

## ***BARTRONICS INDIA LIMITED***

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### **BOARD OF DIRECTORS**

Shri Sudhir Rao	-	Managing Director
Shri V.Rama Mohan Rao	-	Director (Finance)
Shri K.N.Dupare	-	Director (IDBI Nominee)
Shri A.B.S. Reddy	-	Director
Shri R.Satish Reddy	-	Director

### **REGISTERED OFFICE**

-	18,Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Ph: 56529265, 56529268.
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### **AUDITORS:**

-	M/s Yaji Associates Chartered Accountants, Hyderabad.
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### **FINANCIAL INSTITUTIONS**

-	Industrial Development Bank of India
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### **BANKERS**

-	Andhra Bank, Somajiguda Branch, Hyderabad.
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***BARTRONICS INDIA LIMITED***

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**NOTICE**

Notice is hereby given that the Thirteenth Annual General Meeting of the members of the company will be held on Thursday, 30th day of December, 2004, at the Registered office of the Company at 18, Nagarjuna Hills, Panjagutta, Hyderabad – 500 082 at 11.30 A.M.

**Ordinary Business:**

1. To receive, consider and adopt the audited balance sheet as at March 31, 2004 and the profit and loss account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a director in place of Shri R.Satish Reddy who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on a remuneration to be fixed by the Board of Directors of the company on a later date. The retiring Auditor, M/S YAJI Associates, Chartered Accountants, Hyderabad, being eligible, offers themselves for reappointment.

**Special Business:**

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

“RESOLVED that Shri A.B.S.Reddy, who was appointed as an Additional Director of the Company with effect from 15.10.2003 and holds office upto the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation”.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR BARTRONICS INDIA LIMITED

PLACE : HYDERABAD  
DATE : 24.12.2004

SUDHIR RAO  
MANAGING DIRECTOR

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***BARTRONICS INDIA LIMITED***

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**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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY HELD AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is enclosed.

**Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956.**

**ITEM NO. 4**

Shri A.B.S.Reddy, was appointed as an Additional Director of the Company at the meeting of the Board of Directors of the Company held on 15<sup>th</sup> October, 2003, who holds office upto the date of the ensuing Annual General Meeting of the Company.

Notice as required under Section 257 of the Companies Act, 1956 together with the requisite deposit has been received from a member proposing the appointment of Shri A.B.S.Reddy as Director. The said notice and the Memorandum and Articles of Association of the Company are available for inspection at the Registered Office of the Company on any working day.

Therefore, your Directors recommend the resolution for your approval.

None of the Directors of the Company except Shri A.B.S. Reddy is concerned or interested in the aforesaid resolution.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR BARTRONICS INDIA LIMITED

PLACE : HYDERABAD  
DATE : 24.12.2004

SUDHIR RAO  
MANAGING DIRECTOR

## ***BARTRONICS INDIA LIMITED***

### **DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Thirteenth Annual Report together with the Audited Accounts for the Financial Year ended 31st March, 2004 comprising of twelve (12) months from 01.04.2003 to 31.03.2004.

#### **COMPANY'S PERFORMANCE :**

The year had been one of the most challenging years for your company being the impact of the global slowdown coupled with changes in capital markets and general economic conditions posed tremendous challenges. Despite this, your company performed well and showed all-round growth.

Your Directors are hereby report that your Company has achieved the total income of Rs.12,58,17,429 during the financial year under review as against the turnover of Rs.8,31,57,986 during the previous financial year.

The highlights of the financial results are as follows:

<b>Particulars</b>	<b>2003-2004</b>	<b>2002-2003</b>
	<b>Rs.</b>	<b>Rs.</b>
Total Income	<b>12,58,17,429</b>	8,31,57,986
Total Expenses other than Interest	<b>9,60,60,411</b>	7,60,77,365
Interest	<b>84,09,545</b>	44,68,769
Total Expenses	<b>10,44,69,956</b>	8,05,46,134
Profit Before Tax	<b>2,13,47,472</b>	26,11,852
Provision for Tax	<b>50,17,850</b>	2,50,000
Profit After Tax	<b>1,35,18,622</b>	13,58,509
Amount Brought Forward	<b>38,66,729</b>	54,60,720
Balance carried forward	<b>1,73,85,351</b>	38,66,729

#### **BUSINESS OPERATIONS**

Your company firmly believes that "Pursuit of Excellence" is one of the most critical components for competitive success in the Global and in Indian markets.

