

BARTRONICS INDIA LIMITED

BOARD OF DIRECTORS

Shri Sudhir Rao	-	Managing Director
Shri V.Rama Mohan Rao	-	Director (Finance)
Shri D.D. Gudsoorkar	-	Director (IDBI Nominee)
Shri Amit Mehta	-	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 Assciates Chartered Accountants, Hyderabad.
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FINANCIAL INSTITUTIONS

-	Industrial Development Bank of India
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BARTRONICS INDIA LIMITED

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of the members of the company will be held on Tuesday, 30th day of September, 2003, 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, 2003 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 Amit Mehta 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 Auditors, M/S YAJI Associates, Chartered Accountants, Hyderabad, being eligible, offers themselves for reappointment.

PLACE : HYDERABAD
DATE: 30.08.2003

BY ORDER OF THE BOARD
for BARTRONICS INDIA LIMITED

SUDHIR RAO
MANAGING DIRECTOR

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.

BARTRONICS INDIA LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twelfth Annual Report together with the Audited Accounts for the Financial Year ended 31st March, 2003 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 happy to report that your Company has achieved the total income of Rs.8,31,57,986 during the financial year under review as against the turnover of Rs.8,24,63,121 during the previous financial year.

The highlights of the financial results are as follows:

Particulars	2002-2003 Rs.	2001-2002 Rs.
Total Income	8,31,57,986	8,24,63,121
Total Expenses other than Interest	7,60,77,365	8,09,72,677
Interest	44,68,769	8,72,768
Total Expenses	8,05,46,134	8,18,45,445
Profit Before Tax	26,11,852	6,17,676
Provision for Tax	2,50,000	50,000
Profit After Tax	13,58,509	5,67,676
Amount Brought Forward	54,60,720	48,93,043
Balance carried forward	38,66,729	54,60,720

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 is liable to retire by rotation in this forthcoming Twelfth Annual General Meeting of the Company, being eligible offers himself for reappointment.

BARTRONICS INDIA LIMITED

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 Twelfth 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**.

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

Place: Hyderabad
Date: 30.08.2003

Shri Sudhir Rao
Managing Director

Shri V.Rama Mohan Rao
Director

AUDITORS' REPORT

TO THE MEMBERS OF
BARTRONICS INDIA LIMITED

1. We have audited the attached Balance Sheet of M/s BARTRONICS INDIA LIMITED as at March 31, 2003 and the relative Profit & Loss Account for the year ended on that date, both of which we have signed under the reference to this report. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standard 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 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 Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of Section 227(4A) of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out 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 to paragraph 3 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 account 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 account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in sub section (3C) of Section 211 of the Companies Act; 1956.

BARTRONICS INDIA LIMITED

- (e) On the basis of written representations received from the directors, as on March 31, 2003, and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as on March 31, 2003 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act, and also give respectively, 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, 2003; and in the case of the Profit and Loss Account, of the profit for the year ended on that date.
- (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date.

Place : Hyderabad
Date : 30.08.2003

for **Yaji Associates**
Chartered Accountants
Sd/-
A.P.P. Kasipati
Partner
M.No.19442

BARTRONICS INDIA LIMITED

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF BARTRONICS INDIA LIMITED

Annexure referred to in Paragraph 3 of our Report of even date:

