



SHREE RAJESHWARANAND PAPER MILLS LIMITED

10TH ANNUAL REPORT & ACCOUNTS

2000-2001

10TH ANNUAL REPORT

BOARD OF DIRECTORS

Shri Shantilal B. Dave
Chairman

Shri Yashwant C. Oza
Managing Director

Shri Yogesh R. Trivedi
Jt. Managing Director

Shri Satish M. Dave
Technical Director

Shri Devshankar A. Dave

Shri Mohanlal J. Trivedi

Shri Ratilal S. Trivedi

Shri Dharamdutt V. Trivedi

Shri Narendra J. Shah

Shri Kirit N. Modi

Shri G. A. Gogale
(ICICI Nominee Director)

10TH ANNUAL GENERAL MEETING

Day and Date :
Monday, 24th September, 2001

Venue :
THE SILK MERCHANT ASSOCIATION HALL,
480, Kalbadevi Road, Dhanukar Building,
1st Floor, Mumbai - 400 002.

Time :
2.15 P.M.

AUDIT COMMITTEE

Mr. Yashwant C. Oza	Chairman
Mr. Mohanlal J. Trivedi	Member
Mr. Ratilal S. Trivedi	Member

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REGISTERED OFFICE

S. Deepakkumar & Co.
Shop No. 82, 4th Lane,
Ghadial Gali, Mangaldas Market,
Mumbai - 400 002.

FACTORY LOCATION

Bharuch-Jhagadia Road,
Village-Goval, Taluka-Jhagadia,
Dist - Bharuch
Gujarat (INDIA)

BANKERS

Bank of Baroda
GIDC Indl. Estate,
Ankleshwar - 393 002.

AUDITORS

A. K. SAVLA & CO.
Chartered Accountants

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of SHREE RAJESHWARANAND PAPER MILLS LIMITED, will be held at The SILK MERCHANT ASSOCIATION HALL, Dahanukar Building, 480, Kalbadevi Road, 1st Floor, Mumbai - 400 002 on 24th September at 2:15 PM to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider & adopt the Audited Balance sheet as at 31st March 2001 and the Profit and Loss Account for the Year ended as on that date and the Reports of the Director's and Auditor's thereon.
2. To Appoint a Director in place of Shri Mohanlal J. Trivedi who retires as Director & being eligible offers himself for reappointment.
3. To Appoint a Director in place of Shri Shantilal B. Dave who retires as Director & being eligible offers himself for reappointment.

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
 "RESOLVED THAT M/s. SUNDERJI GOSAR & CO., Chartered Accountants, Mumbai, be and are hereby appointed as the Statutory Auditors of the company in place of M/s. A. K. SAVLA & CO., Chartered Accountants, Mumbai, the retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company on such remuneration to be fixed in consultation with the Board of Directors plus reimbursement of out of pocket expenses."
5. 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, 310 & 311 read with Schedule XIII to the Companies Act, 1956, the Company hereby approves the reappointment of Mr. YASHWANT C. OZA as a Managing Director, of the Company for a period of five years with effect from 1st August 2001 on the terms & conditions, including remuneration as are set out in the draft letter of Appointment placed before this meeting and initialed by the Chairman for the purpose of identification and with liberty to the Board of Directors to alter, vary & modify the terms & conditions of the said reappointment and/or the aforesaid letter, in such a manner as may be agreed to between the Board of Directors and Mr. YASHWANT C. OZA within and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956, or any amendment there to or any re-enactment thereof and if necessary as may be agreed between Board of Directors and Mr. YASHWANT C. OZA and further that in the event of any amendment or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, or as provided in any re-enactment repeal or modification thereof, the Board of Directors be and is hereby authorised to vary or increase the remuneration including perquisite within such prescribed limits or ceiling and the aforesaid terms and conditions between the Company and Mr. YASHWANT C. OZA be suitably amended to give effect to such modification, relaxation or consent of the Shareholders of the Company & lastly that the Board of Directors of the company be and are hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution"
6. To consider and , if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
 "RESOLVED THAT pursuant to Section 198, 269, 309, 310, & 311 read with Schedule XIII to the Companies Act, 1956, the company hereby approves the reappointment of Mr. YOGESH R. TRIVEDI as a whole time Director designated as Joint Managing Director of the company for a period of Five years with effect from 1st August 2001 on the terms & conditions, including remuneration as are set out in the draft letter of Appointment placed before this meeting & initialed by the Chairman for the purpose of identification and with liberty to the Board of Directors to alter, vary and modify the terms and condition of the said reappointment and / or the aforesaid letter, in such manner as may be agreed to between the Board of Directors and Mr. YOGESH R. TRIVEDI with in and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956, or any amendment there to or any re-enactment thereof and if necessary as may be agreed between Board of Directors and Mr. YOGESH R. TRIVEDI and further that in the event of any amendment or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, or as provided in any re-enactment repeal or modification thereof, the Board of Directors be and is hereby authorised to vary or increase the remuneration including perquisite within such prescribed limits or ceiling and the aforesaid terms & conditions between the Company & Mr. YOGESH R. TRIVEDI be suitably amended to give effect to such modifications, relaxation or re-enactment without requiring any further resolutions or consent of the shareholders of the Company & lastly that the Board of Directors of the Company be & are hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."
7. To consider and , if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
 "RESOLVED THAT pursuant to Section 198, 269, 309, & 311 read with Schedule XIII to the Companies Act, 1956, the company here by approves the reappointment of Mr. SATISH M. DAVE as a whole time Director designated as Director Technical of the company for a period of Five years with effect from 1st August 2001 on the terms and conditions, including remuneration as are set out in the draft letter of Appointment placed before this meeting & initialed by the Chairman for the purpose of identification and with liberty to the Board of Directors to alter, vary and modify the terms and condition of the said reappointment and / or the

