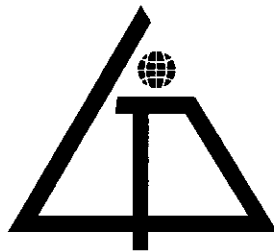


7th
Annual Report
1999-2000



B.P. Capital Limited

B.P. Complex, IX/1328, Bagichi Nand Kishore
Gandhi Nagar, Delhi-110031

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SEVENTH ANNUAL REPORT FOR THE YEAR ENDED MARCH 31, 2000

BOARD OF DIRECTORS

<i>Sh. Praveen Kumar Jain</i>	Director
<i>Sh. S.K. Kaushik</i>	Director
<i>Sh. Bimal Kumar Surana</i>	Director
<i>Sh. Chandresh Kumar Jain</i>	Executive Director

SECRETARIAL ADVISORS

M/s. Rajeev Goel & Associates

Company Secretaries
S-547, School Block
Shakarapur, Delhi - 110 092
Ph./Fax : 2424045/9397
E-mail : rajeevgoel@mantraonline.com

STATUTORY AUDITORS

M/s. Sharma Sahni & Associates

Chartered Accountants
A-370, Kalkaji
New Delhi-110019

BANKERS

Andhra Bank

SHARES LISTED WITH STOCK EXCHANGES AT

The Delhi Stock Exchange Association Ltd.
3/1, Asaf Ali Road,
New Delhi-110002

The Calcutta Stock Exchange Ltd.
7, Lyons Range
Calcutta - 700001

REGISTERED OFFICE

B.P. Complex
IX/1328 Bagichi Nand Kishore
Gandhi Nagar, Delhi-110031



NOTICE

Notice is hereby given that the 7th Annual General Meeting of the Members of the Company will be held on Wednesday, 27th, September 2000 at 3.00 P.M. at Multi Purpose Community Centre, Khera Khurd, Alipur Block, Delhi 110082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2000 together with the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Praveen Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. S. K. Kaushik who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

ALTERATION OF ARTICLES OF ASSOCIATION

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 the provisions of 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 in the following manner:

- J. A new article be inserted immediately after existing article no. 19 as article no. 19A as set out below:

19A Dematerialisation of Securities

Definitions

(i) For the purpose of this Article:

"Beneficial Owner" means a person or persons whose name is recorded as such with a depository.

"SEBI" means the Securities & Exchange Board of India.

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India, 1992;

"Registered Owner" means a Depository whose name is entered as such in the records of the Company; and "Security" means such security as may be specified by SEBI from time to time.

(ii) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for issue in dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media.



(iii) Issue of Securities and Option for Investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold the security with a depository, and on the receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.

(iv) Securities in Depository mode to be in Fungible Form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of Depositories and Beneficial Owners

- (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities in the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(vi) Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where 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 discs.

(vii) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(viii) Allotment of Securities dealt with a Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(x) Register and Index of Beneficial Owners

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a Register and Index of members and other security holders.



II. **A new article be inserted immediately after existing article no. 74 as article no. 74A as set out below:**

- 74A. a. "Every holder of shares or debentures or fixed deposits of the Company will have freedom to nominate at any time a person to whom his shares/debentures/fixed deposits shall vest in the event of his/her death.
- b. Where the shares/debentures/fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the Company, as the case may be, shall vest in the event of death of all the joint holders.
- c. Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the Company, where a nomination made in the prescribed purports to confer on any person the right to vest in the Shares or Debentures or fixed deposits of the Company, the nominee shall on the death of the holder of securities mentioned above, or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- d. Where nominee is a minor it shall be lawful for the holder of the share or holder of debentures/fixed deposits to make the nomination to appoint in the prescribed manner any person to become entitled to shares in or debentures or Deposits of the company in the event of his death during the minority.
- e. Any person who becomes nominee as aforesaid upon the production of such evidence as may be required by the Board of Directors of the company, elect either to be registered as holder of the shares or debenture or Deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
- f. The Board of Directors of the company shall in either case have the same right to decline or to suspend registration as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before his death."