#### **HUMAN RESOURCE MANAGEMENT**

The key resource for your company is its employees. Your company has been able to create a favourable work environment that encourages innovation and meritocracy. Your company has put in place a Human Resource Management process, enabling it to attract and retain high caliber employees. The efforts of your company in the area of employee management and HR practices have been widely acclaimed in various flora.

#### **DIRECTORS:**

Shri Amit Mehta, Director of your company has resigned from the Board at the Board meeting held on 15.10.2003 and the appointment of Shri A.B.S.Reddy as an additional directors has been taken up by the Board at the same meeting.

Shri R.Satish Reddy, Director of your company, is liable to retire by rotation in this forthcoming thirteenth Annual General Meeting of the company, being eligible, offers himself for reappointment.

## ***BARTRONICS INDIA LIMITED***

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### **DIRECTORS' RESPONSIBILITY STATEMENT**

#### **The Directors confirm:**

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the directors had 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 of the company for that period.
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 directors had prepared the annual accounts on a going concern basis.

#### **AUDITORS:**

The Auditors M/S YAJI Associates, Chartered Accountants, Hyderabad, retire at the ensuing thirteenth Annual General Meeting of the company and, being eligible, offers themselves for reappointment.

#### **EMPLOYEE PARTICULARS:**

Employees Particulars as required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, are/is not applicable being no employee of your company falls within the purview of the aforesaid provisions.

#### **FIXED DEPOSITS**

Your company has not accepted any deposits from the public for the year under review within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Being your company's business is trading business, the particulars as prescribed under Section 217(1e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors Rules, 1988, are **not applicable**.

#### **EXPLANATIONS TO ANY QUALIFICATIONS IN AUDITORS REPORT**

There are no adverse remarks in the Auditors report dated 24.12.2004 except that, the company has yet to setup an internal audit system. The company is in the process of getting of an internal audit system.

#### **ACKNOWLEDGEMENTS:**

Your directors thank the company's clients, vendors, investors and bankers for their continued support during the year. Your directors place on record their appreciation of the contribution made by the employees at all levels, who, through their competence, hard work, solidarity, cooperation and support, have enabled the company to achieve consistent growth.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR BARTRONICS INDIA LIMITED**

Place : Hyderabad.

Date : 24.12.2004

Shri Sudhir Rao  
Managing Director

Shri V. Rama Mohan Rao  
Director

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## ***BARTRONICS INDIA LIMITED***

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### **AUDITORS REPORT**

#### **TO THE MEMBERS OF BARTRONICS INDIA LIMITED**

We have audited the attached Balance Sheet of M/s Bartronics India Limited as at March 31, 2004 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These Financial statements are the responsibility of the company's management and our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those 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 to 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India, in terms of Section 227 (4A) of the companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the annexure referred to above, we report that :
  - a) 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 :
  - b) In our opinion, proper books of accounts, as required by law, have been kept by the company so far as appears from our examination of those books :
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts :
  - d) In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-clause 3 © of section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors as on March 31, 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March, 31 2004 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956 ; and
  - f) In our opinion and to best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 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 31<sup>st</sup> March, 2004
    - ii) In the case of Profit & Loss Account, of the profit for the year ended on that date :

**Place : Hyderabad  
Date : 24.12.2004**

**for Yaji Associates  
Chartered Accountants**

**Sd/-  
A.P.P. Kasipati  
Partner  
M.No.19442**

**ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE**

In respect of Companies (Auditors Report) Order, 2003

**Para 4(I) of the Order**

- a) The company has maintained accounting records to show particulars including quantitative details of fixed assets.
- b) As explained to us, there is a regular program of verification of fixed assets, which in our opinion is reasonable having regard to the size of the company and the Nature of its assets. During the year, as explained to us, no material discrepancies were noticed on such verification.
- c) During the year, the company has not disposed off a substantial part of its fixed assets.