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aforesaid letter, in such manner as may be agreed to between the Board of Directors and Mr. SATISH M. DAVE with in and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956, or any amendment there to or any re-enactment there of and, if necessary as may be agreed between Board of Directors and Mr. SATISH M. DAVE and further that in the event of any amendment or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, or as provided in any re-enactment repeal or modification thereof, the Board of Directors be and is hereby authorised to vary or increase the remuneration including perquisite within such prescribed limits or ceiling and the aforesaid terms & conditions between the Company & Mr. SATISH M. DAVE be suitably amended to give effect to such modifications, relaxation or re-enactment without requiring any further resolutions or consent of the shareholders of the Company & lastly that the Board of Directors of the Company be & are hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

8. 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 all other applicable provisions, if any, of the Companies Act, 1956, and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies, the Articles of Association of the Company be and are hereby altered by insertion of the following Article No. 67A after the existing Article No. 67

Art No. 67A

(Company entitled to dematerialize its shares).

- (i) Notwithstanding anything contained in this Articles of Association, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996, including any statutory modification(s) or re-enactment(s) thereof and to offer for subscription in a dematerialized form. The Company shall further be entitled to maintain a Register of Members with details of Members holding Shares in both material and dematerialized form(s) in any media as permitted by law including any form of electronic media.

(Beneficial Owner deemed as absolute owner).

- (ii) A "beneficial owner" means any person or persons whose name(s) is recorded as such with a depository and the Company shall be entitled to treat the person(s) whose name(s) appears as the beneficial owner of the shares in the records of the Depository defined in the Depositories Act, 1996 as the absolute owner thereof as regard receipt of dividend or bonus or rights and other entitlements or service of notices and all or any other matter connected with the shares and accordingly the Company shall not (except as ordered by a Competent Court of Jurisdiction or a by law as required) be bound to recognise any benami trust or equity or equitable, contingent or whatsoever other claim to or interest in such share(s) on the part of any other person whether or not the Company shall have express or implied notice thereof.

(Rights of depositories and beneficial owner).

- (iii) Notwithstanding anything contained in this Articles of Association and in any other law for the time being in force, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of the shares, debentures or other securities on behalf of a beneficial owner. Save as otherwise provided herein above, the depository as a registered owner shall not have any voting rights or any other rights in respect of shares, debentures or any other securities held by it; and the beneficial owner shall be entitled to all rights and benefits and be subjected to all the liabilities in respect of his shares, debentures or any other securities held by a depository.

(Beneficial Owner deemed as a Member).

- (iv) 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.

(Investments in the name of a depository)

- (v) The Company can hold investments in the name of a Depository when such investments are in the form of securities held by the Company as a beneficial owner.

(Service of documents on Company)

- (vi) Where the shares or debentures or any other 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 disks.

(Transfer of Shares and Debentures)

- (vii) The provisions contained in this Articles of Association with regard to transfer or transmission of shares, debentures or any other securities shall not apply to transferee or transmission of shares, debentures or any other securities effected by the transfer and the transferee both of whom are entered as beneficial owners in the records of a depository.

