

BARTRONICS INDIA LIMITED

BOARD OF DIRECTORS

Shri Sudhir Rao	-	Managing Director
Shri V.Rama Mohan Rao	-	Director (Finance)
Shri K.N.Dupare	-	Director (IDBI Nominee)
Shri A.B.S. Reddy	-	Director
Shri R.Satish Reddy	-	Director

REGISTERED OFFICE

- 18,Nagarjuna Hills,
Panjagutta,
Hyderabad - 500 082,
Ph: 56529265, 56529268.

AUDITORS:

- M/s Yaji Associates
Chartered Accountants,
Hyderabad.

FINANCIAL INSTITUTIONS

- Industrial Development Bank of India

BANKERS

- Andhra Bank,
Somajiguda Branch,
Hyderabad.

NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the members of the company will be held on Thursday, 30th day of December, 2004, at the Registered office of the Company at 18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082 at 11.30 A.M.

Ordinary Business:

1. To receive, consider and adopt the audited balance sheet as at March 31, 2004 and the profit and loss account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a director in place of Shri R.Satish Reddy who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on a remuneration to be fixed by the Board of Directors of the company on a later date. The retiring Auditor, M/S YAJI Associates, Chartered Accountants, Hyderabad, being eligible, offers themselves for reappointment.

Special Business:

- 4. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

“RESOLVED that Shri A.B.S.Reddy, who was appointed as an Additional Director of the Company with effect from 15.10.2003 and holds office upto the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation”.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BARTRONICS INDIA LIMITED

PLACE : HYDERABAD
DATE : 24.12.2004

SUDHIR RAO
MANAGING DIRECTOR

BARTRONICS INDIA LIMITED

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY HELD AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is enclosed.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956.

ITEM NO. 4

Shri A.B.S.Reddy, was appointed as an Additional Director of the Company at the meeting of the Board of Directors of the Company held on 15th October, 2003, who holds office upto the date of the ensuing Annual General Meeting of the Company.

Notice as required under Section 257 of the Companies Act, 1956 together with the requisite deposit has been received from a member proposing the appointment of Shri A.B.S.Reddy as Director. The said notice and the Memorandum and Articles of Association of the Company are available for inspection at the Registered Office of the Company on any working day.

Therefore, your Directors recommend the resolution for your approval.

None of the Directors of the Company except Shri A.B.S. Reddy is concerned or interested in the aforesaid resolution.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BARTRONICS INDIA LIMITED

PLACE : HYDERABAD
DATE : 24.12.2004

SUDHIR RAO
MANAGING DIRECTOR

BARTRONICS INDIA LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Thirteenth Annual Report together with the Audited Accounts for the Financial Year ended 31st March, 2004 comprising of twelve (12) months from 01.04.2003 to 31.03.2004.

COMPANY'S PERFORMANCE :

The year had been one of the most challenging years for your company being the impact of the global slowdown coupled with changes in capital markets and general economic conditions posed tremendous challenges. Despite this, your company performed well and showed all-round growth.

Your Directors are hereby report that your Company has achieved the total income of Rs.12,58,17,429 during the financial year under review as against the turnover of Rs.8,31,57,986 during the previous financial year.

The highlights of the financial results are as follows:

Particulars	2003-2004	2002-2003
	Rs.	Rs.
Total Income	12,58,17,429	8,31,57,986
Total Expenses other than Interest	9,60,60,411	7,60,77,365
Interest	84,09,545	44,68,769
Total Expenses	10,44,69,956	8,05,46,134
Profit Before Tax	2,13,47,472	26,11,852
Provision for Tax	50,17,850	2,50,000
Profit After Tax	1,35,18,622	13,58,509
Amount Brought Forward	38,66,729	54,60,720
Balance carried forward	1,73,85,351	38,66,729

BUSINESS OPERATIONS

Your company firmly believes that "Pursuit of Excellence" is one of the most critical components for competitive success in the Global and in Indian markets.

HUMAN RESOURCE MANAGEMENT

The key resource for your company is its employees. Your company has been able to create a favourable work environment that encourages innovation and meritocracy. Your company has put in place a Human Resource Management process, enabling it to attract and retain high caliber employees. The efforts of your company in the area of employee management and HR practices have been widely acclaimed in various flora.

DIRECTORS:

Shri Amit Mehta, Director of your company has resigned from the Board at the Board meeting held on 15.10.2003 and the appointment of Shri A.B.S.Reddy as an additional directors has been taken up by the Board at the same meeting.

Shri R.Satish Reddy, Director of your company, is liable to retire by rotation in this forthcoming thirteenth Annual General Meeting of the company, being eligible, offers himself for reappointment.

BARTRONICS INDIA LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the directors had prepared the annual accounts on a going concern basis.

AUDITORS:

The Auditors M/S YAJI Associates, Chartered Accountants, Hyderabad, retire at the ensuing thirteenth Annual General Meeting of the company and, being eligible, offers themselves for reappointment.

EMPLOYEE PARTICULARS:

Employees Particulars as required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, are/is not applicable being no employee of your company falls within the purview of the aforesaid provisions.

FIXED DEPOSITS

Your company has not accepted any deposits from the public for the year under review within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

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

Being your company's business is trading business, the particulars as prescribed under Section 217(1e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors Rules, 1988, are **not applicable**.

EXPLANATIONS TO ANY QUALIFICATIONS IN AUDITORS REPORT

There are no adverse remarks in the Auditors report dated 24.12.2004 except that, the company has yet to setup an internal audit system. The company is in the process of getting of an internal audit system.

ACKNOWLEDGEMENTS:

Your directors thank the company's clients, vendors, investors and bankers for their continued support during the year. Your directors place on record their appreciation of the contribution made by the employees at all levels, who, through their competence, hard work, solidarity, cooperation and support, have enabled the company to achieve consistent growth.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR BARTRONICS INDIA LIMITED**

Place : Hyderabad.

Date : 24.12.2004

Shri Sudhir Rao
Managing Director

Shri V. Rama Mohan Rao
Director

BARTRONICS INDIA LIMITED

AUDITORS REPORT

TO THE MEMBERS OF BARTRONICS INDIA LIMITED

We have audited the attached Balance Sheet of M/s Bartronics India Limited as at March 31, 2004 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These Financial statements are the responsibility of the company's management and our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting to the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India, in terms of Section 227 (4A) of the companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the annexure referred to above, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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 examination of those books :
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts :
 - d) In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-clause 3 © of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on March 31, 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March, 31 2004 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956 ; and
 - f) In our opinion and to best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004
 - ii) In the case of Profit & Loss Account, of the profit for the year ended on that date :

**Place : Hyderabad
Date : 24.12.2004**

**for Yaji Associates
Chartered Accountants**

**Sd/-
A.P.P. Kasipati
Partner
M.No.19442**