**Para 4(ii) of the Order**

- a) As explained to us, the stocks of finished goods and raw materials were verified by the management during the year periodically and at the time of annual closing. In our opinion, the frequency of such physical verification is reasonable.
- b) with regard to the procedures adopted by the management for physical verification of the stocks, we are of the opinion that they are reasonable & adequate in relation to size of the company & the nature of its business.
- c) The company is maintaining adequate records to record the inward and outward movement of raw materials, intermediaries and products. For all other inventory items, in our opinion, there is a need to systematize & improve the records, as they are basically dependent upon a physical verification carried out from time to time. It is explained to us that no material discrepancies were noticed on physical verification.

**Para 4(iii) of the Order**

We are informed that the company has not taken or granted any loans, secured or unsecured, from/to any companies, firms or either parties to be listed in the registers to be maintained under Section 301 of the Companies Act, 1956, and hence the matters regarding the rate of interest, terms & conditions of loans, repayments and overdue amounts more than Rupees one lakh are not applicable.

**Para 4(iv) of the Order**

In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company, and the nature of its business for the purchase of stores and consumables, plant & machinery, equipments, and other assets and for the sale of goods and services of the company.

While undertaking a detailed review of the internal controls prevailing, no continuing weakness have been noticed.

**Para 4(v) of the Order**

According to the information and explanations given to us, the purchase of goods and materials & sale of goods and materials and services made in pursuance of contracts of arrangements to be entered in the registers, maintained

under Section 301 of the Companies Act, 1956, and aggregating during the year to Rs.5 lacs or more in value in respect of each party, are prima facie reasonable having regard to the prevailing market prices at which transactions for similar goods or services have been made with other parties.

**Para 4(vi) of the Order**

The company has yet to set up an internal audit system

**Para 4(viii) of the Order**

We are informed that maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed for the activities carried out by the company.

**Para 4(ix) of the Order**

- a) The company had generally regularly deposited during the year statutory dues such as provident fund, ESIC, Income Tax, Sales Tax, Wealth Tax, Customs and Excise duty etc., with the appropriate authorities.
- b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, Sales Tax, Wealth Tax, Customs duty and Excise duty as at the Balance Sheet date for a period of more than 6 months from the date they became payable.

**Para 4(x) of the Order**

The company does not have accumulated losses nor has it incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

**Para 4(xi) of the Order**

Based upon our review of the accounts and the information & explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution or a bank.

**Para 4(xii) of the Order**

We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

**Para 4(xii) of the Order (First part)**

Is not applicable as the company is not a Chit Fund Company

**Para 4 (xiii) of the Order (Second Part)**

Sub clauses (a) to (d) therein are not applicable as the company is not a nidhi, mutual benefit or similar society.

**Para 4(xiv) of the Order**

Is not applicable as the company is not dealing or trading in shares, securities debenture or other investments.



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***BARTRONICS INDIA LIMITED***

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**Para 4(xv) of the Order**

We are informed that the company has not given any guarantee for loans taken by other from banks or financial institutions.

**Para 4(xvi) of the Order**

The company has not generated any term loan during the year.

**Para 4(xvii) of the Order**

The company has made preferential allotment of shares during the year

**Para 4(xix) of the Order**

The company has not issued any debentures during the year

**Para 4(xx) of the Order**

The company has not raised any money by public issue during the year

**Para (xxi) of the Order**

We are informed that no fraud on or by the company has been noticed or reported during the year and during the course of our audit.