(Rectification of Register of Transfer)

- (viii) With regard to the rectification of Register of Transfer, all the provisions of Section 111A of the Companies Act, 1956, as may be in force from time to time shall also apply.

(Allotment of Shares, Debentures or any other Securities to a depository)

- (ix) Notwithstanding anything contained in subsection (1) of Section 113 of the Companies Act, 1956, or any other modification(s) or re-enactment(s) thereof, where the shares, debentures or any other securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such shares, debentures or any other Securities as far as practicable.

(Distinctive Number of Shares and Debentures held with a depository not required)

- (x) Provisions contained in this Articles of Association about recording distinctive numbers of shares or debentures held by each member or debenture holder respectively in the Register of Members or Register of Debenture holders of the Company shall not apply to the shares or debentures or any other securities which are held with a depository.

(Register and Index of beneficial owners).

- (xi) The Register and index of Beneficial Owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall also be deemed to be a Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purposes of this Articles of Association and the Companies Act, 1956.

(Securities in fungible form).

- (xii) The shares, debentures or any other securities of the Company held by a depository shall be dematerialized and shall be in a fungible form. In case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, as may be in force from time to time shall apply.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
The proxy form should be lodged with the company at its Registered Office at least 48 hours before the time of the meeting.
2. The Register of members & Share Transfer Books of the Company will remain closed from 17th September 2001 to 24th September 2001 (both days inclusive).
3. Members are requested to promptly notify any changes in their address to the company at its Registered Office.
4. All documents referred to in the notice are open for inspection at the registered office of the company during office hours of all days except Saturday, Sunday and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
5. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as "proxy".
6. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holdings in one Folio.
7. THE MEMBERS DESIROUS OF GETTING ANY INFORMATION ABOUT THE ACCOUNTS AND OPERATION OF THE COMPANY ARE REQUESTED TO ADDRESS THEIR QUERIES TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE ATLEAST 10 DAYS BEFORE THE MEETING, SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS'S SATISFACTION.
8. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, for item no. 4, 5, 6, 7, & 8 of the notice is furnished herein under.

For and on behalf of the Board

Registered Office :

S. Deepak Kumar & Co.,
Shop No. 82, 4th Lane, Ghadial Gali,
Mangaldas Market, Mumbai - 400 002.

PLACE: GOVALI

DATE : 21/07/2001

sd/-
(SHANTILAL B. DAVE)
CHAIRMAN

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**Item No: 4**

The members of the Company are requested to note that the Company has received a letter from M/s. A. K. SAVLA & CO., Chartered Accountants, Mumbai, expressing their inability to continue as the Statutory Auditors of the Company for the Financial Year 2001 – 2002. The Board placed on record their appreciation for the valuable services rendered by them.

Consequently, in reply to the offer letter made by your Board of Directors, M/s. SUNDERJI GOSAR & CO., Chartered Accountants, Mumbai, have accepted the offer for their appointment as the Statutory Auditors of the Company for the Financial Year 2001 – 2002 and has also confirmed by way of their letter of appointment as the Statutory Auditors of the Company, if made, will be within the limit prescribed u/s 224 (1B) of the Companies Act, 1956.

You are requested to accord your assent for the aforesaid change in the Statutory Auditors of the Company and authorise the Board to fix their remuneration accordingly.

None of the Directors of the Company may be deemed to be concerned or interested in passing the said resolution.

RE - APPOINTMENT OF MANAGING DIRECTOR**Item No: 5**

Subject to the approval of the Shareholders, at the meeting of the Board of Directors of the Company held on 21st July, 2001 Mr. YASHWANT C. OZA was appointed as Managing Director of the Company for a period of 5 years with effect from 1st August 1996 and being eligible offers himself for reappointment.

Mr. YASHWANT C. OZA (hereinafter for brevity sake termed as Mr. Oza) is already in paper industry & considering the business experience in Paper industry possessed by Mr. Oza the Board of Directors are confident that under the able guidance of Mr. Oza your company will scale new heights of business goals in years to come hence the Board recommends passing of the resolution.

The main terms & conditions of Mr. Oza's re - appointment as Managing Director, are as under:

1. TENURE:

Mr. Oza be and is hereby re-appointed as Managing Director of the Company for a period of five years with effect from 1st August 2001 unless earlier determined by the Board of Directors by giving six months notice in writing or he vacates his office by virtue of the provisions of the Companies Act, 1956.

