



THE STANDARD BATTERIES LIMITED



58TH ANNUAL REPORT 2004 - 2005



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Board of Directors

Mr. T. R. Swaminathan, **Chairman**
 Mr. R. S. Jhawar
 Mr. B. C. Das
 Mr. F. J. Guzdar, **Whole-Time Director**

Company Secretary

Mr. B. N. Shah

Solicitors

Messrs. Little & Co., Mumbai
 Govind Desai Associates, Mumbai

Bankers

Bank of India
 HDFC Bank

Auditors

Messrs B.K. Khare & Co.
 Mumbai

Registered Office

11/A, Girikunj,
 N. S. Patkar Marg,
 Mumbai - 400 007.
 Tel. No. : 2387 2629-30
 Fax No. : 2380 4967

Registrar & Share Transfer Agents

M/s Sharepro Services
 Satam Estate, 3rd flr., Above Bank of Baroda,
 Cardinal Gracious Road, Chakala,
 Andheri (E), Mumbai 400099.
 Tel. No. : 2821 5168, 2834 8218
 Fax No. : 2837 5646

Contents	Page No.
Notice	1
Directors' Report	2
Auditors' Report	3
Balance Sheet	5
Profit & Loss Account	6
Cash Flow Statement	7
Schedules to Accounts	8
Proxy Form	17

58th ANNUAL REPORT, 2004 - 2005

NOTICE OF 58TH ANNUAL GENERAL MEETING:

Notice is hereby given that Fifty Eighth Annual General Meeting of the Company will be held as scheduled as below.

Day : Thursday

Date : 29th September, 2005

Time : 11.00 A.M.

Venue : Khar Gymkhana, 13th Road, Khar (W), Mumbai- 400 052.

THE AGENDA FOR THE MEETING WILL BE AS UNDER:

1) To receive consider and adopt the Audited Statement of Accounts for the financial year ended 31st March, 2005 and report of the Directors and Auditors thereon.

2) To elect a Director in place of Mr. R. S. Jhawar who retires by rotation and being eligible, offers himself for re-election.

3) To consider and, if thought fit to pass, with or without modification, the following resolution as a special resolution.

"RESOLVED THAT Messrs. B. K. Khare & Company, Chartered Accountants, Mumbai be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors and they be paid in addition, out of pocket and / or traveling expenses that they may incur in carrying out their duties."

Registered Office: By order of the Board of Directors

11/A, Girikunj,

N.S.Patkar Marg,

Mumbai - 400 007.

B.N.SHAH

Dated:- 22nd June, 2005

COMPANY SECRETARY

NOTES :-

1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

2) Members are requested to bring their copies of the Annual Report to the meeting.

3) The register of members and share transfer books of the Company will remain closed from September 22, 2005 to September 29, 2005 (both days inclusive)

Registered Office:

11/A, Girikunj,

N.S.Patkar Marg,

Mumbai - 400 007.

By order of the Board of Directors

Dated:- 22nd June, 2005

B.N.SHAH

COMPANY SECRETARY

58th ANNUAL REPORT, 2004 - 2005

**DIRECTORS' REPORT**

To the members of **The Standard Batteries Limited.**

58TH ANNUAL REPORT:

Your Directors are pleased to present herewith the 58th Annual Report of the Company, consisting of the Audited Accounts for the financial year ended 31st March, 2005 together with the Directors' Report and the Auditors' Report thereon.

FINANCIAL RESULTS

	(Rs. in 000)	
	2004-2005	2003-2004
Sales & Service	941	136
Other Income	7765	13082
	8706	13218
Less: Expenses	7377	10092
Profit & (loss) before taxation	1329	3126
Provision for taxation (for earlier years)	—	—
Exceptional items (net)	300	339
Profit/(Loss) for the year	1029	3465
Add/(Less): Balance in Profit and Loss Account b/f	(124414)	(127879)
Less: General Reserves	39804	39804
Balance of Profit / (Loss) carried to Balance Sheet	(83581)	(84610)

DIVIDEND :

Your Directors regret their inability to recommend any Dividend for the year under review.

