

THE BHARAT LINE LIMITED

REPORT AND ACCOUNTS
for
THE ACCOUNTING YEAR ENDED
31st March 2005

BHAVNAGAR

**BALANCE SHEET AND PROFIT & LOSS ACCOUNT
WITH
DIRECTOR'S REPORT
OF THE BHARAT LINE LIMITED
To be laid before the
FIFTY NINTH ANNUAL GENERAL MEETING
TO BE HELD ON
Friday the 30th September 2005**

Board of Director :

- ◆ SHRI ARVIND G. KAMDAR
- ◆ SHRI BALVANTRAI N. SHAH (Expired on 15/04/2005)
- ◆ SHRI SHANTILAL N. SHAH
- ◆ SHRI KHIMJI G. KAMDAR - Executive Director

BANKERS	:	CENTRAL BANK OF INDIA DENA BANK CORPORATION BANK
SOLICITORS	:	M/S. CHIMANLAL SHAH & CO.
AUDITORS	:	M/S. VATSARAJ & CO.
REGISTERED OFFICE	:	KUNDAN KUNJ, GHOGHA CIRCLE, BHAVNAGAR - 364001. GUJARAT.

THE BHARAT LINE LIMITED

NOTICE

Notice is hereby given that the 59th 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 Friday, the 30th September 2005, 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 & Loss Account for the accounting year ended 31st March, 2005.
2. To declare a Dividend.
3. To elect a Director in place of Shri. K.G. Kamdar, 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.

SPECIAL BUSINESS

To consider and if through fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

5. **RESOLVED THAT** pursuant to the provisions of section 17 and other applicable provisions, if any, of the Companies Act, 1956 the Object Clause of the Memorandum of Association of the Company be and is hereby altered by inserting following new Clauses :
45. To enter into any contracts, agreements and arrangements, for the sale, purchase of supply of any goods or commodities or services which may seem conducive to the Company's objects or any of them and to obtain from Government, Public Corporations, Sole Proprietor Firm, Partnership Firm, Private Limited and Public Limited Company and bodies, Municipalities and Local Authorities, Public and Rights Privileges and concessions which may appear desirable to be obtained to carry out, perform and comply with any such contracts, agreements and arrangements.

6. **RESOLVED THAT** pursuant to the provisions of Section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded for commencing and undertaking the business specified in object clause No. 45 of the Memorandum of Association of the Company.

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

Place : Mumbai
Date : 26.08.2005



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 28.09.2005 to 30.09.2005 (both days inclusive).
3. The Dividend if declared will be paid to those Members whose names appear in the Company's Register of Members on 30.09.2005.
4. Pursuant to the provision of Sections 205A of the Company Act, 1956, as amended, dividend for the financial year ended 31st March, 1998 and thereafter, which remains 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 encashed the dividend warrant(s) so far for the Financial year ended 31st March, 1998, or any subsequent Financial year are requested to make their claim to the Company.
5. Members are requested to kindly notify change of address, if any.

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

In view of the encouraging measures taken by the Government to liberalize the economy and in order to diversify into certain new business ventures, your Directors have always been considering new business proposals as stated in the text of the resolution No. 5.

The amendments proposed by way of additions to the Objects Clauses in the Memorandum of Association as set out in the resolution under this item are to facilitate diversification and to enable the Company to enlarge its area of operation.

Your Directors are of the view that it will be beneficial for the Company and the Shareholders. Your Directors are also of the view that the proposed additional objects may conveniently and advantageously be combined with the existing business of the Company. Accordingly, the Directors propose to amend the Objects of the Memorandum of Association of the Company.

To enable the Company to take these new lines of activities in due course as and when considered proper and appropriate by the Board of Directors, alterations in the Objects Clause of the Memorandum of Association are necessary.

Your Company proposes to commence activities pertaining to Trading and Merchandise various commodities/goods. The said business activities are covered under clause No. 45. However, before undertaking such business activities, it would be necessary to obtain approval from the Company's Members for commencing the business activities as specified earlier.

The Company, therefore, is seeking the approval and consent of the Shareholders under Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956 for commencement of new business set out in the resolution (being Clause No. 45 of Memorandum of Association)

The Board recommends the adoption of the resolution. None of the Directors of the Company is concerned or interested in the said resolution save and except as members of the Company.

The draft copy of the Memorandum of Association together with all the proposed amendments is available for inspection at the registered office of the Company on any working day during business hours.

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

Place : Mumbai
Date : 26.08.2005

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, 2005.

Financial Results	Current Year 31.03.2005 Rs.	Previous Year 31.03.2004 Rs.
Income	1,0673,472	1,32,54,563
Less : Expenditure	57,90,835	1,09,72,827
Add : Opening Balance	48,82,637	22,81,736
	39,431	38,521
	49,22,068	23,20,257
Less : Provision for Depreciation	5,50,657	4,39,615
	43,71,411	18,08,642
Less : Provision for Taxation	15,85,180	6,60,769
Less : Provision for deferred tax	-21, 033	13,640
	28,07,264	12,06,233
Less : Transfer to General Reserve	2,76,783	1,30,000
Less : Income tax arrears of earlier year	16,28,906	-
Add : Income tax refund	-	93,878
	9,01,575	11,70,111
Less : Proposed Dividend	7,50,000	10,00,000
	1,51,575	1,70,111
Less : Dividend Corporate tax	1,05,187	1,30,680
Balance Carried Forward to next A/c yr	46,388	39,431

DIVIDEND

Your Directors have decided to recommend to you the declaration of a Dividend of .75 paise per share (75%).

PERFORMANCE APPRAISAL

Consequent upon the amendment in Rent control Act and 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 and reconditioning and 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, 2004 stood at Rs. 18,70,000/- which is augmented by the sum of Rs. 2,76,783/- as proposed under allocations and the General Reserve at 31st March, 2005 aggregates to Rs. 21,46,783/-.

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, claim was lodged with the Company for Rs. 600/- and the Balance Outstanding at the end of the year is Rs. 3,54,614/-.

DIRECTORS

Your Directors Shri K.G. Kamdar 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 in the 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 Director 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 judgments 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, 2005 and of the Profit of the Company for the 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, Messrs, Vatsaraj & Company, Bombay expires with the conclusion of this Fifty Ninth 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 ensuring year 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 part of Accounts 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 : 26.08.2005