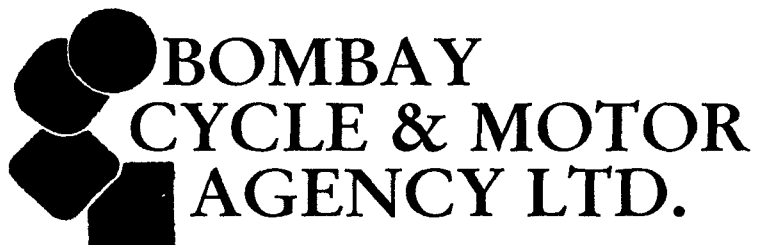


**88TH
ANNUAL REPORT
2006-2007**

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BOMBAY CYCLE & MOTOR AGENCY LIMITED
88TH ANNUAL REPORT 2006-2007

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. : 022-23617171 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 AGENT**

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

BOMBAY CYCLE & MOTOR AGENCY LIMITED

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NOTICE

NOTICE is hereby given that the EIGHTY EIGHTH ANNUAL GENERAL MEETING of members 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 Tuesday, the 31st day of July, 2007, at 11.00 a.m. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2007 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 Mrs. Kanika G. Sanger, who retires by rotation and being eligible, offers herself for reappointment.
- 3) To appoint a Director in place of Mr. Chirag C. Doshi, 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.

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution :

“RESOLVED THAT pursuant to Section 309 (4) , 310 and all other applicable provisions of the Companies Act, 1956, and subject to the approval of Central Government, approval of the Company be and is hereby accorded for payment of commission to the Directors of the Company who are neither in the whole time employment nor Managing Director(s) of the Company upto the limit of 5% of the net profits of the Company computed in the manner laid down in Section 198(1) of the Act for the financial year ended 31-03-2007 and subse-

quent four years, to be paid / distributed to the Directors in such proportion as the Board may, from time to time, determine.”.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt, if any, that may arise in this regard.”

- 6) To consider and if thought fit, to pass with or without modifications the following Resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to Mr. Chakor L. Doshi, the Chairman of the Company, and a relative of Mr. Chirag C. Doshi and Mrs. Kanika G. Sanger, to provide professional services as an Advisor/Consultant to the Company on payment of Rs. 35,000/- per day of Consultancy as Consultancy Fees plus expenses on travelling, lodging and boarding & reimbursement of incidental and out of pocket expenses, reimbursement of Service Tax as applicable and permitted foreign exchange allowance in case of any assignments aboard.”

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 : 21st May, 2007

BOMBAY CYCLE & MOTOR AGENCY LIMITED

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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 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 17th July, 2007 to 31st July, 2007 (both days inclusive).

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Section 309(4) of the Companies Act, 1956 provides that in case of Directors who are neither Managing Director nor in the whole time employment, the Company may, by Special Resolution, authorize the payment of commission for a period of 5 years in addition to the fees for attending meetings of the Board. As the shareholders are aware, the entire management of the Company vests only in Board of Directors and there is no Managing Director nor whole time Directors. In view of the greater involvement of Directors and the time and attention devoted by them for the Company's business affairs in policy formulation, restructuring of the Company, business strategy, corporate planning etc., because of which the Company's performance has substantially improved as seen from results during the last three years and to maintain the tempo of such growth and to monitor and ensure such growth and profits in the ensuing years, it is now desirable to suitably compensate the Directors of the Company by paying them commission upto the limit of 5 percent of the net profits of the Company for the year ended 31st March, 2007 and subsequent four years computed in the manner laid down in Section 198(1) of the Companies Act 1956, subject to shareholders' approval in general meeting and central government approval.

The Board, therefore, recommends the Special Resolution as set out in Item No.5 of the Notice for approval of the Shareholders.

All the Directors of the Company are interested in the Resolution to the extent of the commission payable to them in accordance with the proposed

Resolution.

ITEM NO. 6

Mr. Chakor L. Doshi, the Chairman, aged 58 years, is a Science Graduate with Masters Degree in Operations Research & Industrial Engineering from University of Michigan (U.S.A.) and has been associated with the Company for last 13 years. Mr. Chakor L. Doshi has vast management experience of over three decades in large industries and possesses deep insight and expertise on wide range of corporate management matters. His consultancy services are being utilized by other Companies also. Considering his vast experience and knowledge in various industries, including Auto and Hospitality business, it is proposed to avail of his consultancy services on corporate matters relating to Company's business including Finance, Marketing, Organization Structure, Industrial Relations, Business Restructuring, Corporate Planning etc. so that the Company could reap maximum benefits from his management expertise. The Board feels that his appointment as an Advisor/Consultant would be in the overall interest of the Company and the terms are reasonable especially when considering his background. The Company is seeking opinion of the Central Government as required under Section 309(1) (b) that he possesses requisite qualifications to render professional services as Advisor / Consultant.

Mr. Chakor L. Doshi, Chairman, is related to Mr. Chirag C. Doshi and Mrs. Kanika G. Sanger, Directors of the Company. In terms of Section 314 of the Companies Act, 1956, the Company is required to pass special resolution for Mr. Chakor L. Doshi to hold such office or place of profit under the Company. The Board of Directors therefore recommends passing the special resolution as set out in item no. 6 of the accompanying Notice. None of the directors, except Mr. Chakor L. Doshi, Mr. Chirag C. Doshi and Mrs. Kanika G. Sanger is interested or concerned in this resolution.