1. The company is maintaining its fixed asset register to reflect the quantitative details and situation/location of fixed assets. We are informed that the management conducted physical verification of fixed assets and that no material discrepancies were noticed.
2. None of the fixed assets have been revalued during the year, so far, as appears from the information and explanations given to us.
3. The stock of finished goods, stores, spare parts and raw materials, were verified by the management at the time of annual closing.
4. The procedure for physical verification of stock followed by the management is, in our opinion reasonable and adequate in relation to the size of the company and the nature of its business at present.
5. The discrepancies arising out of physical verification of stocks have been suitably dealt with in the books of accounts.
6. On the basis of our examination of the records made available to us, in our opinion, the valuation of stocks, is fair and proper and in accordance with the stated accounting policies of the company.
7. The company has not taken any loans from companies/firms listed in the register to be maintained under section 301 and 370(1B) of the Companies Act, 1956.
8. The company has not granted any loans to companies/firms or other parties to the incorporated /listed in the register to be maintained under section 301 and 370 (1C) of the Companies Act, 1956. In respect of other loans and advances, the terms and conditions of the said loans are prima-facie prejudicial to the interest of the company.
9. In our opinion and according to the information and explanations given to us, the existing internal control procedures relating to purchase of store, consumables, raw materials, Plant & Machinery, equipment and other assets and for the sale of goods are adequate and addressed in an on going manner.
10. According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services, in pursuance of contracts or agreements to be entered in the register to be maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000 or more in value in respect of each party have been made, in so far as appears from the information and explanations given to us, at prices which are prima facie reasonable.
11. As explained to us, the company did not have any unserviceable and damaged goods during the year, which were significant in value.
12. The company has not invited or accepted any deposits from the public attracting the provisions of section 58A of the Companies Act, 1956 and the rules framed hereunder.

BARTRONICS INDIA LIMITED

13. The company's operations do not generate any scrap/by-products.
14. The company has an adequate internal audit system commensurate with the nature and size of its business.
15. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
16. The company has generally regularly deposited during the year Provident Fund and Employees State Insurance dues with the appropriate authorities.
17. 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.
18. To the best of our knowledge and on the basis of our examination of the books of accounts, prevailing internal controls and information and explanations given to us, there are no personal expenses charged to revenue account other than expenses under service contract obligations with employees, or in accordance with generally accepted business practices.
19. To the best of our knowledge and on the basis of our examination of the books of accounts, there are no dues outstanding more than Rs.1 lakh for more than 30 days to Small-Scale Industrial undertakings. The total outstanding due to Small-Scale Industrial undertakings is nil. Total outstanding due to creditors other than Small-Scale Industrial undertakings is Rs.97,86,958/-.
20. The company is not a sick industrial company within the meaning of clause (o) of sub section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
21. The company is implementing a system of recording receipts of materials and stores and a system of identifying issued and consumption of material to relative jobs.
22. The company has a reasonable system of authorization at proper levels and also an adequate internal control system commensurate with its size and nature of activity.
23. In respect of the trading activities of the company, as per the information and explanations given to us, the company does not have any damaged goods. In view of the technical nature of the company's activities and the products it trades in, we are not in a position to examine the veracity thereof, and have therefore relied upon the same.

Place : Hyderabad
Date : 30.08.2003

for **Yaji Associates**
Chartered Accountants
Sd/-
A.P.P. Kasipati
Partner
M.No.19442

BARTRONICS INDIA LIMITED

BALANCE SHEET AS AT 31.03.2003

PARTICULARS	SCH. NO.	AS AT 31.03.03 Rs. (12 Months)	AS AT 31.03.02 Rs. (12 Months)
<u>SOURCE OF FUNDS</u>			
SHARE CAPITAL	1	40,793,000	40,793,000
RESERVES & SURPLUS & PROFIT & LOSS ACCOUNT	2	8,458,229	10,052,220
DEFERRED TAX LIABILITY		3,824,000	-
SECURED LOANS	3	53,612,250	47,839,253
UNSECURED LOANS		1,032,000	1,032,000
T O T A L		<u>107,719,479</u>	<u>99,716,472</u>
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS	4		
GROSS BLOCK		80,201,021	23,238,808
LESS: DEPRECIATION		11,701,868	8,137,109
NET BLOCK		<u>68,499,153</u>	<u>15,101,701</u>
CAPITAL WORK-IN-PROGRESS			53,692,914
CURRENT ASSETS, LOANS & ADVANCES	5	53,478,554	40,550,445
LESS: CURRENT LIABILITIES & PROVISIONS	6	14,344,479	39,134,075
MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF	7	86,250	105,250
DEFERRED EXPENDITURE TO THE EXTENT NOT WRITTEN OFF	8	0	909,743
		<u>107,719,479</u>	<u>99,716,472</u>

