Merchants' Chamber Conference Hall, 76, Veer Nariman Road, Churchgate, Mumbai-400 020.

SIGNATURE OF THE SHAREHOLDER/PROXY*

*Strike out whichever is not applicable.



- (6) Members are requested to notify the Company of any change, in their address (in full) with Postal Pin Code Number, quoting their Folio Numbers.
- (7) As a measure of economy, copies of the Annual Reports will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report at the Meeting.
- (8) The unclaimed dividend for the financial year of the Company for the year ended on 31st March, 1993 amounting to Rs. 25,895/- has already been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Members 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, Dattaram Lad Marg, Kala Chowky, Mumbai 400 033.
- (9) All Members who have either not received or have not encashed dividend for the financial years 1993-94, 1994-95 and 1995-96 are requested to write to the Company's Share Department at its Registered Office for issue of Duplicate Dividend Warrant(s) mentioning the relevant Folio No.(s).
- (10) Members/Proxies should bring Attendance Slips duly completed for attending the Meeting.
- (11) Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made readily available at the Meeting.
- (12) In order to provide protection against fraudulent encashment of Dividend Warrants, the Members are requested to provide their Bank Account No., Name and Address of the Branch of the Bank, Folio No. to enable the Company to incorporate the said details in the Dividend Warrants. Letter in this respect is also sent herewith. The same may be filled-up and return to the Registered Office on or before 21st August, 1997. Members will appreciate that the Company will not be responsible for any loss arising out of fraudulent encashment of Dividend Warrants.

Annexure to Notice

Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956.

Item No. 5

Mr. Shishir K. Diwanji was appointed an Additional Director of the Company on 25th October, 1996 by the Board of Directors of the Company under Article 119 of the Articles of Association of the Company.

According to the provisions of Section 260 of the Companies Act, 1956 he holds office as Director only upto the date of the 33rd Annual General Meeting of the Company. A notice in writing along with a deposit of Rs. 500/- (Rupees five hundred only) under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Mr. Shishir K. Diwanji as a candidate for the office of Director.

Mr. Shishir K. Diwanji is a practising Solicitor in Bombay and has wide experience in legal and corporate affairs.

The Board considers it desirable that the Company should continue to avail itself of his services. The Directors, therefore, recommend his appointment.

Mr. S.K. Diwanji is concerned or interested in the Resolution as it relates to his own appointment. No other Directors are concerned or interested in the Resolution.

Item No. 6

Mr. Laxmikumar N. Goculdas was appointed as a Director on 19th February, 1997 by the Board of Directors of the Company under Article 119 of the Articles of Association of the Company to fill the casual vacancy on the Board caused by the death of Mr. S.P. Patel.

Mr. S.P. Patel in whose place Mr. L.N. Goculdas was appointed a Director would have held office upto the date of the 33rd Annual General Meeting of the Company under Section 262 of the Companies Act, 1956. A notice in writing along with a deposit of Rs. 500/- (Rupees five hundred only) under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Mr. L.N. Goculdas as a candidate for the office of Director.

Mr. L.N. Goculdas is a Non-Resident Indian having wide experience in trade and industry.

The Board considers it desirable that the Company should continue to avail itself of the services of Mr. L.N. Goculdas. The Directors, therefore, recommend his appointment.

Mr. L.N. Goculdas is concerned or interested in the Resolution as it relates to his own appointment. No other Directors are concerned or interested in the Resolution.

Item No. 7

Article 121(2) of the Articles of Association of the Company provides for the payment of Commission to Directors of the Company other than Directors in the whole-time employment of the Company and Managing Directors.

To lend flexibility to the provisions so that commission may be paid in accordance with and subject to the provisions of the Companies Act, 1956, the Directors recommend that the existing Article 121(2) should be deleted and the new one contained in Item 7 of the accompanying notice should be substituted therefor.

The Directors, therefore, recommend passing of the Special Resolution contained in Item 7 in accordance with Section 31 and other applicable provisions of the Companies Act, 1956.

All the Directors may be interested in passing of the Resolution.

A copy of the existing Memorandum and Articles of Association and the proposed amendments will be open for inspection of the Members at the Registered Office of the Company on all days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 3.00 p.m. upto the date of the Annual General Meeting.

Item No. 8

At the Annual General Meeting of the Company held on 26th August, 1993, the Shareholders had approved the payment of remuneration to Directors other than Managing or Wholetime Directors, by way of commission for a period of five years commencing from 30th August, 1993 at the rate of 1% of the Net Profits of the Company as computed in accordance with the provisions of the Companies Act, 1956 subject to a ceiling of Rs. 3.00 lakhs. The validity of the said Resolution would expire on 29th August, 1998 and hence the fresh resolution for payment of such remuneration for a further period of five years effective from 30th August, 1998 is placed before the members for their approval.

Secondly, under Section 309(4) of the Companies Act, 1956, where the Company does not have a Managing Director/Wholetime Director/Manager, the Company can pay commission to the Directors upto 3% of the net profits of the Company computed in the manner laid down in the Companies Act, 1956.

Considering the ever increasing duties and responsibilities of the Directors, it is proposed to continue payment of remuneration to them by way of commission at one per cent of the Net Profits of the Company as computed in accordance with the provisions of the Companies Act, 1956 and in the absence of managerial personnel, it will be desirable that they be paid commission at the rate not exceeding three per cent of the net profits of the Company as provided in Section 309 of the Companies Act, 1956.

Members' approval is sought for payment of commission to Directors as set out in the Resolution.

All the Directors of the Company are interested in the proposed Resolution.