



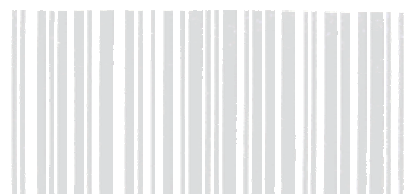
# Bartronics India Limited



Annual Report



2008-2009



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## CORPORATE INFORMATION

**Board of Directors** : Mr. Sudhir Rao, Managing Director  
Mr. S. Tirumala Prasad, Whole Time Director  
Mr. T. Venkateswara Rao, Whole Time Director  
Mr. A.B. Satyavas Reddy, Director  
Mr. B. Narayanswamy, Independent Director  
Mr. Y.R. Rao, Independent Director  
Mr. R.V. Panchapakesan, Independent Director  
Mr. M.M. Yesaw, Independent Director

**Management Committee** : Mr. Sudhir Rao, Chairman  
Mr. S. Tirumala Prasad, Member  
Mr. T. Venkateswara Rao, Member  
Mr. R.V. Panchapakesan, Member

**Audit Committee** : Mr. R.V. Panchapakesan, Chairman  
Mr. Y.R. Rao, Member  
Mr. B. Narayanswamy, Member  
Mr. A.B. Satyavas Reddy, Member

**Remuneration/  
Compensation Committee** : Mr. R. V. Panchapakesan, Director  
Mr. Y.R. Rao, Member  
Mr. B. Narayanswamy, Member  
Mr. A.B. Satyavas Reddy, Member

**Share Transfer Committee** : Mr. A.B. Satyavas Reddy, Chairman  
Mr. Sudhir Rao, Member  
Mr. B. Narayanswamy, Member  
Mr. R.V. Panchapakesan, Member

**Company Secretary and  
Compliance Officer** : Mr. Fahim Aslam Khan

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### Registered Office

5-9-22/B/503, 5th Floor, My Home Sarovar,  
Secretariat Road, Saifabad, Hyderabad – 500063

### Internal Auditors

Messers T. Raghavendra & Associates  
Chartered Accountants

### Auditors

Messers Deloitte Haskins & Sells  
Chartered Accountants  
1-8-384 & 385, 3rd Floor, Gowra Grand, S.P. Road,  
Begumpet, Secunderabad – 500003

### Listing

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited

### Bankers

Andhra Bank  
Axis Bank  
Bank of Baroda  
Bank of India  
Barclays Bank Plc  
Exim Bank  
Indian Bank  
IDBI Bank Limited  
HSBC Bank Limited  
Standard Chartered Bank

### Registrars and Share Transfer Agents

Bighshare Services Private Limited  
E – 23, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri (E) , Mumbai -400072  
Tel: 022-2847 0652, Fax : 022-28475207

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Eighteenth Annual General Meeting** of the members of the Company will be held on **29th Day of September 2009, at 11.00 A.M. at Hotel Sitara Residency, Banquet Hall, 5th floor, Beside Big Bazar, Ameerpet Main Road, Hyderabad - 500 016** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 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 declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. B. Narayanswamy who retires by rotation and who being eligible offers himself for re- appointment.
4. To re- appoint Messers Deloitte Haskins & Sells, Chartered Accountants, Hyderabad as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

5. **To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:**

**"RESOLVED THAT** Mr. R.V.Panchapakesan who was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 29.09.2008 and who holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 is eligible for appointment and the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member of the Company proposing his candidature for the office of Director of the Company, and who has consented, if appointed, to act as a Director, be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation."

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

**"RESOLVED THAT** Mr. M.M. Yesaw who was appointed as an Additional Director of the

Company by the Board of Directors at their meeting held on 29.09.2008 and who holds office upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 is eligible for appointment and the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member of the Company proposing his candidature for the office of Director of the Company, and who has consented, if appointed to act as a Director, be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation."