A Salary:

Rs. 25,000/- per month with annual increments as approved by the Board subject to a ceiling of 25% of his salary.

B Perquisites:

Mr. Y. C. Oza is also entitled to perquisites and allowances including furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishing, medical reimbursement, leave travel concession for self and family, club fees, medical and personal accident insurance, etc. in accordance with the rules of the Company subject to the condition that the total perquisites will be restricted to an amount equivalent to twice the annual salary of Mr. Y. C. Oza.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in computation of ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable shall be as per the rules of the Company as applicable to other senior Executives of the Company and shall not be included in computation of ceiling on perquisites as mentioned above. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

In the event of loss or inadequacy of profits in any financial year, Mr. Y. C. Oza shall be remunerated by way of salary and perquisites as mentioned above.

C Leave:

In accordance with the rules of the Company as applicable to other senior Executives of the Company.

D Others:

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and / or allowances as per the Company's Rules.

E Nature of Duties:

He will devote his whole time and attention to the business of the Company, perform his duties truly and faithfully and comply with the directives given to him from time to time by the Board, and further not to disclose to any person, firm or company, any confidential information relating to the Company.

F Other Conditions:

He shall not, during his tenure as Wholtime Director, become interested or otherwise concerned directly or through his wife and / or minor children, if any, in any selling agency of the Company without the prior approval of the Central Government.

G Termination:

- (a) The Board is entitled to terminate the Agreement forthwith by notice in writing on his vacation of office of Director by virtue of Section 283, 284 and other applicable provisions of the Companies Act, 1956.
- (b) Six months notice in writing by either party.

H Arbitration:

Disputes to be settled by arbitration.

Item No.6**RE - APPOINTMENT OF JOINT MANAGING DIRECTOR**

Subject to the approval of the Shareholders, at the meeting of the Board of Directors of the Company held 21st July 2001 Mr. YOGESH R. TRIVEDI was appointed as Joint Managing Director of the Company for a period of 5 years with effect from 1st August 1996 and being eligible offers himself for reappointment.

Mr. YOGESH R. TRIVEDI (hereinafter for brevity sake termed as Mr. Trivedi) is already in paper industry & Considering the business experience in Paper industry possessed by Mr. Trivedi the Board of Directors are confident that under the able guidance of Mr. Trivedi your company will scale new heights of business goals in years to come hence the Board recommends passing of the resolution.

The main terms & conditions of Mr. Trivedi's re - appointment as Joint Managing Director, are as under:

1. TENURE:

Mr. Trivedi be and is hereby re - appointed as Joint Managing Director of the Company for a period of five years with effect from 1st August 2001 unless earlier determined by the Board of Directors by giving Six months notice in writing or he vacates his office by virtue of the provisions of the Companies Act, 1956.

A Salary:

Rs. 25,000/- per month with annual increments as approved by the Board subject to a ceiling of 25% of his salary.

B Perquisites:

Mr. Y. R. Trivedi is also entitled to perquisites and allowances including furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishing, medical reimbursement, leave travel concession for self and family, club fees, medical and personal accident insurance, etc. in accordance with the rules of the Company subject to the condition that the total perquisites will be restricted to an amount equivalent to twice the annual salary of Mr. Y. R. Trivedi.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in computation of ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable shall be as per the rules of the Company as applicable to other senior Executives of the Company and shall not be included in computation of ceiling on perquisites as mentioned above. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

In the event of loss or inadequacy of profits in any financial year, Mr. Y. R. Trivedi shall be remunerated by way of salary and perquisites as mentioned above.

C Leave:

In accordance with the rules of the Company as applicable to other senior Executives of the Company.

D Others:

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and / or allowances as per the Company's Rules.

E Nature of Duties:

He will devote his whole time and attention to the business of the Company, perform his duties truly and faithfully and comply with the directives given to him from time to time by the Board, and further not to disclose to any person, firm or company, any confidential information relating to the Company.

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F Other Conditions:

He shall not, during his tenure as Wholetime Director, become interested or otherwise concerned directly or through his wife and / or minor children, if any, in any selling agency of the Company without the prior approval of the Central Government.

G Termination:

(c) The Board is entitled to terminate the Agreement forthwith by notice in writing on his vacation of office of Director by virtue of Section 283, 284 and other applicable provisions of the Companies Act, 1956.

(d) 6 months notice in writing by either party.