By order of the Board
For **B.P. CAPITAL LIMITED**

Sd/-
(Praveen Kumar Jain)
Director

Place : Delhi
Date : 28-8-2000



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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The register of members and share transfer books of the Company will remain closed from 21-9-2000 to 25-9-2000 (both days inclusive).
3. Pursuant to recent amendments in the Companies Act, 1999, shareholders can avail nomination facility in respect of their shareholding by using Form 2B of the Companies (Central Government) General Rules & Forms, 1956. The Shareholders may also obtain this form from the Company on requests.
4. Members are requested:
 - (a) To notify the change of address, if any, to the Company immediately.
 - (b) To carry along their copy of the Annual Report at the Annual General Meeting for ready reference.
 - (c) To produce at the entrance the enclosed attendance slip duly completed and signed for admission to the meeting place.
5. For any specific query on accounts of the Company, please write to the Company at least 7 days before the date of the Annual General Meeting.
6. Explanatory statement as required under section 173(2) of the Companies Act, 1956 in respect of Special Business under item number 5 is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Recently the Securities and Exchange Board of India (SEBI) has put more than 2,500 companies under compulsory de-mat category and your Company was included in that category and accordingly the date of implementation was fixed as 26th February, 2001. Accordingly the Company has been directed by the Stock Exchanges to go in for compulsory de-materialisation of equity shares of the Company. The shareholders will be able to keep the shares in electronic mode rather than keeping the share certificate in physical form. This will also enable the Shareholders to have paperless transactions in the shares of the Company and enjoy all the benefits of paperless transactions.

A new article is proposed to be included as Article 10A after the existing Article 10 in the Articles of Association of the Company to incorporate necessary provision relating to the de-materialisation of securities of the Company.

Further The Companies (Amendment) Act, 1999 has introduced the facility of nomination to the Shareholders, Securityholders and Debentureholders of the Company. A new article is proposed to be included as Article 74A after the existing Article 74 in the Articles of Association of the Company to this effect.

Your Board recommends acceptance of the aforesaid resolution in the best interest of the Company.

None of the Directors of the Company is concerned or interested in the proposed Resolution.

By order of the Board
For **B.P. CAPITAL LIMITED**

Sd/-

(Praveen Kumar Jain)

Director

Place : Delhi
Date : 28-8-2000

**DIRECTORS' REPORT**

DEAR MEMBERS

Your Directors take pleasure in presenting the Seventh Annual Report of your Company together with the Audited Accounts for the year ended March 31, 2000. The highlights of the financial results are as follows:

FINANCIAL RESULTS

Particulars	(Rupees in 000's)	
	Year ended 31/03/2000 (Audited)	Year ended 31/03/1999 (Audited)
Income from operation	58,185	27,147
Other Income	68	52
Total Expenditure		
(a) Decrease in Stock in Trade	104	2,930
(b) Purchase of Shares	56,594	22,255
(c) Staff Cost	215	226
(d) Directors Remuneration	335	300
(e) Other Expenditure	782	1,277
Interest	—	02
Depreciation	119	109
Profit before Tax	104	100
Provision for Taxation	08	10
Net Profit	96	90
Paid up Equity Share Capital	30,118	30,118
Reserves excluding revaluation reserve	71	51
Earning Per Share (Rs.)	0.03	0.03

YEAR IN RETROSPECT & FUTURE PLANS

During the year under review, the performance of the Company improved marginally as compared to the previous year. However the overall performance of the Company continues to be unsatisfactory on account of various external factors which has affected the performance of the Company adversely. Your Directors are concerned about the present state of affairs and the insufficient rate of growth shown by the Company. They are putting in their best efforts to improve the Company's performance.

DIVIDEND

In view of the marginal profits earned by the Company, your directors regret their inability to recommend any dividend.

CORPORATE GOVERNANCE

Consequent upon the adoption of the recommendations of Kumar Manglam Birla Committee on Corporate Governance by SEBI, provisions relating to the corporate governance have been incorporated in the listing agreement by the stock exchanges. The Company is required to implement the Corporate Governance Code within financial year 2002-2003 but not later than March 31, 2003.

FIXED DEPOSITS

During the year under report, your Company did not accept any deposits from the public in terms of Section 58A of the Companies Act, 1956.



PARTICULARS OF EMPLOYEES

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and hence no particulars are required to be disclosed in this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is engaged only in the business of finance and investment, the issues relating to conservation of energy and technology absorption are not relevant to its functioning. There has been no foreign exchange earnings and outgo during the year under review.

DIRECTORS

Mr. Praveen Kumar Jain resigned as Managing Director of the Company. However, he continues to be an ordinary director of the Company. The Board places on record its sincere appreciation for invaluable contribution made by Mr. Jain during his tenure as Managing Director of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Praveen Kumar Jain retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

M/s Sharma Sahni & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under Section 224 (1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

YEAR Y2K ISSUE

There was smooth transition to year 2000 and no Y2K problems were encountered.

STOCK EXCHANGE LISTING

The Company's shares are listed on Delhi and Calcutta Stock Exchange and the Company has paid the annual listing fees to these Stock Exchanges for the year 2000-2001.