7. **To consider and if thought fit to pass with or without modification(s), the following resolutions as Special Resolutions :**

**"RESOLVED THAT,** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company, consent of members of the Company be and is hereby accorded to re- appoint Mr. Sudhir Rao, who shall not be liable to retire by rotation, as Managing Director of the Company, for a period of Five Years with effect from 21st August, 2009 on such terms and conditions as are agreed to, with the Board of Directors of the Company (which term shall be deemed to include the Remuneration Committee, constituted by the Board) but subject to the restrictions, if any, contained in the Companies Act, 1956 and Schedule XIII of the said Act as amended up to date or otherwise as may be permissible by law."

**"RESOLVED FURTHER THAT,** consent of the members be and is hereby accorded to fix the remuneration of Mr. Sudhir Rao at Rs. 7,00,000 per month as detailed below:

Details	Amount Per Annum ( Rs.)
Basic Salary	37,80,000
Allowances	44,28,822
Perquisites	1,91,178
<b>Total</b>	<b>84,00,000</b>

**"FURTHER RESOLVED THAT** the total Remuneration payable to Mr. Sudhir Rao, shall be restricted to 5% of the Net Profits of the Company and where in any financial year comprised by the period of appointment, the Company has no profits or its profits are inadequate, the aforesaid remuneration and perquisites shall be paid to Managing Director in accordance with the applicable provisions of Schedule XIII of Companies Act, 1956 and subject to the approval of the Central Government, if any required."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the above resolutions."

8. **To consider and if thought fit to pass with or without modification(s) the following resolutions as Special Resolutions:**

**"RESOLVED THAT,** subject to the provisions of Section 49, 144, 163, 196, 301, 304, 307 and 372A of the Companies Act, 1956 and subject to the approval of shareholders at General Meeting the register and records required to be maintained under various provisions of the Companies Act, 1956 shall be available for inspection as follows:

**(A) Inspection of the Register of Investments not held in the name of the Company.**

The above referred register kept in pursuance of Section 49(7) of the Companies Act, 1956, shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open, for inspection of any member or debenture holder of the Company, without fees between 2.00 P.M. to 4.00 P.M. on any working day
- (3) Any member or creditor desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which the notice is received by the Company.

**(B) Inspection of the Register of Charges**

The Register of Charges kept in pursuance of Section 143 of the Companies Act, 1956, shall

- (1) be kept at the Registered Office of the Company and;
- (2) be open, for inspection of any creditor or member of the Company ,without fees between 2.00 P.M. to 4.00 P.M. on any working day;
- (3) Any member or creditor desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which the notice is received by the Company.

**(C) Inspection of Register of Members, Debenture Holders and Annual Returns of the Company**

In terms of Section 163 of the Companies Act, 1956 the above referred registers and Annual Returns shall

- (1) be kept at the Office of the Registrar and Share transfer Agents of the Company and ;
- (2) be open for inspection by any member/debenture holder of the Company, without fees between 2.00 P.M. to 4.00 P.M. on any working day;
- (3) Any member desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which the notice is received by the Company.

**(D) Inspection of Minute Books of General Meeting**

The books containing minutes of proceedings of any general meeting of the Company maintained under Section 193 of the Companies Act, 1956, shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open, on any working day between 2.00 P.M. to 4.00 P.M. for inspection of any member of the company.

- (3) Any member desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which notice is received by the Company.

**(E) Inspection of Register of Contracts**

The Register of Contracts maintained under Section 301(1) of the Companies Act, 1956 shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open, on any working day between 2.00 P.M. to 4.00 P.M. for inspection of any member of the Company;
- (3) Any member desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which notice is received by the Company.

**(F) Inspection of the Register of Directors**

The Register of Directors maintained under Section 303 shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open, on any working day between 2.00 P.M. to 4.00 P.M. for inspection of any member of the Company;
- (3) Any member desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which notice is received by the Company.

**(G) Register of Directors Shareholding**

The Register of Director's shareholding maintained under Section 307 shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open for inspection during the period beginning fourteen days before the date of the Company's annual

general meeting and ending three days after the date of its conclusion, between 2.00 P.M. to 4.00 P.M. of any member of the Company.