ANALYSIS OF RESULTS 2004-05 :

Turnover during the year under review amounted to Rs.9.41 lakhs. The Company has identified certain business opportunities which are currently under consideration. The Directors are trying to implement a viable business venture in the near future.

DIRECTORS :

In terms of Articles 148 & 149 of Articles of Association of the Company, Mr. R. S. Jhawar retires by rotation but being eligible, offers himself for re-election.

DEPOSITS :

The Company has not accepted any public deposit during the financial year and, as such, has no outstanding as on 31.03.2005.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS :

Since the Company has sold its entire business undertaking to Exide Industries Ltd., effective February 1998, the above particulars are no more relevant.

PARTICULARS OF EMPLOYEES :

No employee is covered under the provision of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended and, as such, there is nil information to submit.

AUDITORS :

M/s. B.K.Khare & Co., Chartered Accountants, Mumbai, the existing

Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for reappointment.

As the Financial Institution, Nationalised Bank and General Insurance Companies hold more than 25% of the subscribed share capital of the Company, the appointment of M/s. B. K. Khare & Company as Auditors of the Company require the passing of a special resolution pursuant to Section 224A of the Companies Act, 1956 which will be proposed at the forthcoming Annual General Meeting.

CORPORATE GOVERNANCE :

Since the Company's paid up equity capital now stands reduced to Rs.51.77 lakhs, your Company does not come under the purview of Clause 49 of the listing agreement for Compliance of Corporate Governance. However, the Company has been practicing the principles of good Corporate Governance over the years and is committed to follow sound systems to support healthy business growth. The latest amendment of Clause 49 of listing agreement with the Stock Exchanges for the Corporate Governance will be applicable from 1st December, 2005.

DIRECTORS' RESPONSIBILITY STATEMENT :

Directors hereby confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) 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 financial year and of the profit and loss of the Company for the period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITOR'S OBSERVATIONS :

The observation of the Auditors are clarified in the appropriate notes to the Accounts.

ACKNOWLEDGEMENTS :

The Directors wish to thank the Government of India and various State Government Authorities, Public Financial Institutions, the Bankers, Auditors and Solicitors of the Company for the guidance, advice and assistance rendered by them from time to time. The Directors also thank the shareholders for their continued support to the Company

For and on behalf of the
Board of Directors,

Mumbai
Dated : 22nd June, 2005

T. R. Swaminathan
CHAIRMAN

58th ANNUAL REPORT, 2004 - 2005



AUDITORS' REPORT

TO

THE MEMBERS OF

THE STANDARD BATTERIES LIMITED.

1. We have audited the attached Balance Sheet of **The Standard Batteries Limited** ('the Company') as at March 31, 2005, and also the Profit and Loss account and the Cash Flow statement for the year ended on that date annexed thereto (together referred to as 'financial statements'). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('Order') issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956 ('the Act'), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred above, we report that:
 - a) The account of the Company for the year ended March 31, 2004 have been audited by other auditor and balances on that date have been considered as opening balance for the purpose of these accounts.
 - b) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - c) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - d) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - e) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - f) On the basis of the written representations received from the directors, as on March 31, 2005 and taken on record by the Board of Directors, other than the nominee director appointed by The Life Insurance Corporation of India, who is not liable to be disqualified from appointment as director, we report that none of the directors are disqualified as on March 31, 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - g) This report is subject to following:
 - i. *Note 4 regarding accounts having been prepared on a "going concern basis" for reasons stated therein; accordingly, the effect thereof on the financial statements cannot be ascertained.*
 - ii. *Note 5 regarding balances in accounts referred to in said note, being subject to confirmation and reconciliation as at the balance sheet date*
 - h) Except as stated in paragraph 4(g) above, in our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with significant accounting policies and the other notes to accounts, particularly note 2(f)(ii) regarding disputed income tax demands, not provided for, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2005; and
 - ii. in the case of the profit and loss account, of the profit for the year ended on that date.
 - iii. in the case of cash flow statement, of the cash flows for the year ended on that date.

For **B.K.Khare & Company**
Chartered Accountants

Mumbai
Dated : June 22, 2005

Sunil Bhandari
Partner
(Membership No.: 37388)