ACKNOWLEDGEMENT

The Board wishes to thank the Bankers and its valued business associates for the continuous support and co-operation extended by them and also record its appreciation of the valuable contribution made by the employees at all levels towards the growth of the Company.

By order of the Board
For **B.P. CAPITAL LIMITED**

Sd/-
(S. K. Kaushik)
Chairman

Place : Delhi
Date : 31-7-2000



AUDITORS' REPORT

The Members,
B.P. CAPITAL LIMITED
DELHI

Ladies & Gentlemen,

We have audited the attached Balance Sheet of B.P. Capital Ltd. as at 31st March, 2000 the Profit & Loss Account for the year ended 31st March, 2000 annexed there to and report that :

1. As required by the *Manufacturing and other Companies (Auditor's Report) Order 1988*, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose Annexure A in the matters specified in paragraph 4 & 5.
 2. Further to our comments in the annexure referred to in paragraph 1 above :
 - A) We have obtained all the informations and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - B) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of such books.
 - C) The Balance Sheet & Profit and Loss Account referred to in this report are in agreement with the books of accounts.
 - D) In our opinion, the Balance Sheet and the Profit & Loss account dealt with by the report is in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - E) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2000.
- AND
- ii) In the case of the Profit & Loss Account of the Profit for the year ended as on 31st March, 2000.

For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

Sd/-
(Vinod Sahni)
F.C.A.
Partner

Place : New Delhi
Date : 28-06-2000



ANNEXURE 'A' TO AUDITORS' REPORT TO THE MEMBERS

Annexure referred to in Para (1) of our Report of even date to the members of B.P. CAPITAL LIMITED on the accounts for the year ended 31.03.2000.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Asset. As explained to us all the assets were stated to have been physically verified by the management at the end of the year. It has however, been reported that no discrepancies were noticed between the book records & the physical verification so carried out.
2. None of the fixed assets have been revalued during the year.
3. The stock of shares have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
4. In our opinion and according to the information & explanation given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
5. As informed by the management, no discrepancies were noticed on physical verification of stocks as compared to book records.
6. In our opinion and on the basis of our examination of the stock records, the valuation of stock is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loans from Companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
8. The Company has not granted any loans secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and / or the Companies under the same Management as defined under Section 370(1B) of the Companies Act, 1956.
9. In respect of loans and advances in the nature of loans given by the Company, that the parties to whom loans and advances in the nature of loans have been given by the Company are repaying the principal amounts as stipulated and are also regular in payment of interest, wherever applicable except in one case where a loan of Rupees two lacs thirty five thousand one hundred and thirty only has been given and due to dispute with the party principal and interest are not received by the Company.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchases and sales of shares, plants and machinery, equipment and other assets.
11. According to the information and explanations given to us, the transactions of Purchase and Sale of Shares made in pursuance to contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956, aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices as available with the Company for such goods and materials or prices at which transactions for similar goods have been made with other parties.
12. The Company has not accepted any deposits from the Public under the provisions of Section 58A of The Companies Act, 1956 and rules framed thereunder for the period under review.
13. In our opinion the Company has an internal audit system commensurate with the size of the Company and the nature of its business.



14. The Central Government has not prescribed for the maintenance of cost records by the Company, under Section 209(i) (d) of the Companies Act, 1956.
15. According to the information and explanations given to us, the Provident fund and E.S.I. Act are not yet applicable to the Company.
16. According to the information and explanation given to us there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty, outstanding for a period of more than six months as at 31st March, 2000 from the date they became payable.
17. According to the information and explanations given to us no personal expenses of employees or Directors have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practices.
18. The Company is not a sick Industry within the meaning of Clause (o) of Sub Sec.(1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act,1985.
19. The Company has not undertaken any service activities during the year.
20. The Company has not granted any loans or advances on the basis of security by way of pledge of Shares, Debentures and other similar securities.
21. The provisions of special statute to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to the Company.
22. In respect of its dealings in shares/debentures, the Company has maintained proper records of the transactions and timely entries have been made.
23. The other clauses of the order, being not applicable to the Company, has not been commented upon.