**Place : Hyderabad**

**Date : 24.12.2004**

**for Yaji Associates  
Chartered Accountants**

Sd/-  
**A.P.P. Kasipati**  
Partner  
**M.No.19442**

## **BARTRONICS INDIA LIMITED**

### BALANCE SHEET AS AT 31ST MARCH, 2004

PARTICULARS	SCH. NO.		AS AT 31.03.04 Rs. (12 Months)		AS AT 31.03.03 Rs. (12 Months)
<b>SOURCE OF FUNDS</b>					
SHARE CAPITAL	1		43,793,000		40,793,000
RESERVES & SURPLUS & PROFIT & LOSS ACCOUNT	2		27,976,851		8,458,229
DEFERRED TAX LIABILITY			6,635,000		3,824,000
SECURED LOANS	3		60,456,379		53,612,250
UNSECURED LOANS					1,032,000
TOTAL			<b>138,861,230</b>		107,719,479
<b>APPLICATION OF FUNDS</b>					
FIXED ASSETS	4				
GROSS BLOCK			81,734,543		80,201,021
LESS: DEPRECIATION			14,215,858		11,701,868
NET BLOCK			67,518,685		68,499,154
CAPITAL WORK-IN-PROGRESS					
CURRENT ASSETS. LOANS & ADVANCES	5	90,643,346		53,478,554	
LESS: CURRENT LIABILITIES & PROVISIONS	6	19,368,052	71,275,294	14,344,479	39,134,075
MISCELLANEOUS EXPENDITURE					
TO THE EXTENT NOT WRITTEN OFF	7		67,250		86,250
DEFERRED EXPENDITURE					
TO THE EXTENT NOT WRITTEN OFF	8		0		
			<b>138,861,230</b>		107,719,479
NOTES TO ACCOUNTS	14				

for YAJI ASSOCIATES  
Chartered Accountants

for & on behalf of the Board of Directors  
for BARTRONICS INDIA LIMITED

Sd/-  
**(A.P.P. KASIPATI)**  
Partner  
M.No.19442

Sd/-  
**Sudhir Rao**  
Managing Director

Sd/-  
**V. Rama Mohan Rao**  
Director

Place : Hyderabad  
Date : 24.12.2004

## ***BARTRONICS INDIA LIMITED***

### PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2004

PARTICULARS	SCH. NO.	AS AT 31.03.04 Rs. (12 Months)	AS AT 31.03.03 Rs. (12 Months)
<b>I INCOME</b>			
SALES (net of returns)		125,763,824	83,128,759
OTHER INCOME	9	53,605	29,227
T O T A L		<b>125,817,429</b>	<b>83,157,986</b>
<b>II EXPENDITURE</b>			
COST OF GOODS SOLD	10	73,504,682	53,993,832
EXPLOYEES REMUNERATION & BENEFITS	11	7,561,924	7,062,919
ADMINISTRATIVE, SELLING AND OTHER EXPS	12	12,460,815	10,527,111
DEPRECIATION	4	2,513,990	3,564,759
INTEREST & FINANCIAL CHARGES	13	8,409,545	4,468,770
MISC. EXPENDITURE WRITTEN OFF	8	19,000	19,000
DEFERRED EXPENDITURE WRITTENOFF	9		909,743
T O T A L		<b>104,469,956</b>	<b>80,546,134</b>
PROFIT BEFORE TAX		21,347,472	2,611,852
LESS: PROVISION FOR TAXATION FOR THE YEAR		5,017,850	250,000
FOR EARLIER YEARS			131,843
DEFERRED TAX LIABILITY		2,811,000	871,500
		<b>13,518,622</b>	<b>1,358,509</b>
PROFIT AFTER TAX		<b>13,518,622</b>	<b>1,358,509</b>

for YAJI ASSOCIATES  
Chartered Accountants

for & on behalf of the Board of Directors  
for BARTRONICS INDIA LIMITED

Sd/-  
**(A.P.P. KASIPATI)**  
Partner  
**M.No.19442**

Sd/-  
**Sudhir Rao**  
Managing Director

Sd/-  
**V. Rama Mohan Rao**  
Director

Place : Hyderabad  
Date : 24.12.2004

***BARTRONICS INDIA LIMITED***

**SCHEDULE 1**

<b>SHARE CAPITAL</b>	<b>AS AT 31.03.04 Rs. (12 Months)</b>		<b>AS AT 31.03.03 Rs. (12 Months)</b>
<b>AUTHORISED SHARE CAPITAL</b> (2,40,00,000 Equity Shares of Rs. 5 each)	<b>120,000,000</b>		50,000,000
ISSUED,SUBSCRIBED & PAID UP (8758600 Equity shares of Rs.5 each)	<b>43,793,000</b>		40,793,000
<b>TOTAL</b>	<b>43,793,000</b>		40,793,000

**SCHEDULE 2**

<b>RESERVIES &amp; SURPLUS</b>		<b>AS AT 31.03.04 Rs. (12 Months)</b>		<b>AS AT 31.03.03 Rs. (12 Months)</b>
OPENING BALANCE	<b>3,866,729</b>		5,460,720	
ADD: FOR THE YEAR	<b>13,518,622</b>		1,358,509	
LESS: PROVISION FOR DEFERRED TEX LIABILITY AS ON 31.03.03		<b>17,385,351</b>	2,952,500	3,866,729
SHARE PREMIUM		<b>10,591,500</b>		4,591,500
<b>TOTAL</b>		<b>27,976,851</b>		8,458,229
Deferred Tax Liability		<b>6,635,000</b>		871,500
<b>TOTAL</b>		<b>6,635,000</b>		871,500

