

99th
Annual Report
2004-2005

Bombay Swadeshi Stores Limited

BOMBAY SWADESHI STORES LIMITED
99th Annual Report 2004- 2005

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98*	1996-97	1995-96**
Share Capital	63.00	63.00	63.00	63.00	63.00	250.00	250.00	250.00	50.00	50.00
Reserves & Surplus	493.24	462.39	430.07	427.03	422.96	71.28	40.64	40.64	40.64	40.64
Fixed Assets	464.27	527.09	598.89	660.55	699.36	186.42	187.52	198.61	150.37	161.93
Investments	251.17	251.15	250.83	0.83	0.83	0.68	1.18	1.91	1.91	1.91
Net Current Assets	497.47	296.98	314.40	561.26	485.25	283.69	90.52	80.13	66.86	5.25
Profit & Loss Account	—	—	—	—	—	—	(71.38)	(134.16)	(155.71)	(184.68)
Total Turnover	2446.77	2,542.33	2,494.14	2,889.92	2,596.57	1,692.13	1206.16	804.58	783.48	458.63
Profit After Tax	38.27	46.45	3.05	4.06	45.95	102.12	46.68	10.09	10.53	152.28
Rate of Dividend (%)	—	—	—	—	10	—	—	—	—	—

* For 9 month period

** For 15 month period

Note: Previous year's figures have been regrouped or rearranged wherever necessary.

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Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

BOMBAY SWADESHI STORES LIMITED

COMPANY DETAILS

BOARD OF DIRECTORS

MR. ASIM DALAL
Managing Director

MR. MANOJ SOPARKAR

MR. CHAMPAK KANABAR

MR. PRATUL DALAL

MR. DEVANSHU DESAI (Appointed w.e.f 30-09-2004)

AUDITORS

M/s. M.D. PANDYA & ASSOCIATES
Chartered Accountants

BANKERS

The Hongkong and Shanghai Banking Corporation Ltd.
UTI BANK LTD.

REGISTERED OFFICE

WESTERN INDIA HOUSE,
SIR PHEROZESHAH MEHTA ROAD,
FORT, MUMBAI 400 001.

RETAIL OUTLETS

MUMBAI : THE BOMBAY STORE
P.M. Road

: THE BOMBAY STORE
Domestic Airport

PUNE : THE BOMBAY STORE
M. G. Road

BANGALORE : THE BOMBAY STORE
M. G. Road

TRAVEL DIVISION

MUMBAI : P. M. Road

BOMBAY SWADESHI STORES LIMITED
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NOTICE

NOTICE is hereby given that the **NINETY-NINTH ANNUAL GENERAL MEETING** of the Members of **BOMBAY SWADESHI STORES LIMITED** will be held on Friday, 30th September, 2005 at 10:00 a.m. at "Orchid", 1st Floor, MVIRDC, World Trade Centre, Centre 1, Cuffe Parade, Mumbai 400 005, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit & Loss Account of the Company for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pratul Dalal who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider, and, if thought, to pass with or without modification(s), if any, the following resolution as on Ordinary Resolution.

"RESOLVED THAT pursuant to Section 258 of the Companies Act, 1956, the number of Directors on the Board of Directors of the Company be and is hereby increased to five".

5. To consider, and, if thought, to pass with or without modification(s), if any, the following resolutions as Ordinary Resolution.

"RESOLVED THAT Mr. Devanshu Desai who, having been appointed earlier as an Additional Director, holds office till this Annual General Meeting and in respect of whom the Company has received notices under Section 257 of the Companies Act, 1956, proposing his candidature, be and hereby appointed Director liable to retire by rotation.

BY ORDER OF THE BOARD

Mumbai:

Asim Dalal

Dated: 2nd September, 2005

Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Register of Members and Share Transfer Books of the Company will remain closed on Friday, 30th September, 2005.
3. The instrument appointing the proxy should be deposited with the Company not less than 48 hours before the commencement of the Meeting.
4. Members are requested to intimate change of address, if any, to Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078, the Company's Registrars & Share Transfer Agents.

