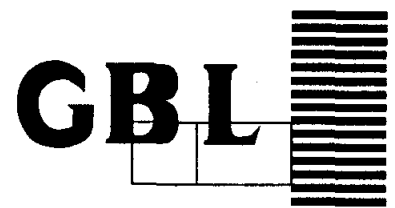


Annual Report 2000-2001



GLOBAL BOARDS LIMITED

9th ANNUAL REPORT 2000-01**BOARD OF DIRECTORS**

Shailesh C. Bagrodia	<i>Managing Director</i>
Girish Kumar Saraf	<i>Director</i>
Rajesh Dadoo /	
Sushil Kumar Jhaveri	<i>Director /Alternate Director</i>
Arvind Rateria	<i>Whole-time Director</i>
Tejmal Jain	<i>Whole-time Director</i>
B. W. Ramteke	<i>Director (Nominee of IDBI)</i>

ASST. COMPANY SECRETARY**Jaikishan Pahalani****REGISTERED OFFICE & FACTORY**

Plot No. K-5, Addl, M.I.D.C. Industrial Area,
 Mahad - 402 302, District Raigad,
 Maharashtra.

CORPORATE OFFICE

2-A, Parekh Mahal,
 80, Veer Nariman Road,
 Churchgate, Mumbai - 400 020.

SHARE TRANSFERS - IN HOUSE

At : The Registered Office

BANKERS

State Bank of India
 Oriental Bank of Commerce
 Punjab National Bank

AUDITORS

D. N. Kanabar & Co.
Chartered Accountants
 Mumbai.

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GLOBAL BOARDS LIMITED

NOTICE

Notice is hereby given that the **Ninth Annual General Meeting** of the Members of GLOBAL BOARDS LIMITED will be held at the Registered Office of the Company at Plot no. K-5, Addl. MIDC, Industrial Area, Mahad - 402 302, Dist. Raigad on Saturday, the 22nd September, 2001 at 12.00 noon to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Rajesh Dadoo, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.
 "RESOLVED that approval pursuant to Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 be and is hereby accorded to the reappointment of and payment of revised remuneration to Shri Arvind Rateria, a whole-time Director of the Company for a period of two years w.e.f. 29th January 2001 on the terms and conditions (including the terms regarding the payment of remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the aforesaid period), as set out in the Explanatory Statement annexed hereto, a copy whereof initialled by the Chairman for purpose of identification, is placed before the meeting."

"RESOLVED FURTHER that the terms and conditions of the said reappointment be altered and/or varied from time to time by the Board, as it may, at its discretion, deem fit, within the maximum amount payable in accordance with Schedule XIII to the Companies Act, 1956 or any amendments made hereinafter in this regard."

5. To consider and if, thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
 "RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as follows :

The following new Articles 67A and 67B be inserted after the existing Article 67 :

"Nomination"

- 67A
- (1) Every holder of shares(s) in and/or debentures(s) of the Company, may at any time nominate, in the manner prescribed under the Act, a person to whom his share(s) in, and/or debentures(s) of the Company, shall vest in the event of his death.
 - (2) Where the shares(s) in, and/or debenture(s) of the Company, are held by more than one person jointly, all the joint holders may together nominate, in the manner prescribed under the Act, a person to whom all the rights in the share(s) and / or debenture(s) of the Company, as the case may be, shall vest in the event of death of all the joint holders.
 - (3) Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise in respect of such share(s) in, and / or debentures(s) of the Company, where a nomination made in the manner prescribed under the Act, purports to confer on any person the right to vest the share(s) in, and / or debentures(s) of the Company, the nominee shall on the death of the shareholder and / or debenture holder concerned or on the death of all the joint holders, as the case may be, become entitled to all the rights in relation to such share(s) and / or debenture(s) to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act.
 - (4) Where the nominee is a minor, the holder of the share(s) in, and / or debenture(s) of the Company, can make a nomination in the manner prescribed under the Act, to appoint any person to become entitled to the share(s) in, and/or debentures(s) of the Company in the event of his death, during the minority.
- 67B
- (1) Notwithstanding anything contained in these Articles, any person who becomes a nominee by virtue of the provisions of Article 67A upon the production of such evidence as may be required by the Board and subject to

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as hereinafter provided, may elect either –