**SCHEDULE 3**

<b>SECURED LOANS</b>	<b>AS AT 31.03.04 Rs. (12 Months)</b>		<b>AS AT 31.03.03 Rs. (12 Months)</b>
UTI BANK CASH CREDIT A/C	<b>6,895,637</b>		6,569,625
IDBI VENTURE CAPITAL	<b>52,346,380</b>		47,031,184
CITI BANK	<b>1,202,016</b>		-
CITI BANK-CMFL	<b>-</b>		11,441
ICICI BANK	<b>12,346</b>		-
<b>TOTAL</b>	<b>60,456,379</b>		53,612,250

**SCHEDULE-4 : Fixed Assets**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opp. Bal As on 01.04.03	Additions	Cg. Bal As on 31.03.04	Opp. Bal As on 01.04.03	For the year	Deletions	Balance As on 31.03.04	Balance As on 31.03.03
Plant & Machinery	22,247,207	204,576	22,451,783	1,957,816	1,009,407	392,949	19,877,509	20,289,392
Vehicles	3,137,421	947,692	4,085,113	1,342,799	387,959	607,792	2,962,147	1,794,622
Computers	31,774,420	276,850	32,051,270	5,711,633	4,887,288	2,668,200	24,120,549	26,062,787
Furniture & Fixtures	8,529,867	-	8,529,867	1,822,620	513,162	637,816	6,831,901	6,707,247
Office Equipment	555,618	104,404	660,022	347,420	25,624	104,844	391,822	208,198
Demo Equipment	349,057	-	349,057	125,469	16,580	74,485	281,493	223,588
Electrical Installation	402,422	-	402,422	99,964	14,538	2,381	290,301	302,458
Partitions	149,942	-	149,942	149,942	-	-	-	-
Fixtures	97,469	-	97,469	97,469	-	-	-	-
Land	1,951,491	-	1,951,491	-	-	-	1,951,491	1,951,491
Buildings	11,006,107	-	11,006,107	46,738	179,400	31,501	10,811,470	10,959,369
Total	80,201,021	1,533,522	81,734,543	11,701,869	7,033,958	4,519,968	67,518,683	68,499,152

## BARTRONICS INDIA LIMITED

### SCHEDULE-5

CURRENT ASSETS LOANS & ADVANCES		AS AT 31.03.04 Rs. (12 Months)		AS AT 31.03.03 Rs. (12 Months)
A) CURRENT ASSETS				
INVENTORIES-AS VALUED & CERTIFIED BY THE MANAGEMENT		17,015,125		6,098,314
SUNDRY DEBTORS (UNSECURED CONSIDERED GOODS)				
DUE MORE THAN 6 MONTHS	3,468,594		4,841,253	
OTHERS	67,187,630	70,656,224	37,030,898	41,872,151
CASH ON HAND		601		11,754
BALANCE IN CURRENT ACCOUNTS		69,723		69,681
TOTAL		87,741,673		48,051,900
B) LOANS & ADVANCES				
ADVANCES TO SUPPLIERS	1,291,884		1,436,524	
DEPOSITS	746,245		3,012,990	
OTHER ADVANCES	847,877		971,286	
PREPAID EXPENSES	15,666	2,901,672	5,854	5,426,654
TOTAL		2,901,672		5,426,654
GRAND TOTAL		90,643,345		53,478,554

### SCHEDULE-6

CURRENT LIABILITIES & PROVISIONS		AS AT 31.03.04 Rs. (12 Months)		AS AT 31.03.03 Rs. (12 Months)
A) CREDITORS AND OTHER PAYABLES				
SUNDRY CREDITORS FOR GOODS AND EXPENSES		7,775,608		9,786,958
OTHER LIABILITIES		5,940,840		4,213,395
TOTAL		13,716,448		14,000,353
B) PROVISIONS				
PROVISION FOR INCOME TAX		5,096,738		295,826
PROVISION FOR GRATUITY		554,866		48,300
TOTAL		5,651,604		344,126
GRAND TOTAL		19,368,052		14,344,479