For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

Sd/-
(Vinod Sahni)
F.C.A.
Partner

Place : Delhi
Date : 28-06-2000

**BALANCE SHEET AS AT 31st MARCH'2000**

	Schedule No.	As at 31.03.2000 Amount (Rs.)	As at 31.03.99 Amount (Rs.)
I. SOURCES OF FUND			
(1) SHAREHOLDER'S FUNDS			
Share Capital	1	30,118,000.00	30,118,000.00
		30,118,000.00	30,118,000.00
(2) RESERVE & SURPLUS	2	70,957.00	51,227.00
(3) UNSECURED LOANS	3	525,530.03	0.00
TOTAL SOURCES OF FUNDS		30,714,487.03	30,169,227.00
II APPLICATION OF FUNDS			
(1) FIXED ASSETS	4		
Gross Block		3,147,269.50	3,112,689.00
Less : Depreciation		469,644.00	406,432.00
Net Block		2,677,625.50	2,706,257.00
(2) INVESTMENTS	5	1,250,000.00	1,250,000.00
(3) CURRENT ASSETS, LOANS AND ADVANCES	6		
Inventories		7,876,744.45	7,980,491.05
Sundry Debtors		3,202,120.91	2,371,000.00
Cash and Bank Balances		1,167,589.36	3,878,195.98
Loans and Advances		12,283,961.00	9,564,554.00
		24,530,415.72	23,794,241.03
Less : CURRENT LIABILITIES AND PROVISIONS	7		
Liabilities		97,945.06	151,738.00
Provisions		31,659.00	26,838.00
		129,604.06	178,576.00
NET CURRENT ASSETS		24,400,811.66	23,615,665.03
(4) MISCELLANEOUS EXPENDITURE 8 (to the extent not written off or adjusted)		658,677.04	791,012.04
(5) PROFIT & LOSS ACCOUNT		1,727,372.83	1,806,292.93
TOTAL APPLICATION OF FUNDS		30,714,487.03	30,169,227.00

**SIGNIFICANT ACCOUNTING POLICIES
AND NOTES TO ACCOUNTS**

13

In terms of our audit report of even date attached
For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

For **B.P. CAPITAL LIMITED**

Place : Delhi
Date : 28-06-2000

Sd/-
(Vinod Sahni)
F.C.A. Partner

Sd/-
(Praveen Kumar Jain)
Managing Director

Sd/-
(Chandresh Kumar Jain)
Executive Director

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH'2000**

	Schedule No.	Year Ended 31.03.2000 Amount (Rs.)	Year Ended 31.03.99 Amount (Rs.)
INCOME			
Sales		56,913,940.68	25,087,025.20
Income from Operations	9	1,339,280.50	2,112,131.00
		<u>58,253,221.18</u>	<u>27,199,156.20</u>
EXPENDITURE			
Decrease in Stock	10	103,746.60	2,930,045.80
Purchase of Shares		56,594,371.69	22,254,760.50
Loss on Sale of Investment		—	500,000.00
Loss on Sale of Fixed Assets		5,068.00	—
Other Expenses	11	1,146,148.92	1,143,731.39
Financial Expenses	12	48,401.87	29,133.00
Depreciation		119,144.00	108,807.00
Preliminary Exp. Written Off		48,761.00	48,761.00
Public Issue Exp. Written Off		83,574.00	83,574.00
		<u>58,149,216.08</u>	<u>27,098,812.69</u>
PROFIT BEFORE TAXATION		104,005.10	100,343.51
Provision for Taxation		8,155.00	10,280.00
Add : Income Tax Adjustments of earlier years		2,800.00	315.00
		<u>98,650.10</u>	<u>89,748.51</u>
PROFIT AFTER TAXATION		98,650.10	89,748.51
Transferred To Reserve Fund (as per Section 45-IC of the RBI Act)		19,730.00	17,950.00
		<u>78,920.10</u>	<u>71,798.51</u>
Add : Balance Brought Forward from last year		(1,806,292.93)	(1,878,091.09)
BALANCE CARRIED OVER TO BALANCE SHEET		<u>(1,727,372.83)</u>	<u>(1,806,292.58)</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS			
	13		

In terms of our audit report of even date attached
For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

For **B.P. CAPITAL LIMITED**

Place : Delhi
Date : 28-06-2000

Sd/-
(Vinod Sahni)
F.C.A. Partner

Sd/-
(Praveen Kumar Jain)
Managing Director

Sd/-
(Chandresh Kumar Jain)
Executive Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET
AND PROFIT & LOSS ACCOUNT AS AT 31.03.2000**

PARTICULAR	As at 31.03.2000 AMOUNT (RS.)	As at 31.03.1999 AMOUNT (RS.)
SCHEDULE - 1		
<u>SHARE CAPITAL</u>		
Authorised 1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000.00	150,000,000.00
Issued, Subscribed & Paid-up 30,11,800 Equity Shares of Rs. 10/- each fully paid up	30,118,000.00	30,118,000.00
Total (Rs.)	30,118,000.00	30,118,000.00
SCHEDULE - 2		
<u>RESERVE & SURPLUS</u>		
Reserve Fund (as per Section 45-IC of the RBI Act)	70,957.00	51,227.00
Total (Rs.)	70,957.00	51,227.00
SCHEDULE - 3		
<u>UNSECURED LOANS</u>		
Book Overdraft with Andhra Bank	525,530.03	—
Total (Rs.)	525,530.03	—



