

THE BHARAT LINE LIMITED

Report and Accounts

For

The Accounting year ended

31st March 2004

BHAVNAGAR

BALANCE SHEET AND PFOFIT & LOSS ACCOUNT

WITH

**DIRECTOR'S REPORT
OF THE BHARAT LINE LIMITED**

**To be laid before the
FIFTY EIGHTH ANNUAL GENERAL MEETING**

**TO BE HELD ON
MONDAY THE 27TH SEPTEMER 2004**

Board of Directors;

SHRI ARVIND G.KAMDAR

SHRI C.S. NARSIMHAN (EXPIRED ON 17.03.2004)

SHRI BALVANTRAI N.SHAH

SHRI SHANTILAL N.SHAH

SHRI KHIMJI G.KAMDAR Executive Director

BANKERS:

CENTRAL BANK OF INDIA

DENA BANK

CORPORATION BANK

SOLICITORS:

MESSRS CHIMANLAL SHAH & CO.

AUDITORS:

MESSRS. VATSARAJ & CO.,

REGISTERED OFFICE

KUNDAN KUNJ,

GHOCHA CIRCLE

BHAVNAGAR-364001

(GUJARAT)

THE BHARAT LINE LIMITED

NOTICE

NOTICE is hereby given that the 58th Annual General Meeting of **THE BHARAT LINE LIMITED**, will be held at the Registered Office of the Company at Kundan Kunj, Ghogha Circle, Bhavnagar-364001, on Monday, the 27th September 2004, at 11.00 hrs to transact the following business:-

ORDINARY BUSINESS:

1. To receive and adopt the Director's Report and Audited Balance Sheet and Profit and Loss Account for the accounting year ended 31st March, 2004.
2. To declare a Dividend.
3. To elect a Director in place of Shri. Shantilal N. Shah, who retires by rotation under Article 145 and eligible, offers himself for re-election under Article 146 of the Articles of Association of the Company.
4. To appoint Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For and on behalf of
THE BHARAT LINE LIMITED
ARVIND G. KAMDAR
Director

Place : Mumbai
Date: 26.08.2004

NOTES:

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Share Transfer Books of the Company will remain closed from 24.09.2004 to 27.09.2004 (both days inclusive)
3. The Dividend if declared will be paid to those Members whose name appear in the Company's Register of Members on 27.09.2004.
4. Pursuant to the provisions of Sections 205A of the Companies Act, 1956, as amended, dividends for the financial year ended 31st March, 1997 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encased the dividend warrant(s) so far for the financial year ended 31st March, 1997, or any subsequent financial years are requested to make their claim to the Company.
5. Members are requested to kindly notify change of address, if any.

THE BHARAT LINE LIMITED

DIRECTORS' REPORT

To,
The Shareholders

Gentlemen,

Your Directors have the honour to present their Report and Audited Balance Sheet and the Profit & Loss Account of the Company for the Accounting Year ended 31st March 2004.

FINANCIAL RESULTS	Current year 31.03.2004 Rs.	Previous year 31.03.2003 Rs.
Income	1,32,54,563	28,27,143
Less: Expenditure	1,09,72,827	21,56,838
	22,81,736	6,70,305
Add: Opening Balance	38,521	34,041
	23,20,257	7,04,346
Less: Provision for Depreciation	4,39,615	63,994
	18,80,642	6,40,352
Less: Provision for Taxation	6,60,769	2,22,819
Less: Provision for deferred tax	13,640	-
	12,06,233	4,17,533
Less: Transfer to General Reserve	1,30,000	40,000
Less: Provision for deferred tax	-	574
Add: Income tax Refund	93,878	-
	11,70,111	3,76,959
Less: Proposed Dividend	10,00,000	3,00,000
	1,70,111	76,959
Less: Dividend Corporate Tax	1,30,680	38,438
	39,431	38,521
Balance Carried Forward to Next Account year		

DIVIDEND

Your directors have decided to recommend to you the declaration of a Dividend of Re.1/- per share (100%)

PERFORMANCE APPRAISAL

Consequent upon the amendment in Rent control Act, & after filing the cases in Small Causes Court the Company has given the office, premises on lease basis to certain parties on stipulated terms and conditions.

Accordingly, the Company has received the compensation and service charges being Income from premises given on lease.

The Company had to incur property expenses, for repairing, renovating & reconditioning & legal & professional charges for the office premises with an intent to give the same on lease basis

GENERAL RESERVE:

The General Reserve at 31st March 2003 stood at Rs.17,40,000/- which is augmented by the sum of Rs.1,30,000/- as proposed under allocations and the General Reserve as at 31st March, 2004 aggregates to Rs.18,70,000/-.