**(H) Register of loans made, guarantees given or securities provided to companies and investments in shares and debentures of other Companies (Sec.372 (A))**

The above referred register shall

- (1) be kept at the Registered Office of the Company and ;
- (2) be open, on any working day between 2.00 P.M. to 4.00 P.M. for inspection of any member of the Company;
- (3) Any member desirous of inspection shall cause a notice for inspection to be given to the Company. Such notice shall be of seven clear days commencing from the day next after the day on which notice is received by the Company.

**"RESOLVED FURTHER**, that in respect of all the above inspections, any member shall be entitled to inspect only once over a time span of one month." include the following resolution.

**9. To consider, and if thought fit, to pass with or without modification(s) the following resolutions as Special Resolution**

**"RESOLVED THAT**, pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), the existing Article 73 be and is hereby replaced by the following new Article:

Subject to the provisions of Section 198, 309 and 310 of the Companies Act, 1956, the remuneration payable to the Directors of the Company may be as hereinafter provided. The remuneration only by way of fee for each meeting of the Board or a Committee thereof attended by any Director shall be such sum as may be determined by the Board but not exceeding the amount as may be prescribed from time to time by the Central Government. Provided that if the remuneration so determined exceeds the amount prescribed by the Central Government then the approval of the Central Government shall be obtained."

## Notes:

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company.  
  
Proxies in order to be effective must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting i.e. by 11.00 A.M. on 27.09.2009
3. Corporate members are requested to send a duly certified copy of Board Resolution, pursuant to Section 187 of the Companies Act, 1956 authorizing their representative to attend and vote at the Annual General Meeting .
4. Members /proxies should bring duly filled attendance slips sent herewith for attending the meeting.
5. Members who hold shares in dematerialized form are requested to bring their Client Id and DP Id numbers for easy identification and attendance at the meeting.
6. The Register of Members and Share Transfer Books will remain closed from 24th September, 2009 to 29th September, 2009 (Both days inclusive).
7. Subject to the provisions of Section 206A of the Companies Act, 1956, Dividend as Recommended by the Board of Directors, if declared at the Meeting, will be payable on or after 4th October, 2009 to the members whose name appears in the Register of Members as on 24th September, 2009.
8. a) Members holding shares in electronic form may please note that their bank account details as furnished by the respective depositories to the Company will be printed on the dividend warrant as per the applicable regulations of the depositories and the Company will not entertain any direct requests from such members for deletion of change in such bank account details. Members may therefore give instructions regarding bank account details to their depository participant.
- b) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents, M/s Bigshare Services Private Limited under the Signature of the sole /first joint holder, the following information to be incorporated on dividend warrants:
  - i) Name of the sole/first joint holder and folio number
  - ii) Particulars of Bank Accountant, viz;  
Name of the Bank  
Name of the Branch  
Complete Address of the Bank with Pin Code Number  
Account Type, whether, Saving Account (SA) or Current Account (CA), Account Number.
9. Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents - Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400072.
10. Shareholders of the Company are informed that pursuant to the Companies Act, 1956 the amount of dividend which remains unclaimed/unpaid for a period of 7 years would be transferred to the Investor Education and Protection Fund constituted by the Central Government and the shareholders would not be able to claim any amount of the dividend so transferred to the Fund. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Fahim Aslam Khan, Company Secretary at the Company's Registered Office at for further particulars.

By Order of the Board  
For **BARTRONICS INDIA LIMITED**

Place: Hyderabad  
Date : 02.09.2009

Sd/-  
**SUDHIR RAO**  
Managing Director

## Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956

### Item No. 5

Mr. R.V. Panchapakesan was co-opted as an Additional Director of the Company with effect from September 29, 2008 pursuant to Section 260 of the Companies Act, 1956 read with Article 63 of the Articles of Association of the Company. Mr. R.V. Panchapakesan holds office of Director upto the date of ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. R.V. Panchapakesan for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. R.V. Panchapakesan are interested in this resolution.