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 : 30.08.2003

BARTRONICS INDIA LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2003

PARTICULARS	SCH NO	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
<u>I INCOME</u>			
SALES(net of returns)		83,128,759	82,048,085
OTHER INCOME	9	29,227	415,036
TOTAL INCOME		<u>83,157,986</u>	<u>82,463,121</u>
<u>II EXPENDITURE</u>			
COST OF GOODS SOLD	10	53,993,832	54,090,217
EMPLOYEES REMUNERATION & BENEFITS	11	7,062,919	7,451,162
ADMINISTRATIVE EXPENSES	12	10,244,302	15,202,624
SELLING & DISTRIBUTION EXPENSES	13	182,508	132,967
DEPRECIATION	4	3,564,759	3,269,535
INTEREST & FINANCIAL CHARGES	14	4,569,071	1,084,900
MISC. EXPENDITURE WRITTEN OFF	8	19,000	20,434
DEFERRED EXPENDITURE WRITTEN OFF	9	909,743	593,606
TOTAL EXPENDITURE		<u>80,546,134</u>	<u>81,845,444</u>
PROFIT BEFORE TAX		2,611,852	617,676
LESS: PROVISION FOR TAXATION FOR THE YEAR		250,000	50,000
FOR EARLIER YEARS		131,843	-
DEFERRED TAX LIABILITY		871,500	-
		<u>1,358,509</u>	<u>567,676</u>
PROFIT AFTER TAX		1,358,509	567,676

for YAJI ASSOCIATES
Chartered Accountants

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

Place : Hyderabad
Date : 30.08.2003

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

Sd/-
Sudhir Rao
Managing Director

Sd/-
V. Rama Mohan Rao
Director

BARTRONICS INDIA LIMITED

SCHEDULE 1

SHARE CAPITAL	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
AUTHORISED SHARE CAPITAL (50,00,000 SHARES OF RS.10/- EACH)	<u>50,000,000</u>	<u>50,000,000</u>
ISSUED,SUBSCRIBED & PAID UP (40,79,300 Equity shares of Rs.10 each)	40,793,000	40,793,000
TOTAL	<u>40,793,000</u>	<u>40,793,000</u>

SCHEDULE 2

RESERVES & SURPLUS	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
OPENING BALANCE	5,460,720	4,893,043
ADD: FOR THE YEAR	1,358,509	567,676
LESS: PROVISION FOR DEFERRED TAX LIABILITY AS ON 31.03.	2,952,500	0
SHARE PREMIUM	4,591,500	4,591,500
TOTAL	<u>8,458,229</u>	<u>10,052,220</u>
Deferred Tax Liability	871,500	0
TOTAL	<u>871,500</u>	<u>0</u>

SCHEDULE 3

SECURED LOANS	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
UTI BANK CASH CREDIT A/C	6,569,625	6,438,805
IDBI VENTURE CAPITAL	47,031,184	41,364,370
ESSANDA FINANCE(ANZ GRINDLYAS)	0	13,196
CITI BANK - CMFL	11,441	22,882
TOTAL	<u>53,612,250</u>	<u>47,839,253</u>