H Arbitration:

Disputes to be settled by arbitration.

Item No. 7

RE - APPOINTMENT OF DIRECTOR TECHNICAL

Subject to the approval of the Shareholders at the meeting of the Board of Directors of the Company held 21st July 2001 Mr. SATISH M. DAVE was appointed as Director Technical of the Company for a period of 5 years with effect from 1st August 1996 and being eligible offers himself for reappointment.

Mr. SATISH M. DAVE (hereinafter for brevity sake termed as Mr. Dave) is already in paper industry & Considering the business experience in Paper industry possessed by Mr. Dave the Board of Directors are confident that under the able guidance of Mr. Dave your company will scale new heights of business goals in years to come hence the Board recommends passing of the resolution.

The main terms & conditions of Mr. Dave's re - appointment as Director Technical are as under:

1. TENURE:

Mr. Dave be and is hereby re - appointed as Director Technical of the Company for a period of five years with effect from 1st August 2001 unless earlier determined by the Board of Directors by giving Six months notice in writing or he vacates his office by virtue of the provisions of the Companies Act, 1956.

A Salary:

Rs.20,000/- per month with annual increments as approved by the Board subject to a ceiling of 25% of his salary.

B Perquisites:

Mr. S. M. Dave is also entitled to perquisites and allowances including furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishing, medical reimbursement, leave travel concession for self and family, club fees, medical and personal accident insurance, etc. in accordance with the rules of the Company subject to the condition that the total perquisites will be restricted to an amount equivalent to twice the annual salary of Mr. S. M. Dave.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in computation of ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable shall be as per the rules of the Company as applicable to other senior Executives of the Company and shall not be included in computation of ceiling on perquisites as mentioned above. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

In the event of loss or inadequacy of profits in any financial year, Mr. S. M. Dave shall be remunerated by way of salary and perquisites as mentioned above.

C Leave:

In accordance with the rules of the Company as applicable to other senior Executives of the Company.

D Others:

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and / or allowances as per the Company's Rules.

E Nature of Duties:

He will devote his whole time and attention to the business of the Company, perform his duties truly and faithfully and comply with the directives given to him from time to time by the Board, and further not to disclose to any person, firm or company, any confidential information relating to the Company.

F Other Conditions:

He shall not, during his tenure as Wholetime Director, become interested or otherwise concerned directly or through his wife and / or minor children, if any, in any selling agency of the Company without the prior approval of the Central Government.

G Termination:

(e) The Board is entitled to terminate the Agreement forthwith by notice in writing on his vacation of office of Director by virtue of Section 283, 284 and other applicable provisions of the Companies Act, 1956.

(f) 6 months notice in writing by either party.

H Arbitration:

Disputes to be settled by arbitration.

Item No. 8

The Depositories Act, 1996, was enacted to bring in transparency in the Transfer and Transmission of Shares, Debentures and other marketable securities by means of electronic mode. This will minimize the frauds and forgeries that take place during the transfer or transmission of securities which is beneficial to both the Shareholders and the Company.

As per the letter dated March 30, 2001, as received from The Stock Exchange, Mumbai, (BSE), the Regional Exchange of the Company, the governing Board of the Exchange has decided that all B2 group companies of the exchange should sign an Agreement with both the depositories, viz, Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) and establish the required connectivity with both the depositories. To comply with the said letter received from the BSE with respect to dematerialization of the securities of the Company, the Company has entered into an Agreement with both the depositories, viz; CDSL and NSDL and also has appointed INTIME-SPECTRUM REGISTRY PVT. LTD., as an Electronic Share Transfer Agents of the Company.

The Company further requires the amendment to the Articles of Association of the Company pursuant to Section 31 of the Companies Act, 1956, so as to give powers to the Company to go in for such dematerialization of its securities.

Thus Article No. 67A is inserted after the existing Article No. 67 of the Articles of Association of the Company which provides necessary sub-clauses for dematerialization of the securities of the Company.

Hence the Board recommends for your approval and consent the said Special Resolution.

None of the Directors of the Company are in any way concerned or interested in passing of the said Special Resolution.

Registered Office :

S. Deepak Kumar & Co.,
Shop No. 82, 4th Lane, Ghadial Gali,
Mangaldas Market, Mumbai - 400 002.

PLACE: GOVALI

DATE : 21/07/2001

By order of the Board

sd/-
(SHANTILAL B. DAVE)
CHAIRMAN