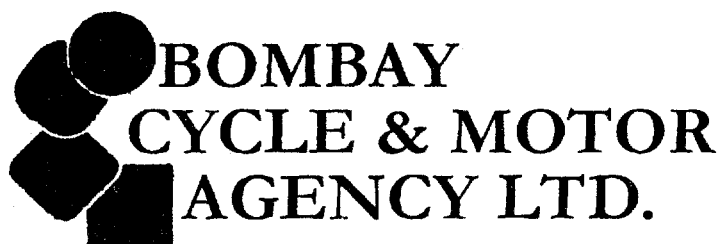


**86TH  
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**BOMBAY CYCLE & MOTOR AGENCY LIMITED**

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**BOARD OF DIRECTORS**

CHAKOR L. DOSHI  
CHAIRMAN

CHIRAG C. DOSHI

KANIKA G. SANGER

SANJAY P. MUTHE

**COMPANY SECRETARY**

T. D. LAL

**REGISTERED OFFICE**

534, Sardar Vallabhbhai Patel Road,  
Mumbai - 400 007.

**SERVICE STATION**

7, J. Tata Road, Churchgate,  
Mumbai - 400 020.

**BANKERS**

BANK OF INDIA  
HDFC BANK

**AUDITORS**

A.B. JOG & COMPANY  
Chartered Accountants

**REGISTRAR & SHARE  
TRANSFER AGENT**

TATA SHARE REGISTRY LTD.,  
Army & Navy Building,  
148, Mahatma Gandhi Road,  
Fort, Mumbai - 400 001.

## **BOMBAY CYCLE & MOTOR AGENCY LIMITED**

### **86TH ANNUAL REPORT 2004-2005**

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#### **NOTICE**

NOTICE is hereby given that the EIGHTY SIXTH ANNUAL GENERAL MEETING of BOMBAY CYCLE & MOTOR AGENCY LTD., will be held at 534, Sardar Vallabhbhai Patel Road, Opera House, Mumbai - 400 007 on Wednesday, the 17<sup>th</sup> day of August, 2005, at 11.00 a.m. to transact the following business :

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2005 and the Profit & Loss Account for the year ended 31st March, 2005 and the Report of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Chirag C. Doshi, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To reappoint M/s. A B Jog & Co., Chartered Accountants, Mumbai, who retire at the conclusion of this meeting and being eligible for reappointment in terms of section 224(1B) of the Companies Act, 1956, as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting as provided by Article 110 of the Articles of Association of the Company.

- B) The Register of Members and Share Transfer Books of the Company will remain closed from 2<sup>nd</sup> August, 2005 to 17<sup>th</sup> August, 2005 (both days inclusive).

By order of the Board of Directors  
For Bombay Cycle & Motor Agency Ltd.

T. D. Lal  
General Manager  
& Company Secretary

Registered Office :  
534, Sardar Vallabhbhai Patel Road,  
Mumbai - 400 007.

Dated : 25<sup>th</sup> June, 2005

#### **NOTES :**

- A) 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. The instrument appointing a proxy and the Power of Attorney, if any, under which it is signed should be

# BOMBAY CYCLE & MOTOR AGENCY LIMITED

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### DIRECTOR'S REPORT

To,  
The Members of  
**BOMBAY CYCLE & MOTOR AGENCY LIMITED**

Your Directors are delighted to present to you the annual report and the audited statement of accounts of the Company for the year ended 31<sup>st</sup> March, 2005.

#### FINANCIAL RESULTS :

	As at 31.3.2005 Rupees	As at 31.3.2004 Rupees
Profit /(Loss) before depreciation and taxation	84,74,646	(3,03,782)
Less : Depreciation & other charges on Fixed Assets	28,22,142	23,83,442
Profit /(Loss) for the year before Provisions	56,52,504	(26,87,224)
Add: Provisions written back :		
a) For Diminution in value of investments	9,22,495	--
b) For expenses	2,84,138	1,67,633
Add: Prior year Adjustments (Net)	6,88,089	4,93,803
Profit /(Loss) for the year after tax & Adjustments/ write back	75,47,226	(20,25,788)
Adding/ Deducting from this, Deficit brought forward from Previous year	(13,06,65,625)	(12,86,39,837)
Resultant Net Deficit recommended to be carried to		
Balance Sheet	(12,31,18,399)	(13,06,65,625)

#### DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended on 31<sup>st</sup> March, 2005, in view of the brought forward losses still remaining unabsorbed.