### SCHEDULE-7

MISCELLANEOUS EXPENSES		AS AT 31.03.04 Rs. (12 Months)		AS AT 31.03.03 Rs. (12 Months)
A PRELIMINARY EXPENSES		86,250		105,250
ADD: ADDITIONS DURING THE YEAR		86,250		105,250
LESS: 10% WRITTEN OFF FOR THE YEAR		19,000		19,000
TOTAL		67,250		86,250

## BARTRONICS INDIA LIMITED

### SCHEDULE - 8

	AS AT 31.03.2004 Rs. (12 Months)	AS AT 31.03.2003 Rs. (12 Months)
DEFERRED EXPENDITURE		
A. DEFERRED REVENUE - SOFTWARE	0	96,599
ADD: DEFERRED FOR THE YEAR	0	0
	0	96,599
LESS: WRITTEN OFF FOR THE YEAR	0	96,599
<b>TOTAL</b>	<b>0</b>	<b>0</b>
B. DEFERRED REVENUE- MARKET SEEDING	0	72,019
ADD: DEFERRED FOR THE YEAR	0	0
	0	72,019
LESS: WRITTEN OFF FOR THE YEAR	0	72,019
<b>TOTAL</b>	<b>0</b>	<b>0</b>
D. DEFERRED PROJECT EXPS.	0	741,125
ADD: DEFERRED DURING THE YEAR	0	0
	0	741,125
LESS: WRITTEN OFF FOR THE YEAR	0	741,125
<b>TOTAL</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>0</b>	<b>0</b>

### SCHEDULE - 9

	AS AT 31.03.2004 Rs. (12 Months)	AS AT 31.03.2003 Rs. (12 Months)
<b>OTHER INCOME</b>		
MISC. RECEIPTS		0
EXCESS PROVISIONS WRITTEN BACK	30,821	0
COMMISSION RECEIVED	0	29,227
EXCHANGE FLECTUATION	22,784	0
<b>TOTAL</b>	<b>53,605</b>	<b>29,227</b>

### SCHEDULE - 10

	AS AT 31.03.2004 Rs. (12 Months)	AS AT 31.03.2003 Rs. (12 Months)
<b>COST OF GOODS SOLD</b>		
OPENING STOCK	6,098,314	7,455,358
ADD: PURCHASES	84,421,493	52,636,788
	90,519,807	60,092,146
LESS: CLOSING STOCK	17,015,125	6,098,314
<b>TOTAL</b>	<b>73,504,682</b>	<b>53,993,832</b>

## ***BARTRONICS INDIA LIMITED***

### **SCHEDULE - 11**

<b>EMPLOYEES REMUNERATION &amp; BENEFITS</b>	<b>AS AT 31.03.2004 Rs. (12 Months)</b>	<b>AS AT 31.03.2003 Rs. (12 Months)</b>
SALARIES, WAGES & BONUS	6,713,312	5,992,474
CONTRIBUTION TO PF	97,933	92,725
DIRECTORS REMUNERATION	556,008	736,008
STAFF WELFARE EXPENSES	194,671	241,712
<b>TOTAL</b>	<b>7,561,924</b>	<b>7,062,919</b>

### **SCHEDULE - 12**

<b>ADMINISTRATIVE, SELLING AND OTHER EXPENSES</b>	<b>AS AT 31.03.2004 Rs. (12 Months)</b>	<b>AS AT 31.03.2003 Rs. (12 Months)</b>
ADVERTISEMENT	55,410	123,026
RENT	1,279,861	2,058,590
RATES & TAXES	87,134	18,263
PRINTING & STATIONERY	218,989	241,045
POSTAGE & TELEGRAMS, TELEPHONES	1,438,291	1,377,550
INSURANCE	78,839	189,576
TRAVELLING & CONVEYANCE	3,196,500	2,618,433
ELECTRICITY CHARGES	411,615	822,341
PROFESSIONAL FEE	1,309,478	1,317,983
REPAIRS & MAINTANANCE	107,521	167,357
GENERAL & OTHER ADMINISTRATIVE EXPENSES	3,705,234	1,310,138
SALES PROMOTION	121,954	104,415
COMMISSION ON SALES	207,752	78,093
BANK CHARGES	242,238	100,301
<b>TOTAL</b>	<b>12,460,815</b>	<b>10,527,111</b>