SCHEDULE - 4

SCHEDULE OF FIXED ASSETS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31.03.2000

Sl. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		Rate of Dep. % S.L.M.	Cost As On 01.04.99	Additions During The Year	Sales During The Year	Total Cost As On 31.03.2000	Depreciation Up to 01.04.99	Depreciation For The Current Year	Depreciation Adjustment	Total As On 31.03.2000	W.D.V. As On 31.03.2000	W.D.V. As On 31.03.99
1.	Land	—	195,000.00	0.00	0.00	195,000.00	0.00	0.00	0.00	0.00	195,000.00	195,000.00
2.	Building	1.63	1,986,497.00	109,089.00	0.00	2,095,586.00	135,981.00	34,022.00	0.00	170,003.00	1,925,583.00	1,850,516.00
3.	Furniture & Fixture	6.33	209,250.00	0.00	0.00	209,250.00	9,742.00	13,246.00	0.00	22,988.00	186,262.00	199,508.00
4.	Computer & Printer	16.21	249,903.00	41,577.00	25,500.00	265,980.00	144,122.00	43,729.00	19,639.00	168,212.00	97,768.00	105,781.00
5.	Fax Machine	4.75	46,500.00	0.00	0.00	46,500.00	10,389.00	2,209.00	0.00	12,598.00	33,902.00	36,111.00
6.	Office Equipments	4.75	86,086.00	20,804.50	0.00	106,890.50	21,155.00	5,007.00	0.00	26,162.00	80,728.50	64,931.00
7.	Motor Car	9.50	339,453.00	0.00	140,000.00	199,453.00	85,043.00	20,916.00	36,293.00	69,666.00	129,787.00	254,410.00
8.	Scooter	9.50	0.00	28,610.00	0.00	28,610.00	0.00	15.00	0.00	15.00	28,595.00	0.00
	TOTAL (RS.)		3,112,689.00	200,080.50	165,500.00	3,147,269.50	406,432.00	119,144.00	55,932.00	469,644.00	2,677,625.50	2,706,257.00
	PREVIOUS YEAR		2,875,599.00	237,090.00	0.00	3,112,689.00	297,625.00	108,807.00	0.00	406,432.00	2,706,257.00	2,577,974.00

**SCHEDULE - 5****INVESTMENTS (LONG TERM)****UNQUOTED EQUITY SHARES (VALUED AT COST)**

	Face Value	No. of Shares	Book Value as at 31.03.2000	Book Value as at 31.03.99
Indcap Leasing & Finance Ltd.	10	125,000	1,250,000.00	1,250,000.00
Total		125,000	1,250,000.00	1,250,000.00

SCHEDULE - 6**CURRENT ASSETS, LOANS & ADVANCES****Current Assets**

Inventories (Shares) (Valued at Cost or Market value whichever is lower, as certified by the management)	7,876,744.45	7,980,491.05
Total (Rs.)	7,876,744.45	7,980,491.05

Sundry Debtors

(Unsecured, Considered Good) Exceeding six months Others	500,000.00 2,702,120.91	545,000.00 1,826,000.00
Total (Rs.)	3,202,120.91	2,371,000.00

Cash and Bank Balances

Cash in Hand	72,444.35	230,842.50
Cheques in Hand	1,050,760.00	1,200,000.00
Balance with Scheduled Bank :- - in Current Account - in Others	2,964.01 41,421.00	2,402,832.48 44,521.00
Total (Rs.)	1,167,589.36	3,878,195.98

Loans & Advances

(Considered Good except otherwise stated) Loans Paid, Unsecured Security Deposit Advance recoverable in cash or in kind or for which value to be received Staff Advance Tax Deducted at Source Other Current Assets	9,212,633.00 12,000.00 2,750,000.00 10,000.00 243,568.00 55,760.00	7,993,407.00 12,000.00 350,000.00 — 148,647.00 1,060,500.00
Total (Rs.)	12,283,961.00	9,564,554.00

**SCHEDULE - 7****CURRENT LIABILITIES & PROVISIONS****Current Liabilities**

Expenses Payable	63,664.06	52,347.00
Other Liabilities	34,281.00	99,391.00

Total (Rs.)	97,945.06	151,738.00
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Provisions