The Board recommends the resolution set forth in Item No 5 for approval of the members.

### Item No. 6

Mr. M.M. Yesaw was co-opted as an Additional Director of the Company with effect from September 29, 2008, pursuant to Section 260 of the Companies Act, 1956 read with Article 63 of the Articles of Association of the Company. Mr. M.M. Yesaw holds office of Director upto the date of ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. M.M. Yesaw for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. M.M. Yesaw are interested in this resolution.

The Board recommends the resolution set forth in Item No. 6 for approval of the members.

### Item No. 7

Mr. Sudhir Rao was appointed as Managing Director of by the Extraordinary General Meeting of the Company held on September 20, 2004. For a period of Five years. Keeping in view the vast experience and qualification of Mr. Sudhir Rao, it has been decided by the Board of Directors that subject to approval of the members Mr. Sudhir Rao be reappointed as Managing Director of the Company for a further period of five years.

Members of the Company at their Extra Ordinary General Meeting held on 25th February, 2008 had fixed the remuneration payable to Mr. Sudhir Rao to an amount of Rs. 84 lakhs P.A. Mr. Sudhir Rao is proposed

to be appointed at the same remuneration with effect from 21st August 2009. For a period of five years.

None of the Directors other than Mr. Sudhir Rao are interested in this resolution.

The Board recommends the resolution set forth in Item No. 7 for approval of the members.

### Item No. 8

Section 49(8) of the Companies Act, 1956 provides that Register of Investments not held in Company's name kept in pursuance of Section 49(7) of Companies Act, 1956, shall be open for inspection of any member of the Company without any charge, during business hours, subject to reasonable restrictions as the Company may in general meeting impose, so that not less than two hours in each day are allowed for inspection.

Section 144(1) of the Companies Act, 1956 provides that Register of Charge kept in pursuance of Section 143, shall be open during business hours (but subject to such reasonable restriction as the Company in General Meeting may impose, so that not less than two hours each day are allowed for inspection) of any member of the Company without any fee, at the registered office of the Company.

Section 163 (2) of the Companies Act, 1956 provides that Register of Members, Debenture Holders and Annual Returns of the Company etc. maintained under Section 163(1) of the Companies Act, 1956, shall, except when the register of members or debenture holders is closed under the provisions of the Act, be open during business hours (subject to such reasonable restrictions, as the Company may impose, so that not less than two hours in each day are allowed for inspection) to inspection of any member or debenture holders, without fee.

Section 196(1) of the Companies Act, 1956 provides that the books containing the minutes of the proceedings of any general meeting of the Company shall be kept at the Registered Office of the Company and be open for inspection during business hours, to inspection of any members without charge, subject to such reasonable restrictions as the Company may, in the general meeting impose, so however not less than two hours in each day are allowed for inspection.

Section 301(5) of the Companies Act, 1956 provides that Register of Contracts in which Directors are interested in pursuance of Section 301(1) of the

Companies Act, 1956 shall be kept the Registered Office of the Company and be open for inspection by any member of the Company and the provisions of Section 163 of the Companies Act shall be applicable to the said register i.e. the Company may put reasonable restriction by passing a resolution at a General Meeting, so that not less than two hours in each day are allowed for inspection to any member.

Section 304(1) of the Companies Act, 1956 provides that the Register of Directors maintained pursuant to Section 303 shall be open for inspection of any member of the Company without charge, during business hours subject to such reasonable restrictions as the Company may in general meeting impose, so that not less than two hours in each day are allowed for inspection.

Section 307(5) of the Companies Act, 1956 provides that the Register of Directors holdings in Shares and Debentures maintained under Section 307(1) of the Companies Act, 1956, kept at the registered office of the Company, shall be open to inspection during business hours (subject to such reasonable restrictions as the Company may, in general meeting impose, so that not less than two hours in each day are allowed for inspection).

Keeping in view the above mentioned legislative provisions and to create a transparent system for inspection of Register and Records maintained by the Company under Companies Act, 1956 the Board recommends the resolutions as set forth in Item No. 8 for approval of the Members.