#### OPERATION HIGHLIGHTS :

The total turnover of the Company combining auto and hospitality division amounted to Rs. 17.90 Crores as compared to Rs. 21.66 Crores in the previous year.

During the year under review, the Company sold 245 Hyundai cars manufactured by M/s. Hyundai Motor India Ltd. as compared to 340 Hyundai Cars sold in the previous year. The passenger car market in India continues to be highly competitive and the Dealers' community continues to indulge in offering disproportionate cash discounts, free accessories and other incentives. This situation causes severe adverse impact on margins earned in dealership business. There is solace in sale of spares and service station activities. The sale of Spare Parts during the year was Rs.288 lacs as against Rs.255 lacs in the previous year.

As regards Hospitality division, as a result of restructuring effected in the last financial year in the management and with improved services, the Company has been able to scale up its turnover in this segment. This coupled with the stringent cost control measures adopted and execution of certain service assignments has enabled the Company to achieve better Performance.

#### PERSONNEL :

The industrial relations continue to be satisfactory in respect of all the Units of the Company.

None of the employees fall within the purview of Section 217(2A) of the Companies Act, 1956 and the rules framed thereunder.

#### INSURANCE :

The properties, stocks, stores, assets, etc. belonging to the Company continues to be adequately insured against fire, riot, civil commotion, etc.

#### DIRECTORS :

As per Article 154 of the Articles of Association of the Company, Mr. Chirag C. Doshi, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

**BOMBAY CYCLE & MOTOR AGENCY LIMITED****86TH ANNUAL REPORT 2004-2005****OVERDUE DEPOSITS :**

Fixed Deposits aggregating to Rs.12,000/- matured long back in earlier years but have remained un-remitted since then and even as on 31<sup>st</sup> March, 2005 on account of an order received from Tax Recovery officer of Income Tax department restraining the Company from refunding the amount of deposit until receipt of their permission.

**ADDITIONAL INFORMATION :**

As regards the additional information required by the Companies (Amendment) Act, 1988 regarding Conservation of Energy, the same is not required to be given by the Company, as the Company is not listed in the Schedule to the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules, 1988.

Moreover, since there is no Research & Development activity, import of technology or foreign exchange earnings or outgo, details of the same are not required to be annexed to this report.

**SECRETARIAL COMPLIANCE REPORT :**

Pursuant to the proviso to Section 383A(1) of the Companies Act, 1956, the Company has obtained a Compliance Certificate for the financial year ended on 31<sup>st</sup> March, 2005, issued by M/s. Ragini Chokshi & Co., Company Secretary, Mumbai. The same is attached herewith and forms part of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed :

- i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2005, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied consistently, and made judgements and
- iii) estimates that were 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 or loss of the Company for that period;

- iv) 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;
- v) that the Directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2005, on a going concern basis.

**AUDITORS :**

M/s. A. B. Jog & Co., Chartered Accountants, Mumbai, the Statutory Auditors, retire at the conclusion of the ensuing Annual General Meeting. The company has received the necessary certificate u/s 224-1B from them about their eligibility for re-appointment.

**ACKNOWLEDGEMENTS :**

Your Directors place on record their sincere appreciation for the assistance and co-operation that the Company has been receiving from its employees as also from the Banks.

Your Directors also thank the customers, suppliers and shareholders for their continued support and co-operation and look forward for such continued support in the future.

For and on behalf of the Board of Directors,

**CHAKOR L. DOSHI**  
**CHAIRMAN**

**Registered Office :**

534, Sardar Vallabhbhai Patel Road,  
Mumbai - 400 007.

Dated : 25th June, 2005

# BOMBAY CYCLE & MOTOR AGENCY LIMITED

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### COMPLIANCE CERTIFICATE

Registration No. of the Company : 11-557

Nominal Capital : Rs.50,00,000/-

To,

The Members

M/s. BOMBAY CYCLE & MOTOR AGENCY LIMITED.