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

The following explanatory statement sets out in detail all material facts relating to the item of Special Business as mentioned in the accompanying Notice convening the Ninety-Ninth Annual General Meeting of the Company.

Item No:4

The total strength of the Board of Directors after the Ninety-Eight Annual General Meeting was four. Subsequently, Mr.Devanshu Desai was appointed Additional Director pursuant to Section 260 of the Companies Act, 1956, and is proposed to be appointed Director liable to retire by rotation. Consequently, the strength of the Board will increase to five.

Pursuant to Section 258 of the Act, any increase or decrease in the strength of the Board within the limits prescribed by the Articles of Association will necessitate the approval of the Members.

Hence the Ordinary Resolution.

None of the Directors are interested or concerned in the resolution.

Item No.5

Mr.Devanshu Desai was appointed Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds office till the forthcoming Ninety-Ninth Annual General Meeting of the Company.

A notice proposing his candidature for appointment as Director liable to retire by rotation has been received from a member alongwith deposit of Rs.500/-.

Hence the Ordinary Resolution.

None of the Directors other than Mr. Devanshu Desai are interested or concerned in the above resolution.

BY ORDER OF THE BOARD

Mumbai:

Dated: 2nd September, 2005

Asim Dalal
Managing Director

Report of the Directors to the Shareholders

Your Directors present the **NINETY-NINTH ANNUAL REPORT** of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

	Amount (Rs.)	
	31st March, 2005	31st March, 2004
Profit/(Loss) for the year	68,27,022	66,44,616
Less: Provision for taxation	30,00,000	20,00,000
	38,27,022	46,44,616
Less: Prior period tax adjustments	7,41,868	89,116
	30,85,154	45,55,500
Add: Balance of profit/(loss) brought forward	1,09,74,949	77,43,723
Less: Goodwill adjustment	-	13,24,274
Balance carried to Balance Sheet	1,40,60,103	1,09,74,949

During the year under report, the Company's sales were Rs.2,222.92 lacs as compared to Rs.2,326.48 lacs in the previous financial year. Consequently there was a drop in the profits to Rs.30.85 lacs during the year under report compared to Rs.45.55 lacs in the previous financial year.

DIVIDEND

With a view to conserve its resources, your Directors do not recommend any dividend for the year under report.

FIXED DEPOSITS

As on 31st March, 2005, there were no fixed deposits remaining overdue.

DIRECTORS

During the year under report, Mr. Devanshu Desai was appointed Additional Director on the Board of Directors of the Company. A resolution for appointment of Mr. Devanshu Desai pursuant to Section 257 of the Companies Act, 1956 as Director liable to retire by rotation forms part of the accompanying Notice.

Your Directors recommend the appointment of Mr. Devanshu Desai as Director liable to retire by rotation.

Mr. Pratul Dalal retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

PARTICULARS OF EMPLOYEES

During the year under report, there was no employee of the category mentioned in Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and hence information in this regards is not required to be furnished.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
2. They have 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 of affairs of your Company at the end of the financial year covered under this Report and of the profit of your Company for the year;
3. They have 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 your Company and for preventing and detecting fraud and other irregularities;
4. The Annual Accounts have been prepared on a going concern basis.

COMPLIANCE CERTIFICATE

A compliance certificate received from M/s T.M. Khumri & Co., Practicing Company Secretaries, pursuant to Section 383A(1) of the Companies Act, 1956, read together with the Companies (Compliance Certificate) Rules, 2001 is attached hereto and forms part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The nature of business being retailing, providing information with regard to conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of this Report does not arise for your Company.

The total foreign exchange used during the year was Rs.1,03,924/- (previous year Rs.72,569/-) and earned during the year was Rs.6,63,61,426/- (previous year Rs.4,98,10,729/-).

AUDITORS

M/s. M. D. Pandya & Associates, Chartered Accountants, Mumbai, hold office as Auditors of your Company upto the conclusion of the forthcoming Annual General Meeting. A certificate has been obtained from them pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits prescribed thereunder.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of your Company.

FOR AND ON BEHALF OF THE BOARD

Asim Dalal
Managing Director

C. N. Kanabar
Director

Mumbai:

Dated: 2nd September, 2005

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