BARTRONICS INDIA LIMITED

SCHEDULE-4 : Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opg. Bal As on 01.04.02	Additions	Clg. Bal As on 31.03.03	Opg. Bal As on 01.04.02	For the year	Clg. Bal As on 31.03.03	Balance As on 31.03.03	Balance As on 31.03.02
Plant & Machinery	3,540,178	18,707,029	22,247,207	1,547,862	409,953	1,957,816	20,289,392	1,992,316
Vehicles	1,807,923	1,329,498	3,137,421	1,024,861	317,938	1,342,799	1,794,622	783,062
Computers	7,901,213	23,873,207	31,774,420	3,585,667	2,125,966	5,711,633	26,062,787	4,315,546
Furniture & Fixtures	7,334,753	1,195,114	8,529,867	1,219,815	602,804	1,822,620	6,707,247	6,114,938
Office Equipment	504,572	51,046	555,618	325,802	21,618	347,420	208,198	178,770
Demo Equipment	349,057	-	349,057	89,343	36,126	125,469	223,588	259,714
Electrical Installation	96,348	306,074	402,422	96,348	3,616	99,964	302,458	-
Partitions	149,942	-	149,942	149,942	-	149,942	-	-
Fixtures	97,469	-	97,469	97,469	-	97,469	-	-
Land	1,457,353	494,138	1,951,491	-	-	-	1,951,491	1,457,353
Buildings	-	11,006,107	11,006,107	-	46,738	46,738	10,959,369	-
Sub Total	23,238,808	56,962,212	80,201,020	8,137,109	3,564,759	11,701,868	68,499,154	15,101,699
Capital work-in-progress	53,692,914	4,325,925	58,018,839	-	-	-	-	53,692,914
Sub Total	53,692,914	4,325,925	58,018,839	-	-	-	-	53,692,914
GRAND TOTAL	76,931,722	61,288,137	80,201,020	8,137,109	3,564,759	11,701,868	68,499,154	68,794,613

BARTRONICS INDIA LIMITED

SCHEDULE - 5

CURRENT ASSETS LOANS & ADVANCES	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
A) CURRENT ASSETS		
INVENTORIES- AS VALUED & CERTIFIED BY THE MANAGEMENT	6,098,314	7,455,358
SUNDRY DEBTORS (UNSECURED CONSIDERED GOODS)		
DUE MORE THAN 6 MONTHS	4,841,253	4,134,256
OTHERS	37,030,898	24,448,031
CASH ON HAND	11,754	161
BALANCE IN CURRENT ACCOUNTS	69,681	79,234
TOTAL	<u>48,051,900</u>	<u>36,117,040</u>
B) LOANS & ADVANCES		
ADVANCES TO SUPPLIERS	1,436,524	1,564,670
DEPOSITS	3,012,990	1,672,126
OTHER ADVANCES	971,286	1,178,993
PREPAID EXPENSES	5,854	17,616
TOTAL	<u>5,426,654</u>	<u>4,433,405</u>
GRAND TOTAL	53,478,554	40,550,445

SCHEDULE - 6

CURRENT LIABILITIES & PROVISIONS	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
A) CREDITORS AND OTHER PAYABLES		
SUNDRY CREDITORS FOR GOODS AND EXPENSES	9,786,958	5,064,656
OTHER LIABILITIES	4,213,395	4,710,821
TOTAL	<u>14,000,353</u>	<u>9,775,477</u>
B) PROVISIONS		
PROVISION FOR INCOME TAX	295,826	819,804
PROVISION FOR GRATUITY	48,300	48,300
TOTAL	<u>344,126</u>	<u>868,104</u>
GRAND TOTAL	14,344,479	10,643,581

BARTRONICS INDIA LIMITED

SCHEDULE - 7

MISCELLANEOUS EXPENSES	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
A PRELIMINARY EXPENSES	105,250	75,684
ADD: ADDITIONS DURING THE YEAR	<u> </u>	<u>50,000</u>
	105,250	125,684
LESS:10%WRITTEN OFF FOR THE YEAR	19,000	20,434
TOTAL	<u><u>86,250</u></u>	<u><u>105,250</u></u>