We have examined the registers, records, books and papers of M/s. BOMBAY CYCLE & MOTOR AGENCY LIMITED, (Regd. No. 11-557) 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 31<sup>st</sup> March, 2005. In our 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 and its officers 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 of the Act 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, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company, and hence comments are not required.
4. The Board of directors duly met Five times respectively on 30th June, 2004, 18th July, 2004, 31st August, 2004, 23rd October, 2004 and 22nd January, 2005, in respect of which meetings, proper notices were given and the proceedings were properly recorded, passed and signed in the Minutes Book maintained for the purpose.
5. The Company closed its register of members from 16th August, 2004 to 31st August, 2004 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2004 was held on 31st August, 2004 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 financial year.
8. The Company has not advanced any loans to its Directors and / or persons, firms or companies referred in Section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
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 Company has not issued any duplicate share Certificate during the financial year under review.
13. The Company has :
  - i) Delivered all the Certificates on allotment of securities and on lodgement thereon for transfer / transmission or any other purpose in accordance with the provisions of the Act.
  - ii) Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - iv) There is no amount in unpaid dividend account, application money due for

**BOMBAY CYCLE & MOTOR AGENCY LIMITED****86TH ANNUAL REPORT 2004-2005**

refund, matured deposits, matured debentures and the interest accrued thereon which has remained unpaid or unclaimed for a period of seven years and has to be transferred to Investor 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.
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 selling agents during the financial year.
17. The Company has made an application to Central Government regarding exemption from publishing of quantitative details as per schedule VI u/s 211(4) of the Companies Act, 1956, and permission was obtained under 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 or other securities 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 or debentures during the financial year.
22. There was no transactions necessitating to keep in abeyance the rights to dividend / right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of section 58A of the Act read with companies (Acceptance of Deposit) Rules 1975, during the financial year under review from public.
24. The Company has not made any borrowings during the financial year ended 31st March, 2005.

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 situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name 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 year under scrutiny.
31. Two Show Cause Notices were received by the company during the financial year which were suitably replied by the company.
  - a) Show Cause Notice for violation of section 211(4), Schedule VI of the Companies Act, 1956.
  - b) Show Cause Notice U/S 205(C) of the Act.
32. The Company has not received any money as security from its employees during the financial year under certification.
33. The Company has deposited both employees and employers contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

For RAGINI CHOKSHI & CO.  
(Proprietor)  
Mrs. Ragini Chokshi  
Company Secretary  
C.P.No. 1436

Place : Mumbai, 25th June, 2005



**BOMBAY CYCLE & MOTOR AGENCY LIMITED****86TH ANNUAL REPORT 2004-2005**Annexure 'A'**Registers as maintained by the Company**

1. Register of Investments u/s 49
2. Register of charges u/s 143 / copies of instrument creating the charge u/s 136.
3. Registers of Members u/s 150 and index of members u/s 151.
4. Registers and Returns u/s 163.
5. Minutes Book of Meeting.
6. Books of Accounts.
7. Register of Particular of Contracts in which directors are interested u/s 301.
8. Register of Directors, Managing Directors, Managers and Secretary u/s 303.
9. Register of Directors shareholdings u/s 307..
10. Foreign Register of Members u/s 157.
11. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules 1975.
12. Register of Inspection.

**Other Registers**

1. Register of Directors Attendance maintained
2. Register of Transfer
3. Register of Shareholders Attendance
4. Register of Proxies
5. Register of Fixed Assets

**Note :** The Company has not maintained the following registers as it was informed that there were no entries / transactions to be recorded thereon.

1. Register of Securities Bought Back u/s 77A.
2. Register and Index of Debenture holders u/s 152.
3. Minutes Book of Class Meeting / Creditors Meeting.
4. Register of Renewed and Duplicate Certificate under Rule 7 of the Companies Rules, 1960.
5. Register of Destruction of Record / Document.

Annexure 'B'

Forms and Returns as filed by the Company with Registrar of the Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2005.

Sr.	Form No. / Return	Filed under section	For	Date of filing	Whether filing within prescribed time Yes / No	if delay in filing, whether requisite additional fee paid Yes / No
1.	Annual Return	159	2003-2004	28.10.2004	Yes	No
2.	Balance Sheet & Annual Accounts	220	2003-2004	29.09.2004	Yes	No
3.	Compliance Certificate	383A	2003-2004	29.09.2004	Yes	No
4.	Form No. 32	303(2)	2003-2004	15.04.2004	Yes	No

Place : Mumbai, 25th June, 2005

For RAGINI CHOKSHI & CO.

