

SHRI BHAGAVATI BRIGHT BARS LTD.

Correspondence Add. : 16, Vijay Plot, Rajkot-360 002. (Gujarat) India.
Phone : ++91 -281 -246 1600-1 **Fax :** ++91 -281 -246 1602
Contact : **Mobile :** ++91 98242 20261 • ++91 281 3103520
E-mail : bhagavati@speedonline.net • kalika@icenet.net.
Office & Plant : Survey No. 237/8, Near 66 KVA GEB Sub Station, Shapar,
 Dist. : Rajkot-360 002. (Gujarat-India) **Ph. :** ++91 -2827 -252292/3

NOTICE

Dec 2003

NOTICE is hereby given that the 13th Annual General Meeting of the members of M/s. Shri Bhagavati Bright Bars Limited will be held on Monday, the 28th June, 2004 at 11.00 AM at the Registered Office of the company at Survey No.237 & 238 (Paiki), Near 66 KVA GEB Sub-Station, Village – Shapar, Dist. Rajkot to transact the following business :

ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited Balance Sheet as on 31st December, 2003 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors thereon.
- (2) To appoint a director in place of Shri Niranjambhai S. Vekaria, who retires by rotation and being eligible offers himself for re-appointment.
- (3) To appoint M/s. P.T. Makadia & Co., Chartered Accountants in place of the retiring Auditors M/s. H. Jamnadas & Co. Chartered Accountants of the company as Statutory Auditors and to fix their remuneration pursuant to the Special Notice received from member in terms of section 190 of the Companies Act, 1956 to move the following resolution as an ordinary resolution :

"RESOLVED THAT M/s. H. Jamnadas & Co. Chartered Accountants, the retiring auditors of the company shall not be re-appointed at this Annual General Meeting and in their place M/s.P.T. Makadia & Co. Chartered Accountants, of Rajkot be and are hereby appointed as Auditors of the Company from the conclusion of this annual general meeting until the conclusion of the next Annual General Meeting of the company, at a remuneration as may be mutually be decided by the board of directors in negotiation with the said M/s. P.T. Makadia & Co. Chartered Accountants.

Dated 5th April, 2004
 At : Shapar.

BY ORDER OF THE BOARD
 FOR SHRI BHAGAVATI BRIGHT BARS LTD.

(UMESH S. VEKARIA)
 CHAIRMAN

Shri Bhagavati Bright Bars Limited

Director

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NOTES :

1. The company is in receipt of the Special Notice from member pursuant to section 190 of the Companies Act, 1956 regarding appointment of statutory auditors in place of the existing auditors, and in this connection after fulfilling with the due procedures as laid down in the relevant provisions of the Companies Act, 1956 the above resolution has been proposed before the members of the company.
2. A member entitled to attend and vote at the meeting is also entitled to appoint one or more person as proxies to attend and vote instead of himself/herself and the proxy need not be a member of the company.
3. Proxies in order to be effective must be duly signed, stamped, and received by the company not less than 48 hours before the commencement of the meeting.
4. Members are requested to intimate promptly change, if any, in their registered address at the registered office of the company.
5. Members/Proxies should bring attendance slip sent herewith duly filled in for attending the meeting.
6. Members desiring any information as regards the accounts are requested to write to the company at least 10 days before the date of the meeting, so as to enable the management to keep the information ready.
7. The register of members and transfer books of the company will be closed from Monday the 21st June, 2004 to Monday the 28th June, 2004 (both days inclusive).
8. The members are requested to bring their copy of the Annual Report at the Annual General Meeting.

Dated 5th April, 2004
At : Shapar

BY ORDER OF THE BOARD
FOR SHRI BHAGAVATI BRIGHT BARS LTD.

(UMESH S. VEKARIA)
CHAIRMAN

Shri Bhagavati Bright Bars Limited

Director

BRIGHT BARS LTD.

BRIGHT BARS LTD.



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DIRECTOR'S REPORT

TO,
The Members,
BHAGAVATI BRIGHT BARS LIMITED,
SHAPAR Dist. RAJKOT

Your directors have pleasure in presenting before you the **THIRTEENTH ANNUAL REPORT** on the affairs of the company together with the audited accounts for the year ended on **31st December, 2003.**

[1] FINANCIAL RESULTS : (2003)

The financial results for the year ended on 31st December, 2003 are as under :-
(Rs. In lacs)

P A R T I C U L A R S	F O R T H E Y E A R E N D E D O N	
	31.12.2003	31.12.2002
Sales & Other Income	326.20	279.95
Profit before Depreciation & Interest	(3.58)	(39.03)
Less : Interest	48.10	60.87
Profit/(Loss) before Depreciation	(51.68)	(99.50)
Less : Depreciation	29.45	41.15
Net Profit during the year	(81.13)	(141.05)
Less : Provision for Tax	NIL	NIL
Net Profit / (Loss) after tax	(81.13)	(141.05)

[2] DIVIDEND

In the absence of profitable activities, your directors regret their inability to recommend any dividend.