SCHEDULE - 8

DEFERRED EXPENDITURE	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
A. DEFERRED REVENUE - SOFTWARE	96,599	474,148
ADD: DEFERRED FOR THE YEAR	<u>0</u>	<u>0</u>
	96,599	474,148
LESS: WRITTEN OFF FOR THE YEAR	96,599	377,549
TOTAL	<u><u>0</u></u>	<u><u>96,599</u></u>
B. DEFERRED REVENUE- MARKET SEEDING	72,019	288,076
ADD: DEFERRED FOR THE YEAR	<u>0</u>	<u>0</u>
	72,019	288,076
LESS: WRITTEN OFF FOR THE YEAR	72,019	216,057
TOTAL	<u><u>0</u></u>	<u><u>72,019</u></u>
D. DEFERRED PROJECT EXPS.	741,125	741,125
ADD: DEFERRED DURING THE YEAR	<u>0</u>	<u>0</u>
	741,125	741,125
LESS: WRITTEN OFF FOR THE YEAR	741,125	0
TOTAL	<u><u>0</u></u>	<u><u>741,125</u></u>
GRAND TOTAL	0	909,743

BARTRONICS INDIA LIMITED

SCHEDULE - 9

OTHER INCOME	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
MISC. RECEIPTS	0	168,000
EXCESS PROVISIONS WRITTEN BACK	0	247,036
COMMISSION RECEIVED	29,227	0
TOTAL	29,227	415,036

SCHEDULE - 10

COST OF GOODS SOLD	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
OPENING STOCK	7,455,358	6,350,301
ADD: PURCHASES	52,636,788	55,195,274
	60,092,146	61,545,575
LESS: CLOSING STOCK	6,098,314	7,455,358
TOTAL	53,993,832	54,090,217

SCHEDULE - 11

EMPLOYEES REMUNERATION & BENIFITS	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
SALARIES, WAGES & BONUS	5,992,474	6,328,294
CONTRIBUTION TO PF	92,725	225,741
DIRECTORS REMUNERATION	736,008	540,000
STAFF WELFARE EXPENSES	241,712	357,127
TOTAL	7,062,919	7,451,162

SCHEDULE - 12

ADMINISTRATIVE EXPENSES	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
ADVERTISEMENT	123,026	35,620
RENT	2,058,590	5,561,939
RATES & TAXES	18,263	31,558
PRINTING & STATIONERY	241,045	272,759
POSTAGE & TELEGRAMS, TELEPHONES	1,377,550	995,454
INSURANCE	189,576	43,102
TRAVELLING & CONVEYANCE	2,618,433	3,090,584
ELECTRICITY CHARGES	822,341	597,308
PROFESSIONAL FEE	1,317,983	2,698,194
REPAIRS & MAINTANANCE	167,357	53,194
GENERAL EXPENDITURE	1,310,138	1,822,913
TOTAL	10,244,302	15,202,624

BARTRONICS INDIA LIMITED

SCHEDULE - 13

	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
SELLING & DISTRIBUTION EXPS		
SALES PROMOTION	104,415	132,967
COMMISSION ON SALES	78,093	0
TOTAL	182,508	132,967

SCHEDULE - 14

	AS AT 31.03.2003 Rs. (12 Months)	AS AT 31.03.2002 Rs. (12 Months)
INTEREST & FINANCIAL CHARGES		
INTEREST-TERM LOAN	3,228,614	0
INTEREST-CASH CREDIT & OTHERS	1,240,155	872,768
BANK CHARGES	100,301	212,132
TOTAL	4,569,071	1,084,900

SCHEDULE – 16 : 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 is inclusive of freight, duty, taxes and incidental expenses thereto wherever applicable.

3. DEPRECIATION

3.1 Written down value method of depreciation is adopted 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.

6. DEFERRED EXPENDITURE

6.1 Deferred Software Expenditure is amortized over a period of 5 years beginning from the year of incurrence.

6.2 Deferred Marketing Expenditure is amortized over a period of 5 years commencing from the year of incurrence.

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 Maruthi car purchased out of the said loan.

1.3 Venture Capital Loan availed from Industrial Development Bank of India is towards expansion project of the company. The said loan is secured by all movable & immovable assets, present and future, of the company except stock and book debts.

BARTRONICS INDIA LIMITED

2. UNSECURED LOANS

- 2.1 The company has availed loan from M/s. Futuretech Industries Limited. The loan availed is interest free.