Provision for Interest Tax	23,504.00	16,558.00
Provision for Income Tax	8,155.00	10,280.00

Total (Rs.)	31,659.00	26,838.00
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SCHEDULE - 8**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

Preliminary Expenses	240,809.00	289,570.00
Public Issue Expenses	417,868.04	501,442.04

Total (Rs.)	658,677.04	791,012.04
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SCHEDULE - 9**INCOME FROM OPERATIONS**

Interest Received	1,226,626.00	1,019,005.00
Other Interest	819.00	11,419.00
Dividend Received	38,487.50	29,507.00
Professional Fees	—	1,000,000.00
Brokerage & Commission Recd.	5,700.00	—
Misc. Income	67,648.00	52,200.00

Total (Rs.)	1,339,280.50	2,112,131.00
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SCHEDULE - 10**INCREASE/DECREASE IN STOCKS****Stock in trade (Shares)(At Cost or Market Value whichever is less)**

At the end of the year	7,876,744.45	7,980,491.05
Less : At the commencement of the year	7,980,491.05	10,910,536.85

Increase/Decrease	(103,746.60)	(2,930,045.80)
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SCHEDULE - 11**OTHER EXPENSES**

Salaries	196,712.00	202,930.00
Directors Remuneration	335,000.00	300,000.00
Rent	48,000.00	96,000.00
Staff Welfare	17,899.65	23,354.00



Printing & Stationery	44,562.00	36,735.00
Telephone, Telex & Fax	75,482.77	65,912.64
Postage & Telegram	5,596.00	5,914.75
Conveyance & Travelling	59,688.00	53,302.50
Vehicle Repair & Maintenance	32,433.00	47,848.80
Advertisement	14,732.00	17,371.00
Electricity & Water Expenses	39,826.00	17,421.00
Repair & Maintenance	78,771.00	62,244.00
Fees & Taxes	840.00	840.00
House Tax	—	22,297.00
Insurance	3,850.00	—
Books & Periodicals	3,728.00	2,593.50
Directors Sitting Fee	9,000.00	15,000.00
AGM Expenses	9,770.00	3,415.00
Listing Fee	20,250.00	20,250.00
Share Transfer Expenses	13,990.00	6,226.00
Miscellaneous & Other Exp.	12,868.50	31,926.20
Bad Debts	45,000.00	—
Legal & Professional Charges	57,150.00	92,150.00
Audit Fee	21,000.00	20,000.00
	<hr/>	<hr/>
Total (Rs.)	1,146,148.92	1,143,731.39

SCHEDULE - 12**FINANCIAL EXPENSES**

Bank Charges	5,291.00	10,498.00
Interest Paid	—	1,785.00
Interest Tax	24,506.00	16,850.00
Share Depository Charges	18,604.87	—
	<hr/>	<hr/>
Total (Rs.)	48,401.87	29,133.00



SCHEDULE NO. - 13

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS AS ON 31.03.2000

1. SIGNIFICANT ACCOUNTING POLICIES

a) **ACCOUNTING CONVENTION**

Financial statements are prepared under the historical cost convention, in accordance with normally accepted Accounting Principles.

b) **FIXED ASSETS**

Fixed Assets are stated at cost less depreciation.

c) **DEPRECIATION**

Depreciation has been provided as per Straight Line Method at rates provided in Schedule XIV of the Companies Act, 1956 as amended vide the notification dated December 16, 1993 of the Department of Company Affairs.

d) **INVESTMENTS**

Long Term Investment of unquoted shares are stated at Cost. Gain/loss on disposal of investment is recognised as Income/Expenditure. Short Term Investment of Quoted and Unquoted Shares are booked as inventories.

e) **INVENTORIES**

Closing Stock of Quoted Shares are valued at lower of cost or market value. Unquoted Shares are valued at fair/realisable value or cost which ever is lower.

f) **EXPENSES**

Accrual basis of accounting has been followed.

g) **INCOME**

All incomes are accounted for on accrual basis except dividend income which is accounted for on receipt basis.

h) **TAXATION**

The Company has made a provision of Rs. 8,155/- towards Income Tax for the year ended 31.03.2000 under Section 115JA of the Income Tax Act.

2. No Interest on loans of Rs. 2,35,113/- to Mr. I.K. Surana for the current year has been provided as the same was considered Non Performing Assets. However, the full amount of principal was received from the person in the year under audit.

3. No provision for gratuity has been made as the provisions of Gratuity Act, 1972 are not applicable to the Company.

4. In the opinion of the management current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of the business.

5. Contingent Liabilities not provided for are Nil.

6. Previous year figures have been regrouped/rearranged wherever necessary to render them comparable with current year figures.