- (a) to be registered himself as holder of the share(s) and / or debenture(s) as the case may be; or
 - (b) to make such transfer of the share(s) and / or debenture(s), as the case may be as the deceased shareholder and/or debenture holder, as the case may be, could have made.
- (2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share(s) and/or debenture(s) himself, he shall deliver or send to the Company, a notice in writing, duly signed by him, stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder and/or debenture holder, as the case may be.
- (3) All the limitations, restrictions and provisions of the Act, relating to the right to transfer and the registration of transfer of share(s) and/or debenture(s) shall be applicable to any such notice or transfer as aforesaid as if the death of the shareholder / debentureholder had not occurred and the notice or transfer were a transfer signed by that shareholder and/or debentureholder, as the case may be.
- (4) A person, being a nominee, becoming entitled to the share(s) and/or debenture(s) by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the shares(s) and/or debentures(s) except that he shall not, before being registered a member in respect of his share(s) or debenture(s), be entitled in respect of it 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 share(s) and / or debenture(s) 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(s) and / or debenture(s), until the requirements of the notice have been complied with."

6. 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, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below :
- a. Article 2 of the Articles of Association shall include the following definitions at the appropriate places :
 - "Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
 - "Depository" shall mean a Depository as defined under clause(e) of sub-section(1) of Section 2 of the Depositories Act, 1996.
 - "Depositories Act, 1996" shall mean Depository Act, 1996 and any statutory modification or re-enactment thereof for the time being in force.
 - "Securities and Exchange Board of India" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act. 1992.
 - b. In Article 2 of the Articles of Association of the Company, definition of "Member" shall be altered as follows :
 - "Member" means duly registered holder from time to time of the shares of the Company and includes every person who is holding equity share capital of the Company and whose name is entered as a beneficial owner in the records of the depository.
 - c. In Article 2 of the Articles of Association the following shall be added at the end :
 - "Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form."
 - d. After Article 11, the following Article shall be inserted as Article 11A and shall read as follows:
 - "Dematerialization"
 - The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or offer its fresh shares and debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the

GLOBAL BOARDS LIMITED

rules framed thereunder, if any."

- e. Article 15(a) of the Articles of Association shall be substituted as follows :
 "The Company shall cause to be kept a Register and Index of Members in accordance with Section 151 of the Act, and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country."
 - f. Article 18 of the Articles of Association shall be substituted as follows :
 "The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited / surrendered share shall continue to bear the number by which the same was originally distinguished."
 - g. Article 27(a) after the words "the amount paid-up thereon." the following words shall be added : "provided, however, no share certificate(s) shall be issued for shares held by a Depository."
 - h. After Article 27, the following Articles shall be inserted as Article 27A and Article 27B.
- "27A(a) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository.
- (b) Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.
 - (c) All securities held by a depository shall be dematerialised and shall be in a electronic / dematerialised form.
 - (d) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
 - (e) Save as otherwise provided in (d) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.
 - (f) Every person holding equity shares of the Company and whose name is entered as 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 be subjected to all the liabilities in respect of the securities held by a depository."
- "27B If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly.
 The depository shall on receipt of intimation as above make appropriate entries in its records and shall inform the Company.
 The Company shall after receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be."
- i. Under the heading "Trust not recognised", Article 25 of the Articles of Association shall be substituted as follows :
 "Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the beneficial owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equiable, contingent future or partial interest in any share, or (except only as is by these Article otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at liberty at their sole discretion to register any share in the

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joint names of any two or more persons or the survivor or survivors of them."

- j. After Article 29, the following Article shall be inserted as Article 29A and shall read as follows :-
- "29A. In respect of shares, debentures and securities held by a Depository on behalf of the beneficial owners as defined in the Depositories Act, 1996, the provision of Sections 153, 153A, 153B, 187B, 187C and 372 of the Act and the provisions of Article 27 shall not apply."
- k. In Article 59 after the words "transmission of any share", the following words shall be added : "held in material form".
- l. After Article 59, the following Article shall be inserted as Article 59A and shall read as follows:
- "59A In the case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificate and/or where such shares or debentures or securities are being held in an electronic/ dematerialised form, the provisions of the Depositories Act, 1996 shall apply."
- m. In Article 60, after the words "shares and registration thereof" the following shall be added :
- "Except in case of transfer of securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the depository."
- n. In Article 61 of the Articles of Association, the following shall be added at the end :
- "The provisions of this Article will not be applicable to transfer of securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the depository."
- o. After Article 81 of the Articles of Association shall be substituted by the following :
- "81 A The Company, if at any time issues debentures, shall keep a Register and Index of Debenture holders in accordance with Section 152 of the Act and the Depositories Act, 1996. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Debentureholders for the purpose of this Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debentureholders resident in that state or country."