3. FIXED ASSETS

- 3.1 The company incurred certain expenses for setting R & D center for improving the product quality. Since the R & D center is commissioned, the relevant assets together with incidental expenses up to date of commissioning are capitalized.

4. CURRENT ASSETS, LOANS AND ADVANCES

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

5. CURRENT LIABILITIES & PROVISIONS

- 5.1 Sundry creditors balances are subject to confirmation and reconciliation.
- 5.2 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.97,86,958/-.

6. DEFERRED EXPENDITURE

- 6.1 Deferred Software Expenditure pertaining to charges incurred in connection with the development of new software. The company has amortized the same over 5 years.
- 6.2 Market Seeding expenditure is of the nature of marketing expenses such as salaries, rent, general expenses of newly established branches for development of a particular market area segment. The directors are of the view that these expenses will bear fruit over the long term and hence deferred the same over 5 years.
- 6.3 Deferred Project Expenditure pertains to expenditure incurred on infrastructure for setting up of R & D center for improved products and the same has been charged off during the year as the project is completed.

7. OTHERS :

- 7.1 Information on licensed and installed capacity is not furnished since the company is not involved in any manufacturing activity during the year.
- 7.2 The impact of deferred tax in accordance with AS-22 has been considered while forming the accounts and necessary provision has been created.
- 7.3 Auditors remuneration pertains to payment towards :

Statutory Audit	: Rs.35,000 (Previous year Rs.25,000)
Tax Audit-Income tax	: Rs.20,000 (Previous year Rs.15,000)
Sales tax	: Rs. 5,000
Certification	: Rs. 15,000 (Previous Year Rs.35,000)

BARTRONICS INDIA LIMITED

7.4	CIF value of imports :	
	Finished goods & accessories	: Rs.24,77,730
7.5	Managerial Remuneration details:	
	Managing Director	: Rs.5,56,008
	Director	: Rs.1,80,000
7.6	Expenditure in foreign currency.	
	Time & Attendance System	
	Accessories, Scanners etc.	: Rs.41,21,842
	Travelling	: Rs. Nil
7.7	Quantitative information :	

Particulars	Opening Stock	Purchases	Sales	Closing Stock
Printers	59	339	356	42
Laser Scanners	142	885	914	113
Handheld Terminals	14	14	19	9
Time & Attendance	156	193	175	174
Others	14	2	9	7
Special Items	6	0	5	1
Key Board Wedges	7	0	1	6
Wands	11	0	0	11

7.8 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 : 30.08.2003

BARTRONICS INDIA LIMITED

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

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.	01-11721
State Code	01
Balance Sheet Date	31.03.2003

2. Capital Raised during the year

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

3. Position of Mobilization and Deployment of Funds

Total Liabilities	10,77,19,479
Total Assets	10,77,19,479

Sources of Funds

Paid – up Capital	4,07,93,000
Reserves and Surplus	84,58,229
Secured Loans	5,36,12,250
Unsecured Loans	10,32,000

Application of Funds

Net Fixed Assets/Capital WIP	8,02,01,021
Investments	Nil
Net Current Assets	3,91,34,075
Miscellaneous Expenditure	86,250
Accumulated Losses	Nil

4. Performance of the Company

Turnover	8,31,57,986
Total Expenditure	8,05,46,134
Profit/Loss Before Tax	26,11,852
Profit/Loss After Tax	13,58,509
Earnings per Share in Rs.	0.33
Dividend Rate %	Nil

5. Generic Names of Three Principal Products/Services of Company

(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

Regd. Folio No. _____

No. of Shares held _____

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 12th
Annual General Meeting of the Company to be held on Tuesday 30th September, 2003 at its Registered Office at 11.30 a.m.
and at any adjournment thereof.

Affix
Revenue
Stamp of
Rs. 1/-

Signed this _____ day of _____ 2003.

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 12th 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.