

13th

ANNUAL REPORT

2004-2005

BHANDARI CONSULTANCY AND FINANCE
LIMITED



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REGD.OFFICE:

18, VASANT ENCLAVE, RAO TULA RAM
MARG, NEW DELHI-110057.

Nagar Goel & Chawla

CHARTERED ACCOUNTANTS

M-53, 2nd Floor, M-Block Central Market
Greater Kailash-II, New Delhi-1100
Tel. : 011-51435260, 51435261
Fax : 91-11-51435261
E-mail : ngcca@rediffmail.co

To

The Board of Directors
Bhandari Consultancy And Finance Ltd.
New Delhi

We have examined the above cash flow statement of M/s Bhandari Consultancy And Finance Ltd. for the year ended 31st March, 2005, the statement has been prepared by the company in accordance with the requirement of the listing agreement under clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of even date to the members of the company.

For **NAGAR GOEL & CHAWLA**
Chartered Accountants


(Dalip Nagar)
Partner



For Bhandari Consultancy And Finance Ltd.


Director

Place : New Delhi
Dated : 20th July 2005

BHANDARI CONSULTANCY AND FINANCE LIMITED

Regd. Office: 18, Vasant Enclave, Rao Tula Ram Marg, New Delhi -110 057

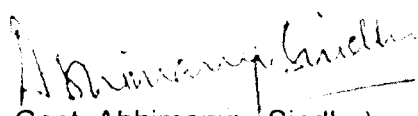
NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Company shall be held on Saturday, the 9th September 2005 at the Registered office of the Company at 18, Vasant Enclave, Rao Tula Ram Marg, New Delhi-57 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 on 31st March, 2005 and Profit & Loss Account of the company for the Year ended on 31st March, 2005 together with the Directors' Report and Auditors' Report thereon.
2. To appoint auditors for the period commencing from the conclusion of this annual general meeting till the conclusion of next annual general meeting and to fix their remuneration. M/s Nagar Goel & Chawla, Chartered Accountants, the retiring auditors being eligible, have offered themselves for reappointment.
3. To appoint a Director in place of Sh. Kulbir Singh, who retires by rotation at the annual general meeting and being eligible, has offered himself for being reappointed as Director of the Company.

By Order of the Board
For Bhandari Consultancy And Finance Limited.

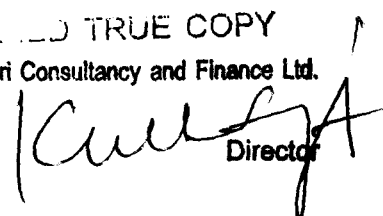

(Ex. Capt. Abhimanyu Sindhu)
Director

Place : New Delhi
Date : 20th July, 2005

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. Such proxy need not be a member of the company.
- 2 A proxy in order to be effective must be received by the company at its registered office not less than 48 hours before scheduled time for holding of the meeting. A proxy form is enclosed herewith.
- 3 The register of members and share transfer registers of the Company will remain closed from 5th September, 2005 to 8th September, 2005. (Both Days inclusive)

CERTIFIED TRUE COPY
For Bhandari Consultancy and Finance Ltd.


Director

BHANDARI CONSULTANCY AND FINANCE LTD.

Cash Flow Statement for the year ended on 31.03.2005

Particulars	Amount (Rs.)
A) CASH FLOW FROM OPERATING ACTIVITIES:	
Net profit before tax and extraordinary items Adjustments	6,263,077.16
Interest on Income Tax Refund	(75,040.00)
Preliminary Exp. W/o	13,958.00
Public Issue Exp. W/o	55,109.80
Operating profit before working capital changes-	6,257,104.96
Adjustments for :-	
Decrease in Loans and Advances	1,061,946.00
Decrease in Current Liab. & Provisions	(471,193.64)
Cash generated from operations-	6,847,857.32
Income Tax Refund	654,819.00
Direct taxes paid	(500,000.00)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	7,002,676.32
Extraordinary items	-
Net cash from operating activities (A)	7,002,676.32
B) CASH FROM INVESTING ACTIVITIES :	
Purchase of Investment	(9,867,000.00)
Interest on Income Tax Refund	75,040.00
Net cash from investing activities (B)	(9,791,960.00)
C) CASH FLOW FROM FINANCING ACTIVITIES	
Inter Corporate Deposit Accepted	10,000,000.00
Inter Corporate Deposit Paid	(10,000,000.00)
Net cash from financing activities (C)	-
Net increase/ decrease in cash and cash equivalents	(2,789,283.68)
Cash and cash equivalents as at 31.03.2004 (Opening Balance)	3,011,524.05
Cash and cash equivalents as at 31.03.2005 (Closing Balance)	222,240.37