Regd. Office :
Plot No. K-5, Addl. M.I.D.C. Industrial Area,
Mahad - 402 302, District Raigad,
Maharashtra.

By Order of the Board

Jaikishan Pahalani
Asst. Company Secretary

Date : June 2, 2001

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
3. The relative Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956 in respect of the business as set out under items 4 to 6 of the Notice, is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 14.09.2001 to 22.09.01 (both days inclusive).
5. Members desirous of obtaining any information concerning the accounts and operations of the Company, are requested to send their queries to the Asst. Company Secretary at least seven days before the Meeting, so that the information required by the Members may be made available at the Meeting.
6. Members are informed that consequent to the issue of Notification by the Department of Company Affairs, they can now avail the nomination facility in respect of their shares held in the Company. Members may kindly send their Nomination form to the Secretarial Department of the Company if not already sent.
7. Members / proxies should bring the attendance slip duly filled in for attending the Meeting.

GLOBAL BOARDS LIMITED

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

Explanatory statement in terms of Section 173(2) of the Companies Act, 1956 annexed to and forming part of the Notice convening the 9th Annual General Meeting.

ITEM NO. 4

At the meeting of the Board of Directors held on 31st January, 2001, Shri Arvind Rateria was re-appointed Whole-time Director of the Company for a further period of two years commencing from 29th January, 2001.

Members' approval is now sought for the re-appointment of Shri Arvind Rateria as Whole-time Director for a period of two years with effect from 29th January, 2001 and for payment of remuneration to him as set out below :

1. Salary	:	Rs. 27375/- p.m.
HRA	:	Rs. 8250/- p.m.
Education Allowance	:	Rs. 1500/- p.m.

Perquisites :

1. Company's Contribution to Provident Fund as per Rules of the Company but not exceeding 12% of the salary.
 2. Earned / Privilege Leave with pay and allowance as per Rules of the Company.
- In terms of Schedule XIII to the Companies Act, 1956, the Salary and Perquisites shall not exceed a sum of Rs. 87,500/- per month.

In the event of absence of or inadequacy of profit in any Financial Year during his tenure, the remuneration shall be governed as provided under Section II or Part II of Schedule XIII to the Companies Act, 1956.

The notice may be treated as an abstract of the terms and conditions governing appointment of Shri Arvind Rateria as a Whole-time Director under Section 302 of the Companies Act, 1956.

In view of his long executive experience his appointment on the Board of Directors is in the interest of the Company.

Your Directors, therefore recommend the proposed Resolution for your acceptance.

Except Shri Arvind Rateria no other Director is concerned or interested in the Resolution.

ITEM NO. 5

RIGHT OF NOMINATION

The Central Government, vide the Companies Amendment Act, 1999 has inserted new Sections 109 A and 109 B providing for nomination facility for Registered Members of the Company. These provisions also provide for transmission of shares to the nominees. In line with these modifications, it is proposed to amend the Articles of Association of the Company by adding new Articles.

The Directors commend the resolution for adoption.

None of the Directors is interested in this resolution.

ITEM NO. 6

Certain provisions of the Articles of Association pertaining to the issue, holding, transfer and other dealings in shares and other securities as also issue of certificates which were framed on the basis of the relevant provisions of the Companies Act, 1956 are being amended and new articles are being inserted in view of the provisions of the Depository Act, 1996 which have become applicable as a result of the introduction of the Depository system by the Company in March, 2001. The required amendments are proposed so as to give effect to the practical aspects of the Depository system and are self explanatory.

The Directors, in the circumstances, recommend the resolution for approval of the shareholders.

None of the Directors is interested in the above Resolution.

DEPOSITORY SYSTEM

The Company has entered into two agreements with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) to facilitate investors to hold the securities in the electronic form. The shareholders may avail the facility of dematerialisation of shares of the Company.

By Order of the Board

Jaikishan Pahalani
Asst. Company Secretary

Mahad : Date : June 2, 2001