Ragini Chokshi  
Company Secretary  
C.P.No. 1436



# **BOMBAY CYCLE & MOTOR AGENCY LIMITED**

## **86TH ANNUAL REPORT 2004-2005**

### **REPORT OF THE AUDITORS TO THE MEMBERS**

We have audited the attached Balance Sheet of BOMBAY CYCLE & MOTOR AGENCY LIMITED, as at 31st March, 2005, the Profit and Loss Account and also the Cash Flow Statement for the year ended upon that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 also includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. With these remarks we now report as follows:

1. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government on 12th June, 2003 and Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government on 25th November, 2004, both in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the said order to the extent they are applicable to the Company and based on such checks applied by us as considered necessary and also based on information and explanations given by the Directors;
2. Further to our comments in the annexure referred in paragraph 1 above :
  - (a) 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;
  - (b) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of accounts;
- (d) In our opinion, the annexed Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, comply with the requirements of the Accounting Standards referred to in Sub-Section (3c) of Section 211 of the Companies Act, 1956, as amended;
- (e) On the basis of written representation received from the Directors, as on 31<sup>st</sup> March, 2005 and taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on 31st March, 2005 from being appointed as a Director under Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes attached to and forming part of the same 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;
  - 1) In the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2005;
  - 2) In the case of the Profit and Loss Accounts, of the Profit for the year ended on that date and ultimate deficit carried to the Balance Sheet; and
  - 3) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For A.B. Jog & Company  
Chartered Accountants

( A. B. Jog )  
Proprietor

Mumbai, 25th June, 2005 Membership No.10655

# **BOMBAY CYCLE & MOTOR AGENCY LIMITED**

## **86TH ANNUAL REPORT 2004-2005**

### **ANNEXURE TO THE AUDITOR'S REPORT**

#### **M/S BOMBAY CYCLE & MOTOR AGENCY LIMITED,**

( Referred to in para 1 of the report of even date )

- i) The company has maintained proper records to show full particulars including quantitative details and situation of the Fixed Assets and the same has been physically verified by the Management once in every half year. In our opinion, the frequency of such verification is reasonable. Unusable and unserviceable items determined for discarding at the time of verification in the second half of the year have been appropriately dealt with and accounted in the attached accounts. Apart from such discarding, no material discrepancies were reportedly noticed on such verification.
- ii) There were no sales/dispositions of the Fixed Assets as such during the year other than what is stated above. However, this exercise has not affected the company's status as a going concern.
- iii) The physical verification of inventory of the Company at all its locations has been conducted by the Management during the year in the last week of each month which frequency in our opinion is reasonable.
- iv) In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business.
- v) According to the inventory records produced to us for our verification, we are of the opinion that the company is maintaining proper records of inventory and discrepancies noticed on physical verification of inventories, if any, referred to above, though not material have been properly dealt with in the books of account.
- vi) a) As per the information and explanation given to us and the records produced to us for verification, the Company has not granted any loans, secured or unsecured either to companies, firms or other parties covered in the register required to be maintained under Section 301 or to any other third party and thus no further comments about loans granted are applicable;
- b) As regards loans taken, the company has outstanding unsecured loan as on beginning of the year of Rs.3,19,50,000/- taken from a party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs.319.50 Lacs and balance as on the date of the Balance Sheet is Rs.249.00 Lacs. In our opinion, the rate of interest and the terms and conditions of this loan taken by the company are not prima facie prejudicial to the company. There is no stipulation for the repayment of this loan as such but the company has repaid to the extent of Rs.70,50,000/- and the payment of interest is also regular.
- vii) There are proper and adequate internal control system commensurate with the size of the company and the nature of its business with regard to and on the purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weaknesses in internal control system had come to our notice;
- viii) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the Register required to be maintained under that section. The transactions made in pursuance of such contracts or arrangements, in our opinion and according to the information and explanation given to us, have been made at prices available with company for such transactions or price at which transaction for similar goods or services have been made with other parties at the relevant time. In case