(Capt. Abhimanyu Sindhu)

Director

Place : New Delhi

Date : 20th July, 2005

Kulbir Singh

(Kulbir Singh)

Director

Shefall Bhatnagar

Company Secretary

TRUE COPY
For Bhandari Consultancy and Finance Ltd.



BHANDARI CONSULTANCY AND FINANCE LIMITED

Regd. Office: 18, Vasant Enclave, Rao Tula Ram Marg, New Delhi -110 057

DIRECTORS' REPORT

The members,

Your directors have pleasure in presenting their 13th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March 2005.

1. Financial Results:

The financial results for the year under reviews are as follows:

Particulars	2004-05	2003-04
Net profit /(Loss) before tax	62.63	60.52
Add: Balance in Profit & Loss Appropriation A/c brought forward from last year	23.33	(24.43)
Provision for I.Tax A.Y.2002-03 written back	-	0.03
Less: Provision for Income Tax - Current	23.32	12.79
Net profit carried forward to next year	62.64	23.33

2. Operations :

The company has mainly focused on investment and financing activity during the year.

3. Dividend:

Yours directors do not recommend any dividend for the financial year 2004-05.

4. Public Deposits:

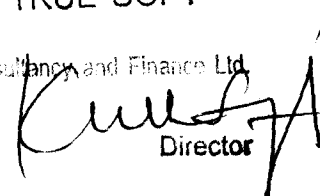
The Company has not invited or accepted any deposits within the meaning of section 58A of the Companies act, 1956 during the year. There are no unclaimed deposits as on date with the company.

5. Conservation of energy, technology absorption & foreign exchange Earnings and outgo:

Section 217(1)(e) of the Companies act, 1956 is not applicable to the Company. Hence, Statement detailing the particulars required under the said section read with the Companies (Disclosures of particulars in the report of Board of Directors) rules, 1998 are not being furnished.

CERTIFIED TRUE COPY

For Bhandari Consultancy and Finance Ltd


Director

BHANDARI CONSULTANCY AND FINANCE LIMITED

18, VASANT ENCLAVE, RAO TULA RAM MARG, NEW DELHI.

Balance Sheet Abstract and Company's General Business Profiles:-**I. Registration Details**

Registration No.	56010
State Code	21
Balance Sheet Date	31/03/2005

II. Capital Raised During the year

(Amount in Rs. Thousand)

Public Issue	Right Issue
Nil	Nil
Bonus Share	Private Placement
Nil	Nil

III. Position of Mobilization and Deployment of Funds

(Amount in Rs. Thousand)

Total Liabilities	Total Assets
111411	111411

Source of Funds

Paid-Up-Capital (Incl. Share App. Money)	Reserves & Surplus
60625	40786
Secured Loans	Unsecured Loans
Nil	10000

Application of Funds

Net Fixed Assets	Investments
Nil	12842
Net Current Assets	Misc. Expenditure
98414	155
Accumulated Losses	Nil

IV Performance of Company (Amount in Rs. Thousand)

Turnover	Total Expenditure
7522	1259
Profit/Loss Before Tax	Profit/Loss After Tax
6263	3932
Earning per share in Rs.	Dividend Rate % (Pro-rata basis)
0.65	Nil

V. Generic Name of Three Principal Products/Services of Company (As per monetary terms)

NA

As per our separate report of even date

**For NAGAR GOEL & CHAWLA
CHARTERED ACCOUNTANTS****(DALIP NAGAR)
PARTNER****(ABHIMANYU SINDHU)
DIRECTOR****(KULBIR SINGH)
DIRECTOR**Place : New Delhi
Date : 20th July 2005**Shefali Bhatnagar**

shefali

Company Secretary**CERTIFIED TRUE COPY**
For Bhandari Consultancy and Finance

6. Particulars of employees u/s 217 (2A) of the Companies Act, 1956:

None of the employees of the Company has drawn salary in excess of the limits prescribed in the said section of the Companies act, 1956 read with Companies (Particulars of employees) rules, 1975 and hence no such list is being provided.

