

BOMBAY CYCLE & MOTOR AGENCY LIMITED
91ST ANNUAL REPORT 2009-2010

STATISTICS RE : CAPITAL - TURNOVER AND EPS ETC.

Year	Paid-up Capital Rupees	Reserves & Surplus Rupees	Turnover Sales and Services Rupees	EPS Rupees	Profit/(Loss) Before tax Rupees	Dividend on Equity Shares Rupees
1996-1997	2,000,000	2,291,483	901,548,807	(11.18)	(2,235,117)	5,00,000 (25%)
1997-1998	2,000,000	192	824,803,646	(94.26)	(18,853,910)	Nil
1998-1999	2,000,000	192	564,678,627	(72.11)	(20,030,917)	Nil
1999-2000	2,000,000	192	338,073,583	(36.50)	(7,299,737)	Nil
2000-2001	2,000,000	192	136,233,409	(68.78)	(13,756,424)	Nil
2001-2002	2,000,000	192	381,217,339	(159.60)	(31,920,845)	Nil
2002-2003	2,000,000	192	335,930,091	(195.35)	(39,071,002)	Nil
2003-2004	2,000,000	192	213,751,591	(10.13)	(2,025,788)	Nil
2004-2005	2,000,000	192	175,742,519	37.74	7,547,226	Nil
2005-2006	2,000,000	62,048,192	155,733,528	101.24	20,247,205	Nil
2006-2007	2,000,000	62,048,192	117,899,058	47.74	17,582,714	Nil
2007-2008	2,000,000	62,048,192	139,566,762	86.09	23,453,387	Nil
2008-2009	2,000,000	62,048,192	115,730,731	71.69	22,234,660	Nil
2009-2010	2,000,000	54,845,059	83,625,341	70.84	21,416,470	Nil

BOMBAY CYCLE & MOTOR AGENCY LIMITED
91ST ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

CHAKOR L. DOSHI
CHAIRMAN

CHIRAG C. DOSHI

KANIKA G. SANGER

SANJAY P. MUTHE

T. D. LAL

REGISTERED OFFICE

534, Sardar Vallabhbhai Patel Road,
Opera House, Mumbai - 400 007.
Tel. : 022 - 40287104, 40287171
Fax : 022 - 23634527

SERVICE STATION

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

BANKERS

BANK OF INDIA
HDFC BANK
STATE BANK OF INDIA

AUDITORS

A.B. JOG & COMPANY
Chartered Accountants

**REGISTRAR & SHARE
TRANSFER AGENTS**

TSR DARASHAW LIMITED
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road,
Mahalaxmi,
Mumbai - 400 011.
Tel. : 66568484
Fax : 66568494

NOTICE

NOTICE is hereby given that the NINETYFIRST ANNUAL GENERAL MEETING of BOMBAY CYCLE & MOTOR AGENCY LTD., will be held at the Registered Office of the Company at 534, Sardar Vallabhbhai Patel Road, Opera House, Mumbai - 400 007 on Thursday, the 12th day of August, 2010, 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, 2010 and the Profit & Loss Account for the year ended on that date 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 appoint a Director in place of Mr. T. D. Lal, who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint M/s. A.B. Jog & Co., Chartered Accountants, Mumbai as Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

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

T. D. LAL
Director

Registered Office :
534, Sardar Vallabhbhai Patel Road,
Opera House,
Mumbai - 400 007.
Dated : 25th May, 2010

NOTES:

- A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY AND THE POWER OF ATTORNEY, IF ANY, UNDER WHICH IT IS SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING OF THIS ANNUAL GENERAL 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 Thursday, 29th July, 2010 to Thursday, 12th August, 2010 (both days inclusive).

