

**THE CENTRAL PROVINCES
RAILWAYS COMPANY, LIMITED**

**100th
ANNUAL REPORT
AND
ACCOUNTS 2009-10**

THE CENTRAL PROVINCES RAILWAYS COMPANY, LIMITED

DIRECTORS:

Shri Praksh F. Nagori
Shri A. K. Gupta
Smt. Sushma Pande

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BANKERS:

Allahabad Bank

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AUDITORS:

M/s. Bhangaria & Co.,
Chartered Accountants

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REGISTERED OFFICE:

Basement, Commercial Union House,
No.9, Wallace Street, Fort, Mumbai - 400 001

NOTICE

NOTICE is hereby given that the HUNDREDTH Annual General Meeting of the members of **THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED** will be held on Wednesday, the 29th September, 2010, at 11.30 a.m. at the Registered Office of the Company situated at Basement, Commercial Union House, 9, Wallace Street, Fort, Mumbai - 400 001 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2010 and Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash F. Nagori, who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint Auditors until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION** :

“**RESOLVED THAT** Mr. A. K. Gupta who was appointed by the Board of Directors of the Company as an Additional Director with effect from 14th June, 2010 pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of the ensuing Annual General Meeting of the Company and in respect of whom a notice under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Mr. A. K. Gupta as a candidate for the Office of Director, be and is hereby appointed as a Director of the Company. “

Registered Office :

Basement, Commercial Union House,
9, Wallace Street, Fort,
Mumbai – 400 001

By Order of the Board of Directors
For THE CENTRAL PROVINCES RAILWAYS COMPANY LTD.
A. K. GUPTA
DIRECTOR

Dated : August 23, 2010

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not later than 48 HOURS before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 24th September 2010 to Wednesday the 29th September, 2010 (both days inclusive) for the purpose of Annual General Meeting.

Nomination :

4. The Companies (Amendment) Act 1999 has introduced through Section 109 A, the facility of nomination to shareholders. Such facility is mainly useful for the investors holding the shares in single name. They are advised to avail this facility to avoid process of transmission by law. Investors holding shares in physical form may send the nomination form duly filled in and signed to the Company's Registrar and Transfer Agents (Prescribed form 2B). However, if shares are held in dematerialised form, the nomination has to be submitted to the depository participant of the National Securities Depository Ltd./Central Depository Services (India) Ltd. as the case may be as per format prescribed by them.
5. Members are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agents viz., Bigshare Services Pvt. Ltd., E2, Ansa Industrial Estate, Saki-vihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. Tele.: 91-22-2847 0652 / 40430200 / 28470653. Fax : 91-22-2847 5207. E-mail : investor@bigshareonline.com.
Our RTA, Bigshare Services Private Limited recently launched Gen-Next Investor Interface Module "i'Boss" the most advanced tool to interact with investors. Please login into i'Boss (www.bigshareonline.com) and help them to serve you better.
6. It is observed that despite repeated reminders, many shareholders have still not surrendered their old Share Certificates of the face value of Rs.100/- each for exchange with the new Share Certificates of face value of Rs.10/- each on subdivision. They are once again requested to surrender the old Share Certificates of Rs.100/- each to the Company's Register and Transfer Agent M/s. Bigshare Services Pvt. Ltd.
7. The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai, Sir. P. J. Towers, Dalal Street, Mumbai. The listing fee upto March 2011 has been paid by the Company. The ISIN No. of the Company is : INE631B01020.

ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173 (2) of the Companies Act, 1956

ITEM NO.4

Mr. A. K. Gupta was appointed as an additional Director of the Company by the Board of Directors with effect from 14th June, 2010 under Section 260 of the Companies Act, 1956. He holds office as Director up to the date of the ensuing Annual General Meeting. The Company has received a Notice from a Member proposing his candidature for the office of Director along with a deposit of Rs.500/- under provisions of Section 257 of the Companies Act, 1956.

The Board commends the Resolution for acceptance by the Members.

None of the Directors, except Mr. A. K. Gupta is, in any way, interested or concerned in this Resolution.

Registered Office :

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Mumbai – 400 001

By Order of the Board of Directors
For THE CENTRAL PROVINCES RAILWAYS COMPANY LTD.
A. K. GUPTA
DIRECTOR

Dated : August 23, 2010

THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report together with Audited Statement of Accounts for the Financial Year ended 31st March, 2010.

ACCOUNTS

	2009 – 2010	2008 – 2009
	Rupees	Rupees
The Profit/(Loss) for the year before Taxation Amounts to	(162,441)	(171,718)
Taxation	--	--
Net Profit/Loss for the year	(162,441)	(171,718)
Balance brought forward from previous year	---	---
Transfer From General Reserve	162,441	171,718
Balance carried forward	---	---

INCOME FROM RAILWAYS:

The Central Railway had demanded a sum of Rs.18.72 crores towards repairs, rehabilitation, renewals and replacements of the railway assets. During the year also the dispute remains unresolved.

The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to be borne by the Central Railway, as per the Contracts. But in spite of disowning the liability by your Company, the Central Railway has adjusted an amount of Rs.1,27,15,897 being the railway earnings of your Company for the period from October, 2002 to 31st March, 2010. Hence, your Company thought it proper and as an abundant caution and not to harm the interest of shareholders of the Company and therefore decided not to include the said Income from railways amounting to Rs.20,76,071 in the Accounts for the year ended 31st March, 2010.

DEPOSITORY SYSTEM:

The equity shares of the Company are available for dematerialisation through Depository participants, on both the Depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement pursuant to Section 217(2AA) of the Companies Act, 1956 :

1. That in the preparation of Annual accounts for the year ended March 31, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That the appropriate accounting policies had been selected and applied consistently, and judgements and estimates have been made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2010 and of the profits of the company for the said year.

3. 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.
4. That the accounts have been prepared on a "going concern basis".

PARTICULARS OF EMPLOYEES:

Statement giving particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not annexed to this report as no employee was in receipt of the remuneration in excess of the prescribed sum during the year.

STATEMENT UNDER SECTION 217(I)(e) :

Statement pursuant to Section 217(I)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is given below:

- a) The Company has no activities relating to conservation of energy.
- b) i) The Company has made no provision for research and development expenditure.
ii) The Company has no activity relating to technology absorption, adoption and innovation.
- c) The Company has no activity relating to foreign exchange earnings and outgo.

DIRECTORATE :

Mr. Prakash F. Nagori retires by rotation and, being eligible offers himself for reappointment.

Mr. K. S. Venkateswaran has resigned as Director of the Company with effect from 14.6.2010.

Mr. A. K. Gupta was appointed as an Additional Director of the Company with effect from 14.06.2010 in place of Mr. K. S. Venkateswaran. The Company received Notice in writing from members proposing the candidature of Mr. A. K. Gupta for the office of Director under Section 257 of the Companies Act, 1956.

CORPORATE GOVERNANCE

Since the paid up capital of the Company is less than Rs. 3 Crores, particulars as mentioned in clause 49 of the Listing Agreement with Stock Exchange, Mumbai is not required to be given.

AUDITORS

M/s. Bhangaria & Co., Chartered Accountants, the Statutory Auditors of the Company retire and are eligible for reappointment .

AUDITORS REMARKS:

Auditors Remarks have been fully explained under para " Income from Railways" of this Report as well as in point No. 1(I) (c) in Notes to Accounts.

REGISTERED OFFICE:

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Mumbai - 400 001.

For and on behalf of Board of Directors of
The Central Provinces Railways Co. Ltd.,
PRAKASH F. NAGORI A. K. GUPTA
Director Director

Dated : 23.08.2010