7. Directors Responsibility Statement:

As per the provisions of Section 217(2AA) of the Companies Act, 1956 your Directors make the following statement:

- a) That in the preparation of Annual Accounts for 2004-05, the applicable Accounting Standards have been followed along with proper explanation relating to the material departures.
- 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 2004-05 and of the profit or loss of the Company for that period .
- c) That the Directors 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 the Company and for preventing and detecting fraud or other irregularities.
- d) That the Directors have prepared the Annual Accounts on a going concern basis.

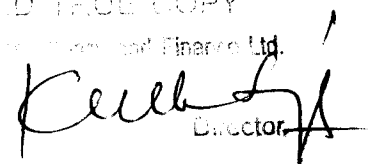
8. Directors:

Sh. Kulbir Singh, Director of the Company retires by the rotation and being eligible, has offered himself for re-appointment. Your directors recommend the re-appointment.

9. Auditors:

M/s Nagar Goel and Chawla, Chartered Accountants, retires at the conclusion of this annual general meeting and being eligible, have offered themselves for re-appointment. The company has received a certificate from them pursuant to Section 224 (1B) of the Companies Act 1956, confirming their eligibility for re-appointment.

CERTIFIED TRUE COPY
For Shri. Kulbir Singh and Finance Ltd.


Director

(8) Other information

Particulars		Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	Nil
	Other than related parties	Nil
(ii)	Net Non-Performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	Nil
(iii)	Assets acquired in satisfaction of debt	Nil

Notes:

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

As per our separate report of even date

For NAGAR GOEL & CHAWLA
CHARTERED ACCOUNTANTS

Dalip Nagar

(DALIP NAGAR)
PARTNER



Abhimanyu Sindhu
(ABHIMANYU SINDHU)
DIRECTOR

Kulbir Singh
(KULBIR SINGH)
DIRECTOR

Place : New Delhi

Date : 20th July 2005

Shefali Bhatnagar

shefali

Company Secretary

CERTIFICATE COPY
For Bhandari Consultancy and Finance Ltd.

Kulbir Singh
Director

10. Listing:

The Equity Shares of the Company are listed on Delhi Stock Exchange, Mumbai Stock exchange & Kolkata Stock Exchange. The Mumbai stock exchange has suspended trading activity in the shares of your company and the company has taken up the issue with them for its revocation which the company hopes will be done soon. As regards other stock exchanges there has been no trading in the shares of the company.

11. Corporate governance


A detailed report on corporate governance prepared in accordance with the listing agreement forms part of this report.

12. Acknowledgements:


The directors wish to place on record their gratitude to the Company's bankers for their support and co-operation. The directors also acknowledge with appreciation the support and co-operation rendered by various Govt. agencies and Departments. Your Directors would also like to thank all the employees of the Company for putting in their hard work for the Company.

By Order of the Board of Directors
For Bhandari Consultancy And Finance Limited

Place: New Delhi
Dated: 20th July 2005

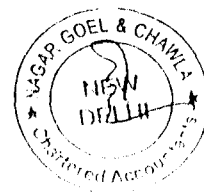

(Ex. Capt. Abhimanyu Sindhu)
Director

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For Bhandari Consultancy and Finance Ltd.


Director

	2. <u>Unquoted</u> :	128.42
	(i) Shares : (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (Please specify)	
(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances : Please see Note 2 below	
	<u>Category</u>	<u>Amount net of provisions</u>
		Secured Unsecured Total
	1. Related Parties **	
	(a) Subsidiaries	Nil Nil Nil
	(b) Companies in the same group	Nil Nil Nil
	(c) Other related parties	Nil 679.42 679.42
	2. Other than related parties	Nil 339.30 339.30
	Total	Nil 1018.72 1018.72
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below	
	<u>Category</u>	<u>Market Value / Break up or fair value or NAV</u> <u>Book Value (Net of Provisions)</u>
	1. Related Parties **	
	(a) Subsidiaries	Nil Nil
	(b) Companies in the same group	Nil Nil
	(c) Other related parties	128.42 128.42
	2. Other than related parties	Nil Nil
	Total	128.42 128.42

** As per Accounting Standard of ICAI (Please see Note 3)



CERTIFICATE COPY
For Bhandari Consultancy and Finance Ltd.

Kuldeep
Director