### **SCHEDULE - 13**

<b>INTEREST &amp; FINANCIAL CHARGES</b>	<b>AS AT 31.03.04 Rs. (12 months)</b>	<b>AS AT 31.03.03 Rs. (12 months)</b>
INTEREST-TERM LOAN	7,792,741	3,228,614
INTEREST-CASH CREDIT & OTHERS	616,804	1,240,155
<b>TOTAL</b>	<b>8,409,545</b>	<b>4,468,769</b>



**SCHEDULE – 14 : NOTES ON ACCOUNTS**

**A) SIGNIFICANT ACCOUNTING POLICIES**

**1. METHOD OF ACCOUNTING :**

1.1 The financial statements are prepared on a going concern basis with historical costs.

1.2 The company generally recognizes income and expenditure on an accrual basis.

**2. FIXED ASSETS**

2.1 Fixed Assets are stated cost less depreciation. Cost of Fixed Assets are inclusive of freight, duty, taxes and incidental expenses thereto wherever applicable.

**3. DEPRECIATION**

3.1 The Company has changed the method of depreciation to Straight Line method of depreciation from written down method on all existing assets on the basis and at the rates prescribed by schedule XIV to the Companies Act, 1956.

**4. INVENTORIES**

4.1 Inventories are valued at cost inclusive of customs duty and other landing costs in respect of imported goods.

**5. MISCELLANEOUS EXPENDITURE**

5.1 Preliminary expenses are amortized over a period of 10 years.

**B) NOTES ON ACCOUNTS**

(Forming part of Balance Sheet and Profit & Loss Account)

**1. SECURED LOANS**

1.1 Cash credit facilities from UTI Bank are secured by hypothecation of stocks, Trade receivables, collateral by way of extension of charge on the fixed assets and personal guarantee of Directors.

1.2 Loan from Citi Bank Maruthi Finance is secured by the hypothecation of Two Maruthi cars purchased out of the said loan.

1.3 Loan from ICICI Bank Ltd., is secured by the hypothecation of the Photo Copier machine purchased out of the said loan.

1.4 Venture Capital Loan availed from Industrial Development Bank of India is secured by all movable & immovable assets, present and future, of the company except stock and book debts.

## ***BARTRONICS INDIA LIMITED***

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### **2. FIXED ASSETS**

- 2.1 Consequent to change in the method of depreciation from written down value to straight line method, depreciation for the year is lower by Rs. 87,18,134. Further the change in the basis's effected retrospectively to comply with the accounting resulted in write back of depreciation provided in earlier to an extent of Rs.45,19,968 which is credited to the profit & loss a/c by reducing depreciation for the year.

### **3. CURRENT ASSETS, LOANS AND ADVANCES**

- 3.1 Inventory quantities and values as at the period end are as certified by the management.
- 3.2 Sundry debtor's balances are subject to confirmation and reconciliation.

### **4. CURRENT LIABILITIES & PROVISIONS**

- 4.1 Sundry creditors balances are subject to confirmation and reconciliation.
- 4.2 There are no dues outstanding more than Rs.1 lakh and more than 30 days to Small Scale Industrial Undertakings. The total outstanding due to Small Scale Industrial undertaking is Nil. Total outstanding due to creditors other than Small Scale Industrial undertaking is Rs.77,75,608.

### **5. OTHERS :**

- 5.1 Information on licensed and installed capacity is not furnished since the company is not involved in any manufacturing activity during the year.

- 5.2 The impact of deferred tax in accordance with AS-22 has been considered while forming the accounts and necessary provision has been created.