Annexure II
Balance Sheet Abstract and Company's General Business Profile :

1. Registration Details :	
CIN No.	L74999MH1919PLC000557
State Code	11
Balance Sheet Date	31st March, 2010
2. Capital raised during the year :	
Public Issue	--
Rights Issue	--
Bonus Issue	--
Private Placement	--
3. Position of mobilisation and deployment of funds :	
Total Liabilities	56,845,059
Total Assets	56,845,059
Sources of Funds :	
Paid up Capital	2,000,000
Reserves & Surplus	54,845,059
Secured Loans	--
Unsecured Loans	--
Application of Funds :	
Net Fixed Assets	5,738,330
Investments	26,543,574
Net Current Assets	13,147,965
Miscellaneous Expenditure	1
Deferred Tax Assets	11,415,189
Accumulated Losses	7,203,133
4. Performance of Company :	
Turnover	86,648,022
Total Expenditure	65,206,541
Prior Period Adjustments / Write Backs	(25,011)
Provision for Doubtful Recoverables	--
Profit / (Loss) before tax	21,416,470
Profit / (Loss) after tax	14,167,430
Earning per Share (Rs.)	70.84
Dividend Rate	--
5. Generic Names of principal products, services of the Company :	
Item Code No.	
Product Description	Dealers in Cars, & their Spares & Restaurant Activity

CHAKOR L. DOSHI	Chairman
CHIRAG C. DOSHI SANJAY P. MUTHE T. D. LAL	Directors

Mumbai, 25th May, 2010

Annexure I
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Rupees	Current Year Rupees	Previous Year Rupees
A) CASH FLOW FROM OPERATING ACTIVITIES			
a) Profit/(Loss) After taxation & Adjustments/Writebacks Add/(Less) : Adjustments for Non cash Items & Items presented separately :		14,167,430	14,338,002
i) Depreciation & other charges for Fixed Assets	1,109,369		1,325,682
ii) Provision for diminution in the value of investments	--		362,440
iii) Deferred Tax Asset Written off	7,249,040		7,831,443
iv) Provision for Taxation including Fringe Benefit Tax	3,562,395		2,584,402
v) Interest Expenditure	241,450		326,861
vi) Interest Income	(1,205,917)		(528,631)
vii) Settlements & Closures	(322,386)		(630,194)
viii) Amounts written off / written back (Net)	76,675		628,026
ix) Surplus on Sale of Demo Car	--		(124,444)
		10,710,626	11,775,585
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		24,878,056	26,113,587
Adjustments :			
i) (Increase) / Decrease in Loose Tools	--		(46,636)
ii) (Increase) / Decrease in Inventories	(723,467)		2,022,237
iii) (Increase) / Decrease in Trade & Other Receivables	(6,714,524)		(6,691,224)
iv) Increase / (Decrease) in Current Liabilities	1,620,714		(4,739,317)
		(5,817,277)	(9,454,940)
CASH PROFITS		19,060,779	16,658,647
b) i) Sale proceeds of Demo Car used for Sales Activities	--		124,444
ii) Interest received on Business Deposits	1,205,917		528,631
		1,205,917	653,075
CASH GENERATED FROM OPERATIONS		20,266,696	17,311,722
B) CASH FLOW FROM INVESTING ACTIVITIES			
i) Purchase of Investment	(25,582,183)		--
ii) Purchase of Fixed Assets	(159,268)		(617,929)
iii) Sale Proceeds of Fixed Assets	--		53,933
NET CASH FROM / (USED IN) INVESTING ACTIVITIES		(25,741,451)	(563,996)
C) CASH FLOW FROM FINANCING ACTIVITIES			
i) Repayment of Secured Loans	--		--
ii) Repayment of Unsecured Loans	--		--
iii) Interest paid	(241,450)		(326,861)
NET CASH FROM /(USED IN) FINANCING ACTIVITIES		(241,450)	(326,861)
NET CHANGE IN CASH & CASH EQUIVALENTS (A+B+C)		(5,716,205)	16,420,865
Cash and Cash equivalent - Opening Balance		22,606,377	6,185,512
Cash and Cash equivalent - Closing Balance		16,890,172	22,606,377
NET INCREASE / (DECREASE)		(5,716,205)	16,420,865

As per our report of even date

For & on behalf of
A. B. JOG & CO.
(I.C.A.I REGN. NO. 104321W)
Chartered Accountants

A.B. Jog
Proprietor
Mumbai, 25th May, 2010
Membership No. 10655

CHAKOR L. DOSHI

CHIRAG C. DOSHI
SANJAY P. MUTHE
T. D. LAL

Mumbai, 25th May, 2010

Chairman

Directors

DIRECTORS' REPORT

To,
The Members of
BOMBAY CYCLE & MOTOR AGENCY LIMITED

Your Directors have the pleasure to present to you the Annual Report and the audited statement of accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS :

	For the year ended 31.03.2010 Rupees	Previous year ended 31.03.2009 Rupees
Profit /(Loss) before depreciation and taxation	2,25,50,850	2,39,16,146
Less : Depreciation & Other Charges on Fixed Assets	11,09,369	13,25,682
Profit /(Loss) for the year before Provisions	2,14,41,481	2,25,90,464
Add:Provisions written back:		
a) Provision for expenses written back	2,17,049	-
b) For Diminution in value of investments	-	(3,62,440)
Add/(Less):Prior year Effects		
a) Expenses/Income(net)	(2,42,060)	6,636
Less:Provision for taxation		
a) M A T u / s 1 1 5 JB	(35,62,395)	(25,19,187)
b) Fringe Benefit Tax	-	(65,215)
Add: MAT Credit entitlement	35,62,395	25,19,187
Less : Deferred Tax Asset w/off	(72,49,040)	(78,31,443)
Profit/(Loss) for the year after tax & Adjustments/ write back	1,41,67,430	1,43,38,002
Deficit brought forward from Previous year	(2,13,70,563)	(3,57,08,565)
Balance carried to Balance Sheet	(72,03,133)	(2,13,70,563)

DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended on 31st March, 2010, in view of the brought forward losses still remaining unabsorbed.

OPERATION HIGHLIGHTS :

The total turnover of the Company including Automobile sales, service and Hospitality Division is Rs.8.66 Crores as compared to Rs. 11.84 Crores in the previous year.

During the year under review, the Company could sell 03 Hyundai cars manufactured by M/s.

Hyundai Motor India Ltd. as compared to 54 Hyundai Cars sold in the previous year since the Dealership of Hyundai Motor Company Ltd. came to an end w.e.f. 3rd April, 2009.

The sale of Spare Parts during the year was Rs. 226 lacs as against Rs. 291 lacs in the previous year.

As regards Hospitality Division, with improved services, the Company has been able to scale up its turnover in this segment. This coupled with cost control measures adopted has enabled the Company to achieve better performance.

PERSONNEL:

The industrial relations continue to be satisfactory in 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 continue to be adequately insured against fire, riot, civil commotion etc.

DIRECTORS:

Mr. Chirag C. Doshi and Mr. T. D. Lal, Directors, will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

DEPOSITS:

There are no fixed deposits outstanding as on 31st March, 2010.

INCOME TAX ASSESSMENT:

Income tax assessment of your Company has been completed upto the Assessment Year 2007-2008. However the Company has preferred appeals with the higher authorities in respect of A.Y. 2002-03.

DEMATERIALIZATION OF SECURITIES:

During the year, the equity shares of the Company have been admitted with National Securities Depository Ltd. & Central Depository Services (India) Ltd. The ISIN No. allotted for Securities of the Company is INE691K01017 w.e.f. 03-12-2009.

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, no details of the same are annexed to this report.

SECRETARIAL COMPLIANCE REPORT :

As required under Section 383A(1) of the Companies Act, 1956, the Compliance Report issued by M/s. Ragini Chokshi & Associates, Practicing Company Secretary, Mumbai, 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, the Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed by your Company along with proper explanation relating to material departures, if any;
- ii) the Directors have selected such accounting policies and applied them consistently, and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of its profit for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the annual accounts have been prepared, on a going concern basis.

AUDITORS :

M/s. A. B. Jog & Co., Chartered Accountants, Mumbai, the Statutory Auditors of the Company will retire at the ensuing Annual General Meeting and they being eligible have offered themselves for re-appointment. The Company has received the necessary certificate u/s 224-1B from them about their eligibility for re-appointment. The members

are requested to appoint the Auditors and fix their remuneration.

ACKNOWLEDGEMENTS:

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

Your Directors also like to thank the customers, suppliers and shareholders for their continued support and co-operation.