The draft letter of the Company appointing Mr. Chakor L. Doshi as Advisor/ Consultant can be inspected at the Registered Office of the Company during working hours.

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 : 21st May, 2007

BOMBAY CYCLE & MOTOR AGENCY LIMITED

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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, 2007.

FINANCIAL RESULTS :

	For the year ended 31.3.2007 Rupees	Previous year ended 31.3.2006 Rupees
Profit /(Loss) before depreciation and taxation	1,88,66,266	2,28,87,978
Less : Depreciation & Other Charges on Fixed Assets	11,26,417	20,81,870
Profit /(Loss) for the year before Provisions	1,77,39,849	2,08,06,108
Less :Provisions for Doubtful Recoverables	-	(8,81,350)
Add : Provisions written back :		
a) For Diminution in value of investments	(43,440)	-
b) For expenses	1,84,451	25,102
Add:Prior year Adjustments (Net)	(2,98,146)	2,97,345
Less:Provision for taxation	20,32,593	-
Deferred Tax Asset w/off	60,02,277	4,03,97,518
Profit/(Loss) for the year after tax & Adjustments/ write back/off	95,47,844	2,02,47,205
Deficit brought forward from Previous year	(6,24,73,676)	(12,31,18,399)
Balance carried to Balance Sheet	(5,29,25,832)	(6,24,73,676)

DIVIDEND :

Your Directors do not recommend any dividend for the financial year ended on 31st March, 2007, 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.12.00 Crores as compared to Rs. 15.92 Crores in the previous year.

During the year under review, the Company could sell 100 Hyundai cars manufactured by M/s.

Hyundai Motor India Ltd. as compared to 175 Hyundai Cars sold in the previous year. The passenger car market in Automobiles Industry continues to face severe competition and the Dealers still indulge in offering heavy cash discounts, free accessories and other cash incentives. This situation causes severe adverse impact on margins earned at dealers' end.

The sale of Spare Parts during the year was Rs.294 lacs as against Rs.285 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 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 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:

Mrs. Kanika G Sanger and Mr. Chirag C Doshi, 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, 2007.

INCOME TAX ASSESSMENT:

Income tax assessment of your Company has been completed upto the Assessment Year 2004-2005. However the Company has preferred appeals with the higher authorities in respect of A.Y. 2001-02, 2002-03 and 2003-04.

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.

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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.

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

For and on behalf of Board of Directors

SECRETARIAL COMPLIANCE REPORT :

As required under Section 383A(1) of the Companies Act, 1956, the Compliance Report issued by M/s. Ragini Chokshi & Co., Practicing Company Secretary, Mumbai, is attached herewith and forms part of this report.

CHAKOR L. DOSHI

CHAIRMAN

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors' hereby confirm that:

Registered Office :

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

Dated : 21st May, 2007

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting-policies and applied them consistently, and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2007 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient-care 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 Directors have prepared the annual accounts for the financial year ended 31st March, 2007 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-IB of the Companies Act, 1956, from them about their eligibility for re-appointment.

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.

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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 31st March, 2007. 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 Four times respectively on 16th June, 2006, 31st July, 2006, 27th November, 2006, 24th January, 2007, 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 20-07-2006 to 04-08-2006. Necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2006 was held on 4th August, 2006 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.
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.

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| <p>iv) There is no amount in unpaid dividend account, application money due for-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.</p> <p>v) Duly complied with the requirements of section 217 of the Act.</p> <p>14. The Board of Directors of the Company is duly constituted.</p> <p>15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.</p> <p>16. The Company has not appointed any sole selling agents during the financial year.</p> <p>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.</p> <p>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.</p> <p>19. The Company has not issued any shares, debentures or other securities during the financial year.</p> <p>20. The Company has not bought back any shares during the financial year.</p> <p>21. There was no redemption of preference shares or debentures during the financial year.</p> <p>22. There was no transaction necessitating to keep in abeyance rights to dividend / right shares and bonus shares pending registration of transfer of shares.</p> <p>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.</p> | <p>24. The Company has not made any borrowings during the financial year ended 31st March, 2007.</p> <p>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.</p> <p>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.</p> <p>27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.</p> <p>28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.</p> <p>29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.</p> <p>30. The Company has not altered its Articles of Association during the year under scrutiny.</p> <p>31. No Show Cause Notices were received by the company during the financial year.</p> <p>32. The Company has not received any money as security from its employees during the financial year under certification.</p> <p>33. The Company has deposited both employees and employers contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.</p> |
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For RAGINI CHOKSHI & CO.
Mrs. Ragini Chokshi
(Partner)
Company Secretary
C.P.No. 1436

Place : Mumbai, 19TH May, 2007.

BOMBAY CYCLE & MOTOR AGENCY LIMITED

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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 Director 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 Book 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 on 31st March, 2007.

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	2005-2006	15.09.2006	Yes	No
2.	Balance Sheet & Annual Account	220	2005-2006	04.09.2006	Yes	No
3.	Compliance Certificate	383A	2005-2006	04.09.2006	No	Yes

Place : Mumbai, 19th May, 2007.

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