Arising from fixed assets	Rs.121.59 lacs
Others	(Rs. 55.24 lacs)
Total	Rs. 66.35 lacs

- 5.3 Auditors remuneration pertains to payment towards :

Statutory Audit	: Rs.35,000 (Previous year Rs.35,000)
Tax Audit-Income tax	: Rs.20,000 (Previous year Rs.20,000)
Sales tax	: Rs. 5,000 (Previous year Rs. 5,000)
Certification	: Rs. 15,000 (Previous Year Rs.15,000)

- 5.4 CIF value of imports :

Finished goods & accessories	: Rs. 1,00,32,532
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**BARTRONICS INDIA LIMITED**

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5.5 Managerial Remuneration details:

Managing Director : Rs.5,56,008

5.6 Expenditure in foreign currency.

Time & Attendance System

Accessories, Scanners etc. : Rs.1,50,20,425

Travelling : Rs. 2,77,470

5.7 Quantitative information :

<b>Particulars</b>	<b>Opening Stock</b>	<b>Purchases</b>	<b>Sales</b>	<b>Closing Stock</b>
Printers	42	321	304	59
Laser Scanners	113	1912	1899	126
Handheld Terminals	9	79	80	8
Time & Attendance	174	335	414	95
Others	25	30	0	55

5.8 Previous year's figures have been regrouped and reclassified where ever necessary.

for YAJI ASSOCIATES  
Chartered Accountants

for & on behalf of the Board of Directors  
for BARTRONICS INDIA LIMITED

**Sd/-**  
**(A.P.P. KASIPATI)**  
Partner  
**M.No.19442**

**Sd/-**  
**Sudhir Rao**  
Managing Director

**Sd/-**  
**V. Rama Mohan Rao**  
Director

Place : Hyderabad  
Date : 24.12.2004

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## ***BARTRONICS INDIA LIMITED***

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### INFORMATION PURSUANT TO PART IV OF SCHEDULE OF THE COMPANIES ACT, 1956.

#### **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>1. Registration Details</b>	
Registration No.	01-11721
State Code	01
Balance Sheet Date	31.03.2004
<b>2. Capital Raised during the year</b>	
Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	Nil
<b>3. Position of Mobilisation and Deployment of Funds</b>	
Total Liabilities	13,88,61,230
Total Assets	13,88,61,230
<b>Sources of Funds</b>	
Paid – up Capital	4,37,93,000
Reserves and Surplus	2,79,76,851
Secured Loans	6,04,56,379
Unsecured Loans	Nil
<b>Application of Funds</b>	
Net Fixed Assets/Capital WIP	8,17,34,543
Investments	Nil
Net Current Assets	7,12,75,294
Miscellaneous Expenditure	67,250
Accumulated Losses	Nil
<b>4. Performance of the Company</b>	
Turnover	12,58,17,429
Total Expenditure	10,44,69,956
Profit/Loss Before Tax	2,13,47,472
Profit/Loss After Tax	1,35,18,622
Earnings per Share in Rs.	1.54
Dividend Rate %	Nil
<b>5. Generic Names of Three Principal Products/Services of Company</b> (As per Monetary terms)	
Item Code No. ( ITC Code)	N.A.
Product Description	Computer Software

**BARTRONICS INDIA LIMITED**

**BARTRONICS INDIA LIMITED**

Regd Office : 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member / members of Bartronics India Limited hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or failing him / her \_\_\_\_\_ of  
\_\_\_\_\_ as my / our proxy to attend and vote for me / us on my / our behalf at the 13th  
Annual General Meeting of the Company to be held on Thursday 30<sup>th</sup> December, 2004 at its Registered Office at 11.30 a.m.  
and at any adjournment thereof.

Affix  
Revenue  
Stamp of  
Rs. 1/-

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2004.

**Notes :**

**Signature**

- a. The form should be signed across the stamp as per specimen signature.
- b. The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid Meeting.

**BARTRONICS INDIA LIMITED**

Regd Office : 18, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082.

Member's Folio Number \_\_\_\_\_

No. of Shares held \_\_\_\_\_

**ATTENDANCE SLIP**

(to be handed over at the Entrance of the Meeting Hall)

I hereby record my presence at the 13<sup>th</sup> Annual General Meeting of the Company being held at  
\_\_\_\_\_ on \_\_\_\_\_.

Name of the Attending Member (in Block Letters) : \_\_\_\_\_

Name of the Proxy: \_\_\_\_\_  
(to be filled in if the proxy attends instead of the member)

Signature of the Member/Proxy: \_\_\_\_\_

\*To be signed at the time of handing over this slip

**Note :**

Shareholders/Proxy holders are requested to bring the attendance slip with them duly filled in when they come to the meeting and hand it over at the gate after affixing the signature on it.