For and on behalf of the Board of Directors

CHAKOR L. DOSHI
CHAIRMAN

Registered Office :

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

Dated : 25th May, 2010

e. Investment Details

	% Invested As at 31 st March, 2010
L.I.C. Group Gratuity (Cash Accumulation) Policy	100 (100)

f. Actuarial assumptions

Mortality Table (L.I.C.)	1994-96 (Ultimate)
Discount rate (per annum)	8.0%
Expected rate of return on plan assets (per annum)	9.0%
Rate of escalation in salary (per annum)	4.0%

The estimates of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Signature to Schedules 'A' to 'P'

For & on behalf of
A. B. JOG & CO.
(I.C.A.I REGN. NO. 104321W)
Chartered Accountants

A.B. Jog
Proprietor
Membership No. 10655
Mumbai, 25th May, 2010

CHAKOR L. DOSHI	Chairman
CHIRAG C. DOSHI SANJAY P. MUTHE T. D. LAL	} Directors

Mumbai, 25th May, 2010

Defined Benefit Plan

- a) **Gratuity** : The Liability has been funded separately by formation of Gratuity Fund and taking out Group Gratuity Scheme Policy from Life Insurance Corporation of India. The annual premium under the same is accounted as contribution to Gratuity Fund. At the time of actual payment of Gratuity, any shortfall on account of premature retirement is accounted as expenditure of that year.
- b) **Leave Encashment** : The Company provides for estimated leave encashment liability each year on the basis of accumulated leave due to employees at the year end, valued at salaries excluding allowances of the last month of Accounting Year.

Reconciliation of Defined Benefit obligation and fair value of plan assets is as under:

	Current Year (Rs.)		Previous Year (Rs.)	
	Gratuity	Leave	Gratuity	Leave
	Funded	Encashment Unfunded	Funded	Encashment Unfunded
a. Reconciliation of opening and closing balances of Defined Benefit obligation				
Defined Benefit obligation at beginning of the year	1,19,827	1,98,503	1,15,962	1,71,339
Current Service Cost	-	-	-	-
Actuarial (gain) / loss	3,866	9,295	3,865	31,906
Benefits Paid	-	13,373	-	4,742
Defined Benefit obligation at year end	1,23,693	194,425	1,19,827	1,98,503
b. Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of plan assets at beginning of the year	1,24,392	-	1,14,647	-
Expected return on plan assets	11,195	-	9,745	-
Actuarial gain / (loss)	-	-	-	-
Employer contribution	-	-	-	-
Benefits Paid	-	-	-	-
Fair value of plan assets at year end	1,35,587	-	1,24,392	-
Actual return on plan assets	-	-	-	-
c. Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at 31 st March, 2010	1,35,587	-	1,24,392	-
Present value of obligations as at 31 st March, 2010	1,23,693	1,94,425	1,19,827	1,98,503
Amount recognized in Balance Sheet	1,23,693	1,94,425	1,19,827	1,98,503
d. Expenses recognized during the year [Under the head "Payments to the Provisions for Employees"- Refer Schedule 'K' Note 'P' (A)]	3,866	9,295	3,865	31,906

COMPLIANCE CERTIFICATE

Registration No. of the Company : L74999MH
1919PLC000557
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. L74999MH 1919PLC000557) 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, 2010. 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:

- 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.
- 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.
- The Company is a Public Limited Company and hence comments are not required.
- The Board of directors duly met Five times respectively on 24th June, 2009, 31st July, 2009, 31st October, 2009, 26th December, 2009 and on 27th January, 2010 in respect of these meetings, proper notices were given and the proceedings were properly recorded, passed and signed in the Minutes Book maintained for the purpose.

- The Company closed its Register of members from 27-07-2009 to 10-08-2009 and necessary compliance of section 154 of the Act has been made.
- The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 10th August, 2009 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
- No Extra-Ordinary General Meeting was held during the financial year.
- The Company has not advanced any loans to its Directors and / or persons, firms or Companies referred in Section 295 of the Act.
- The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
- The Company has made necessary entries in the Register maintained under section 301 of the Act.
- There were no instances of Company falling within the purview of Section 314 of the Act, and the Company is not required to obtain approvals from the Board of Directors, Members and Central Government.
- The Company has not issued any duplicate share Certificate during the financial year under review.
- The Company has :
 - 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.
 - Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.