[3] OPERATION AND PROSPECTS

The company has incurred loss of Rs. 81.13 lacs after providing for depreciation and interest. Your directors are trying their level best to improve the performance of the company in terms of Turnover and Profitability. Your directors expect that the worse will be soon over. The prospects for the Company's business are very bright and positive.

SHRI BHAGAVATI BEKARI BARS LTD.

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[4] REFERENCE TO THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR) :

As per the Auditor's report for the year ended 31st December, 2002, the entire net worth of the company has eroded and the company has become a "Sick Company" within the meaning of the Sick Industrial Companies Act, 1985.

Further the company has made a reference to the Board for Industrial and Financial Reconstruction (BIFR) as per the provisions of the Act.

[5] AUDITORS

M/s. P.T. Makadia & Co. Chartered Accountants of Rajkot has been proposed to be appointed in place of the retiring auditors M/s. H. Jamnadas & Co., Chartered Accountants, Rajkot, pursuant to the Special notice received from member in terms of section 190 of the Companies Act, 1956 and in this regard necessary resolution has been proposed before the members of the company at forthcoming Annual General Meeting. The company has received certificate from M/s. P.T. Makadia & Co. Chartered Accountants of Rajkot to the effect that their appointment, if made, would be within the limits under Section 224(1B) of the Companies Act, 1956. You are requested to appoint auditors and fix their remuneration.

[6] REPLY TO AUDITOR'S COMMENTS :

The company had accepted unsecured loans to meet short-term requirements of fund. So far nobody has asked for repayment of unsecured loans, however, your company intends to repay the same at the earliest.

[7] PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2-A)

There were no employees for the whole or part of the calendar year under review who were in receipt of remuneration aggregating Rs. 24, 00, 000/- per annum or Rs. 2,00 000/- per month respectively and therefore particulars of employees as required by the provisions of section 217 (2-A) of Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1957 are not given.

[8] CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :

(A) CONSERVATION OF ENERGY :

In accordance with the requirements of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of

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RIGHT BARS LTD



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Directors) Rules, 1988, the particulars with respect to Conservation of Energy Technology Absorption and Foreign Exchange Earnings and Outgo are presented here under :

(B) ENERGY CONSERVATION MEASURES TAKEN

Conservation of energy is always been an area of priority in the Company's operations. The Company is focusing on installation of energy efficient machinery and process.

(C) TECHNOLOGY ABSORPTION :

RESEARCH & DEVELOPMENT :

At present, Company is dependent as the indigenous technology provided by the machinery suppliers. During the year, the Company has not initiated any research and development activities.

FUTURE PLAN & ACTION

The Company has yet not envisaged any future plan of action in Research and Development.

EXPENDITURE ON RESEARCH & DEVELOPMENT

	AMOUNT Rs.
1 Capital Expenditure (Including Technical Know How	NIL
2 Recurring Expenses	NIL
3 TOTAL	NIL
4. TOTAL R & D Expenditure (As a % of Total Turnover)	NIL

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

Efforts are being made towards technology absorption adaptation and innovation. The Company depends on its own technology and so far as the need for importing or absorbing foreign technology has not arisen

FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company has not earned any foreign exchange and there was no foreign exchange outgo during the year under review.

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[9] DIRECTORS' RESPONSIBILITY STATEMENT :

Your directors confirm

- a) that in preparation of the annual accounts, the applicable accounting standards have been followed;
- b) that the directors 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 the Company at the end of the calendar year 2003 and of the profit of the company for that year;
- c) 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;
- d) that the directors have prepared the annual accounts on going concern basis.

[10] COMPLIANCE OF CLAUSE 49 OF THE LISTING AGREEMENT PURSUANT TO CORPORATE GOVERNANCE :

The board of directors are in process to implement and adopt the compliance of Clause 49 of the listing agreement in relation to Corporate Governances. The board expects to fulfill the required compliance during the due course of time.

[11] APPRECIATION

Your directors wish to place on record their appreciation for the continued assistance and co-operation extended to the company by the Registrar of Companies, Bankers, Shareholders and Employees of the company.

RAJKOT
05.04.2004

FOR AND BEHALF OF THE BOARD
FOR SHRI BHAGAVATI BRIGHT BARS LTD

CHAIRMAN

SHRI BHAGAVATI BRIGHT BARS LTD.

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REPORT ON CORPORATE GOVERNANCE

The maintenance of Corporate Governance at its highest level is necessary to make the management of the company more smooth, transparent, law-compliant and also necessary for fulfilling its responsibilities towards stakeholders in particular and to the society at large. In order to adopt and practice all best Corporate Governance practices, the Board of Directors of your Company has initiated steps for compliance with Clause 49 of the Listing Agreement. The Company aims at maintaining Corporate Governance in its full letter and spirit.

1. Board of Directors

At present the Board of Directors comprises of four directors, namely Shri Umeshbhai S. Vekaria, who is the Chairman of the Company and having wide experience & knowledge in the field of business.

Further Shri Ramniklal M. Parmar, Director, who is assigned the post of Technical Director, is looking after manufacturing activities and technical aspects of the company. Other Directors are Shri Niranjanbhai Vekaria and Shri Nileshbhai Vekaria, who hold good experience in the same line of business and management. At present, there is no Non-Executive Directors, which the company proposes to appoint in a short period.