7. Additional information pursuant to the provisions of paragraph 3 and 4 of Part II of Schedule VI of the Companies Act 1956 is as follows :-

	Year Ended 31.03.2000	Year Ended 31.03.99
a) Auditors Remuneration		
Audit Fees	13,125.00	12,500.00
Tax Audit Fees	7,875.00	7,500.00
Others	1,000.00	—
	22,000.00	20,000.00

b) Quantitative Information in respect of goods traded in Shares and Securities.

OPENING STOCK		PURCHASE		SALE		CLOSING STOCK	
Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
847602	7980491.05	*387472	56594371.69	**685422	56913940.68	549652	7876744.45
(1272352)	(10910536.85)	(708575)	(22254760.50)	(1133325)	(25087025.20)	(847602)	(7980491.05)

* Including 1000 Bonus Shares

** Including 10500 forfeited Shares

c) Statement of Investment held as stock in trade as on the date of Balance Sheet is as follows :-

Name of the Company	Face Value	No. of Shares	Cost Price (Rs.)	Valuation as at 31.3.2000 (Rs.)
I. EQUITY SHARES				
A) QUOTED - FULLY PAID-UP				
Bestcorp Securities Ltd.	10	5000	50,000.00	6,500.00
Baggrys India Ltd.	10	4500	45,675.00	3,375.00
Electrolux Kelvinator Ltd.	10	4500	177,671.25	121,500.00
Girnar Fibres Ltd.	10	2100	32,848.50	3,255.00
Indcap Financial Ltd.	10	105700	317,100.00	317,100.00
Irplast Ad.	10	4000	8,000.00	2,000.00
Infosys Technology Ltd.	5	250	2,918,693.00	2,225,012.50
ITC	10	1000	783,366.50	722,000.00
Himachal Futuristics Ltd.	10	1000	2,292,900.69	1,706,550.00
Jindal Vijay Nagar Steel Ltd.	10	3300	33,833.25	18,150.00
Krishna Engg. Works Ltd.	10	100800	411,378.50	411,378.50
Optel Telecom Ltd.	10	1100	77,000.00	35,310.00
Punjab Fibres Ltd.	10	7650	329,135.55	30,600.00
Recon Ltd.	10	3300	127,169.85	127,169.85
Raipur Alloys & Steels Ltd.	10	4300	25,800.00	6,020.00



B.P. Capital Limited

Rom Ltd.	10	700	6,300.00	1,750.00
Real Value Appliances Ltd.	10	1500	12,252.00	7,200.00
Reliance Inds. Ltd.	10	2	338.60	338.60
Suraj Vanaspati Ltd.	10	100	605.25	270.00
Surnidhi Investment Ltd.	10	240000	2,425,000.00	240,000.00
Terry Fab. (India) Ltd.	10	34100	201,280.00	68,200.00
UTI Master Gain-92	10	2200	25,190.00	25,190.00
Vans Information & Investors Services Ltd.	10	5000	1,259,300.00	587,000.00
Vikrant Tyres Ltd.	10	50	875.00	875.00
(Total A)		532152	11,561,712.94	6,666,744.45
B) UNQUOTED (VALUED AT COST)				
Saral Finance Pvt. Ltd.	100	1000	100,000.00	100,000.00
Sugandh Finvest Pvt. Ltd.	100	15500	1,110,000.00	1,110,000.00
(Total B)		16500	1,210,000.00	1,210,000.00
C) BONUS SHARES				
Mars Software		1000		
(Total C)		1000		
(Total A + B + C)		549652	12,771,712.94	7,876,744.45

d) There was no employee who is in receipt of remuneration aggregating Rs. 50,000/- or more per month.

	Year Ended 31.03.2000	Year Ended 31.03.99
8. Directors Remuneration		
Salary	3,00,000.00	3,00,000.00
Rent Paid for rent free accommodation	48,000.00	48,000.00
House Rent Allowance	35,000.00	—
Sitting Fees	9,000.00	15,000.00
9. CIF value of Imports	— NIL —	
10. Value of Imported/Indigenous Raw Material, Stores and Components Consumed	— NIL —	
11. Expenditure in Foreign Currency	— NIL —	
12. Earnings in Foreign Currency	— NIL —	

**13. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE:**

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

a) Registration Details

Registration No. : 57572 State Code : 55
Balance Sheet Date : 31.03.2000

b) Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Rights Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

c) Position of Mobilisation and Deployment of Funds (Amounts in Rs. Thousands)

Total Liabilities	Total Assets
30844	30844

Sources of Funds

Paid - Up Capital	Reserves and Surplus
30118	71
Secured Loans	Unsecured Loans
Nil	526

Application of Funds

Net Fixed Assets	Investments
2678	1250
Net Current Assets	Misc. Expenditure
24401	659
Accumulated Losses	
1727	

d) Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure
58253	58149
Profit/Loss Before Tax	Profit/Loss After Tax
104	99

e) Generic Names of Three Principal Products/Services of Company.