None of the Directors of the Company are interested in these resolutions.

#### Item No. 9

Article 73 of the Articles of Association is proposed to be altered to make it more comprehensive in relation to sitting fee payable to Directors.

By Order of the Board  
For **BARTRONICS INDIA LIMITED**

Place: Hyderabad  
Date: 02.09.2009

Sd/-  
**SUDHIR RAO**  
Managing Director

## Annexure to Notice- (Contd.)

*Details of Directors Seeking Appointment/Re-Appointment at the 18th Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)*

### 1. Mr. Sudhir Rao

Mr. Sudhir Rao, aged about 43 has been associated with the Company for a period of over nine years. He joined the organization as Chief Marketing Officer responsible for Marketing and Sales functions of the Company a position he occupied for a brief period of Six months from June 2001 to December 2001. From January 2002 to August 2002 he held the position of Chief Operating officer responsible for operations of the Company including sales, finance, HR and Strategy.

Since 21st August 2002 Mr. Sudhir Rao has been continuously holding the position of Managing Director and is responsible for phenomenal growth and development of the Company.

Mr. Sudhir Rao, holds a Post Graduate Diploma in Management (P.G.D.M.) from the Indian Institute of Management, Ahmedabad, and a Bachelor's Degree in Economics and Advanced Accountancy from Osmania University, Hyderabad.

Mr. Sudhir Rao does not hold directorship in any other Company.

### 2. Mr. B. Narayanswamy

Mr. B. Narayanswamy, aged about 55 has been associated with the Company since 25th April 2005. Mr. B. Narayanswamy, has over 30 years of experience in different fields.

He holds a B.Tech from Algappa Chettiar College of Technology, University of Madras and holds a Masters Degree in Energy Technology (Renewable Source) from Asian Institute of Technology, Bangkok.

Mr. Narayanswamy has successfully establishment Joint Ventures, exclusive representations with renowned companies in USA, Europe and Japan in the area of Information Technology, Internet and Gateway Solutions etc. He as conceptualized and setup graphics and animation studio to cater to the growing markets of computer based multimedia applications and initiated, designed and implemented the multi module Management Information System from concept to commissioning for the complete operations of Companies, has been a member of the team to

develop and implement Information Technology System for Marketing and Sales on Global Scale, Streamlined Import Procedures and Policies to optimize the cost of imported raw materials.

The other Directorships held by Mr. B. Narayanswamy are as below:

1. Levana Consultants Private Limited
2. Platina Enterprise and Resorts Limited

**3. Mr. R.V. Panchapakesan**

Mr. R.V. Panchapakesan, aged about 68 was appointed on Board as an Additional Director on 29th September, 2008. He is a former General Manager of State Bank of India. As a banker he has over three decades of experience and has handled wide range of assignments in the State Bank, in commercial retail and investment banking spheres.

Post Retirement in 2001, Mr. Panchapakesan has been rendering project appraisal and financial advisory services for small and medium enterprises and has advised and assisted wide range of projects in various sectors.

Mr. Panchapakesan is a graduate in Commerce and a Certified Associate of Indian Institute of

Bankers. He had undergone professional training at the New York Institute of Finance in fixed income securities trading and in primary market debt issuance in UK and in Project Management at IIM, Ahmedabad.

Mr. R.V. Panchapakesan does not hold directorship in any other Company.

**4. Mr. M.M. Yesaw**

Mr. M. M. Yesaw aged about 63 was appointed on the Board as an Additional Directors with effect from 29th September, 2008. He started his career with Industrial Development Bank of India in 1972 and retired as a General Manager. During his employment with IDBI he was part of select pool of officers from which the Financial Institution appoints its nominee on Board of various assisted Companies. Therefore, he has worked as IDBI Nominee Director on Board of different Companies which also includes listed companies. Mr. Yesaw has vast and varied experience in banking domain.

Mr. Yesaw Holds a Msc. Degree.

Mr. Yesaw does not hold directorship in any other Company.