Shri Niranjanbhai S. Vekaria, Director is liable to retire by rotation and being eligible offer himself for reappointment.

The company has not entered into any transactions, materially significant or otherwise, with any of the directors or their relatives.

The Board met 11 times during the financial year ended 31st December, 2003. Such meetings were held on 30/01/2003, 25/02/2003, 20/03/2003, 21/04/2003, 25/06/2003, 18/07/2003, 20/08/2003, 10/09/2003, 15/10/2003, 11/11/2003 and 20/12/2003. All the members of the board attended all the meetings.

2. Audit Committee :

The board of directors are under process of constituting an Audit Committee and they ensure to constitute the same before the end of accounting year ended 31st December, 2004



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3. Remuneration Committee :

Members are aware that the financial conditions of the Company is weak and the matter has been referred to the Board for Industrial Financial Reconstruction (BIFR). Hence, none of the directors is drawing significant amount of remuneration considering the financial position of the Company. Hence, the company has not constituted the remuneration committee.

4. Shareholders'/Investors' Grievances and Share Transfer Committee

The committee, formed by the board consists of Shri Umesh S. Vekaria, Shri Nilesh K. Vekaria and Shri G.H. Patel, who functions as the Compliance officer. The terms of reference of the committee are :

- a. to review wherever necessary complaints received from shareholders or investors' regarding transfer of shares, non-receipts of annual accounts and reports, or other matters relating to shareholding in the company and any action taken by the company on such complaints;
- b. to approve or reject application or requests for transfer of shares referred to the committee by the company' in-house share department.
- c. To initiate further actions on the complaints as it may consider necessary in the relevant matters from time to time to redress or to check the similar complaints in the future.

The above committee met five times during the year ended 31st December, 2003. The Committee has left no complaint pending as on 31st December, 2003.

The company and the respective committee always prefers to attend and solve the complaints received from the shareholders on urgent basis and to the satisfaction of the shareholder.

Shares have been transferred generally within 15 days from the date of receipt of the request for transfer.

Further no penalty or prosecution was imposed on the company by the office of the Registrar of Companies, Gujarat State, the Saurashtra Kutch Stock Exchange, Rajkot, The Stock Exchange, Ahmedabad, Vadodara Stock Exchange, Vadodara. However the Stock Exchange of Mumbai has imposed suspension of trading of shares and the board of directors proposes to revoke the suspension and re-instate the trading of the equity shares on the Stock Exchange, Mumbai.

5. Details of the last three Annual General Meetings :

The last three Annual General Meeting of the shareholders of the company were held as under :

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For the Year ended on	Date of Meeting	Place of Meeting
31 st December, 2002	28 th June, 2003	The registered office of the company situated at Survey No. 237/8, Near 66KVA GEB Sub-station, Village – Shapar, Dist. Rajkot
31 st December, 2001	9 th February, 2002	
31 st December, 2000	10 th March, 2001	

All the directors were present at the last Annual General meeting held on 28th June, 2003.

6. General Information for Shareholders :

Annual General Meeting

Date : 28th June, 2004

Time : 11.00 AM

Venue : Survey No. 237/8, Near 66 KVA GEB Sub-station, Village – Shapar, Dist. Rajkot

Financial Year : 1st January, 2003 to 31st December, 2003

Date of Book Closure : Monday the 21st June, 2004 to Monday the 28th June, 2004 (both days inclusive)

Listing on stock Exchanges : The company's shares are listed on the stock exchanges in Rajkot, Ahmedabad, Vadodra and Mumbai. However the shares has been suspended by the Stock Exchange, Mumbai

Share Code : 30913

Movements in the market price of the company's shares on the Stock Exchange Mumbai

As such the securities of the company is presently not traded in the Stock Exchange, Mumbai, hence the quotations during the year under review is not available to the company



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Registrars and share transfer agent :

The company is having in-house share transfer department and therefore the company is processing the share transfer activities at its own under the supervision and control of Share Transfer Committee.

7. Dematerialization of the company's share :

The management has made necessary enquiries with the authorised agencies for trading of its shares in electronic form and the management is keen to enter the necessary agreements with the National Securities Depository Services Ltd. (NSDL) and Central Depositories Services Ltd. (CDSL). Soon the company's stakeholders can dematerialized their holding in order to trade their shares in de-mat form.

8. Distribution of the Company's shares as on 31st December 2003 :

No. of Shares held		Holders		Shares	Rs.
No.	%	No.	%		
Upto	5000	2,547	96.48	21,11,760	42.16
5001	10000	53	2.01	4,16,260	8.31
10001	20000	9	0.34	1,34,200	2.68
20001	30000	9	0.34	2,27,000	4.53
30001	40000	6	0.23	2,22,800	4.45
40001	50000	3	0.11	1,27,700	2.55
50001	100000	7	0.27	5,48,920	10.96
100001	above	6	0.23	12,19,760	24.35
TOTAL		2,640	100.00	50,08,400	100.00