Product Description	Item Code No. (ITC Code)
i) Financing	—
ii) Dealing in Shares	—

SIGNATURE TO SCHEDULE NO. 1 TO 13

In terms of our audit report of even date attached
For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

For **B.P. CAPITAL LIMITED**

Place : Delhi	Sd/- (Vinod Sahni) F.C.A. Partner	Sd/- (Praveen Kumar Jain) Managing Director	Sd/- (Chandresh Kumar Jain) Executive Director
Date : 28-06-2000			

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2000**

	AS ON		AS ON	
	31.03.2000		31.03.99	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax	(+)	104005	(+)	100343
Adjustments for :				
Depreciation	(+)	119144	(+)	108807
Interest Tax	(+)	24506	(+)	16558
Loss on Sale of Investment		0	(+)	500000
Loss on Sale of Fixed Assets	(+)	5068		0
Preliminary Exps. Written Off	(+)	48761	(+)	48761
Public Issue Exps. Written Off	(+)	83574	(+)	83574
		<u>(+)</u> 281053		<u>(+)</u> 757700
Operating Profit before Working Capital changes	(+)	385058	(+)	858043
Adjustments for :				
Current Assets	(-)	3446781	(+)	2607571
Current Liabilities	(-)	53793	(-)	79073
Advance Tax/Tax Adjustment	(-)	7480	(-)	1488
		<u>(-)</u> 3508054		<u>(-)</u> 2527010
Net Cash generated from operations	(A)	<u>(-)</u> 3122996		<u>(-)</u> 3385053
B. CASH FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(-)	200081	(-)	237090
Sale of Investment		0	(+)	500000
Sale of Fixed Assets	(+)	104500		0
Net Cash flow from Investing Activities	(B)	<u>(-)</u> 95581		<u>(+)</u> 262910
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of Share Capital		0		0
Proceeds from Short/Long Term Borrowings (+)		525530		0
Share Issue Expenses Incurred		0		0
Dividends Paid		0		0
Preliminary Expenses Incurred		0		0
Interest Tax Paid	(-)	17560	(-)	17148
	(C)	<u>(+)</u> 507970		<u>(-)</u> 17148
Net Cash used in Financing Activities	(A+B+C)	<u>(-)</u> 2710607	(A+B+C)	<u>(-)</u> 3630815



NET INCREASE IN CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents as at (Opening Balance)	3878196	247381
Cash and Cash Equivalents as at (Closing Balance)	1167589	3878196
TOTAL	(-) 2710607	TOTAL (-) 3630815

For **B.P. CAPITAL LIMITED**

Place : Delhi
Date : 28-06-2000

Sd/-
(Praveen Kumar Jain)
Managing Director

Sd/-
(Chandresh Kumar Jain)
Executive Director

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of B.P. CAPITAL LTD. derived from the Audited Financial Statements for the period ended 31st March, 2000 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreement with Stock Exchanges.

For **SHARMA SAHNI & ASSOCIATES**
Chartered Accountants

Place : New Delhi
Date : 28-06-2000

Sd/-
(Vinod Sahni)
F.C.A.
Partner



B.P. Capital Limited

Regd. Office : B.P. Complex, IX/1328, Bagichi Nand Kishore
Gandhi Nagar, Delhi-110 031

PROXY FORM

Folio No. :

#No. of Shares Held :

I/weof in the District ofbeing a members of the above Company ,hereby appoint Sh./Smt.ofin the district of or failing him/herofin the district of as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 27th day of September, 2000 at 3.00 P.M. and at any adjournment thereof.

Signed thisday of2000.

Affix
Revenue
Stamp

Signature

Note : The Form should be signed across the stamp as per specimen signature registered with the Company. The proxy form must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.

B.P. Capital Limited

Regd. Office : B.P. Complex, IX/1328, Bagichi Nand Kishore
Gandhi Nagar, Delhi-110 031

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

#Folio No. :

#No. of Shares Held :

Name of the member
(in block letters)

Name of the proxy
(if any)

I hereby record my presence at the Annual General meeting of the Company held on 25th September, 2000.

.....
Signature of the member/proxy

#ADMISSION SLIPS WITHOUT THIS INFORMATION WILL NOT BE ACCEPTED.