FIRST REFUND ON CAPITAL:

During the year under Report, no claim was lodged with the Company and the Balance outstanding at the end of the year is Rs.3,27,380/-.

SECOND REFUND ON CAPITAL:

During the year under Report, no claim was lodged with the Company and the Balance Outstanding at the end of the year is Rs.3,55,214/-.

DIRECTORS:

Your Director Shri. Shantilal N. Shah retires by rotation under Articles 145 of the Articles of Association of the Company and being eligible, offers himself for the re-election under Articles 146.

REMUNERATION OF EMPLOYEES:

During the period under report none of the employees of the Company was in receipt of remuneration which is aggregate amounted to Rs.2,00,000/- per month or more or to Rs.24,00,000/- per year or more.

DIRECTORS' RESPONSIBILITY STATEMENT.

The Directors confirm

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed except the observations of the Auditors in their report para II.1.
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the Company at the end of the financial year on 31st March 2004 and of the Profit of the Company for that period;
- (c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities;
- (d) that the Directors had prepared the annual accounts on a going concern basis.

STATUTORY INFORMATION

- (i) Since the Company does not have any manufacturing activity the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.
- (ii) There is no foreign exchange earnings and outgo.

APPOINTMENT OF AUDITORS

The term of office of your Auditors, Messers, Vatsaraj & Company Bombay expires with the conclusion of this Fifty Eighth Annual General Meeting of the Share Holders. Your Directors have obtained a Certificate from the Auditors as required under Section 224 of the Companies Act, 1956 to the effect that the appointment if made, will be in accordance with the limits specified in Sub Section (IB) of Section 224 of the Companies Act, 1956. You are requested to appoint Auditors for the ensuing year and to fix their remuneration.

AUDITORS OBSERVATIONS:

As regards the observations made by the Auditors in their Report to you, the same have been dealt with in the notes forming of Account and need no further explanation.

COMPLIANCE CERTIFICATE:

In accordance with Sec. 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2002, the Company has obtained a Certificate from a Secretary in the whole time practice and a copy of such Certificate is attached to this Report.

For and on behalf of the Board
Directors of
THE BHARAT LINE LIMITED
I remain, Gentlemen
Yours faithfully,
Arvind G. Kamdar
Director

Place : Mumbai
Date : 26.08.2004

V. I. DESAI & CO.

Company Secretary

C/6, Navasamaj Society, Gujrati Society Road, Vile Parle (East), Mumbai - 400 057.

Tel.: 2 614 16 71.

26.08.2004

COMPLIANCE CERTIFICATE

(UNDER SECTION 383a(1) OF THE COMPANIES ACT 1956)

Registration No. of the Company : 04-000855
Nominal Capital : Rs.3,00,00,000/-

The Members

THE BHARAT LINE LIMITED

Kundan Kunj,
Ghogha Circle,
Bhavnagar-364001.

We have examined the registers, records, books and papers of **THE BHARAT LINE LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st MARCH 2004 (financial year). In my opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents. We certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments with respect to the Compliance of Section 3(a)(iii) of the Act are not required.
4. The Board of Directors duly met 7 times respectively on 04.04.2003, 31.07.2003, 23.08.2003, 23.09.2003, 26.09.2003, 10.10.2003, 21.01.2004 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

5. The Company closed its Register of Members from 24.09.2003 to 27.09.2003 and necessary compliance of Section 154 of the Act with regard to publishing of the relevant notice in the News Papers has not been made.
6. The Annual General meeting for the financial year ended on 31st March, 2003 was held on 27.09.2003 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year under scrutiny.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act,
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificate:
13. The Company has:
 - (i) delivered all the certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provision of the Act:
 - (ii) deposited the amount of dividend declared in a separate bank on 29.09.2003 within 5 days from the date of declaration of such dividend.
 - (iii) paid/posted warrants for dividends to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with the Corporation Bank on 29.09.2003.
 - (iv) not transferred the amounts in unpaid dividend account, in respect of the dividend declared on 30.09.1996 which have remained unclaimed or unpaid for a period of seven years to Investors Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the financial year.
16. The Company has not appointed any sole agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited /accepted deposits including unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from directors. Members, public and others during the financial year ended 31.03.2004 is/are within the borrowing limits of the Company and that necessary resolutions as per section 293(1) (d) of the Act have been passed in duly convened Extra Ordinary General Meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

26. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year Scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another state during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under Scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under Scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

For V. I. DESAI & Co.
Company Secretary

V. I. DESAI
(Proprietor)
A.C.S. no. 515
C.P. No. 3815