



ALFRED HERBERT (INDIA) LTD.

Report  junction.com

ANNUAL REPORT
2004 - 2005



ANNUAL REPORT

2004-2005

BOARD OF DIRECTORS

- R. S. LODHA — **Chairman**
- R. C. TAPURIAH
- V. K. BHANDARI
- A. V. LODHA
- M. K. RAMACHANDRA
- H. V. LODHA
- S. S. JAIN

Report

AUDITORS

Clark, Gardner, Wolf & Company

CONTENTS

NOTICE	2
DIRECTORS' REPORT	3
AUDITORS' REPORT	4
BALANCE SHEET	8
PROFIT. & LOSS A/C	9
SCHEDULES	10
CASH FLOW STATEMENT	19
CONSOLIDATED BALANCE SHEET	22
CONSOLIDATED PROFIT & LOSS A/C	23
SUBSIDIARY COMPANIES REPORTS & A/C	33

REGISTERED OFFICE

Herbert House
13/3, Strand Road, Kolkata-700 001

ALFRED HERBERT (INDIA) LTD.**NOTICE OF MEETING**

Notice is hereby given that the Eighty-fifth Annual General Meeting of the Members of **Alfred Herbert (India) Limited** will be held at Indian Chamber of Commerce Auditorium, 4, India Exchange Place, Kolkata - 700 001, on 29th July, 2005 at 10.00 a.m. to transact the following business :

1. To consider and adopt the audited Accounts of the Company for the year ended 31st March, 2005, together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. R. S. Lodha who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. R. C. Tapuriah who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :

* Resolved that Mr. S. S. Jain be and is hereby appointed a Director of the Company, liable to retire by rotation*.

Registered Office :
Herbert House,
13/3 Strand Road
Kolkata - 700 001
25th June, 2005

On behalf of the Board

R.C. Tapuriah
Director

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. The proxy, in order to be effective, shall be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer books of the Company will remain closed from 20th July, 2005 to 29th July, 2005 (both days inclusive).
3. Dividend will be paid to those Members whose names appear in the Register of Members as on 29th July, 2005. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on 19th July

2005 as per details furnished by the Depositories for this purpose.

4. Members are requested to notify promptly any changes in their address / bank accounts details to the Registrars and Share Transfer Agents of the Company, M/s. Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.
5. Shareholders who have not so far encashed their Dividend Warrants for the accounting years ended 31st March 1998, 1999, 2000, 2001, 2002, 2003 & 2004, may immediately approach the Company for revalidation of unclaimed Dividend Warrants.

The money lying in the Unpaid Dividend Account for the year ended 31st March 1998, will be transferred to Investor Education and Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956 on or before 30th September 2005.

6. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

Mr. S. S. Jain was appointed Director of the Company on 30th October 2004 pursuant to Section 260 of the Companies Act, 1956. Mr. Jain holds the office of a Director upto the date of the ensuing Annual General Meeting. The Company received a notice from a member of the Company proposing the candidature of Mr. S. S. Jain for the office of a Director under the provision of Section 257 of the Companies Act, 1956.

Keeping in view the experience of Mr. S. S. Jain in diverse fields, your Directors consider it to be in the interest of the Company to appoint him as a Director retiring by rotation as per the provisions of the Companies Act, 1956.

Your Directors therefore, recommend the said Resolution for your approval.

Mr. S. S. Jain is interested in the Resolution.

On behalf of the Board
R. C. Tapuriah
Director

25th June, 2005



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Eighty-fifth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2005.

FINANCIAL RESULTS

The Financial Results are as under :

	31st March 2005 Rs.	31st March 2004 Rs.
Profit before Tax	1,704,752	278,329
Provision for Tax (Incl. Deferred Tax)	(10,064)	(21,403)
Profit / (Loss) after Tax	1,714,816	299,732
Surplus from earlier years brought forward	7,029,339	7,659,876
Amount available for appropriation	8,744,155	7,959,608
Appropriations :		
Proposed Dividend	771,429	771,429
Corporate Dividend Tax	108,192	98,840
Special Reserve	355,000	60,000
	1,234,621	930,269
Surplus carried to Balance Sheet	7,509,534	7,029,339
	8,744,155	7,959,608

DIVIDEND

Your Directors take pleasure in recommending for approval the payment of Dividend of 10 % (Re. 1.00 per share) for the year ended 31st March, 2005.

OPERATIONS

Realty, Business Services and Finance Division

The performance of the Company's Realty, Business Services and Finance Division was satisfactory and was instrumental in contributing to the increased profitability of the Company. In view of better potential of this Division in future, the Company plans to enhance its scope of activities to maximise its returns and consolidate its growth. Appropriate provisions have been made for non-performing assets in accordance with the guidelines of Reserve Bank of India.

The performance of the Company's wholly owned subsidiary Alfred Herbert Limited was satisfactory and we hope that it continues to improve its performance in the future with the development of new machinery being introduced to contribute to the overall improvement of results.

Sales And Marketing Division

The Sales and Marketing Division of our Company performed below par as the market remains very challenging. Efforts are continuing by the Company to look for new agencies to improve the performance of this Division.

DIRECTORS

Mr P. L. Agarwal resigned from the Board of Directors on 14th July 2004. The Board was Strengthened by the appointment of Mr. S. S. Jain as an Additional Director with effect from 30th October 2004. Accordingly Mr. Jain will vacate the office at the forthcoming Annual General Meeting and a notice from a member has been received under Section 257 of the Companies Act, 1956, proposing his appointment as a Director, whose period of office will be liable to determination by retirement of Directors by rotation

Mr. R. S. Lodha and Mr. R. C. Tapuria retire by rotation under the Articles of Association of the Company and being eligible, offers themselves for re-appointment.

AUDITORS

Messrs Clark, Gardner, Wolf and Company will retire at the Annual General Meeting and they have given their consent to be re-appointed for the current year.

SUBSIDIARY COMPANIES

As required under Section 212 of the Companies Act, 1956, the audited statement of accounts along with Report of the Board of Directors and Auditors Report of your Company's subsidiaries namely, Alfred Herbert Limited and Herbert Holdings Limited are annexed to this Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Directors also present the consolidated financial statements duly incorporating the financial statements of the subsidiaries Alfred Herbert Limited and Herbert Holdings Limited.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under :

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- that the Directors have selected such accounting policies and applied them consistently and made judgements 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 or loss of the Company for that period ;
- 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 and other irregularities;
- that the Directors have prepared the annual accounts on a going concern basis.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and expenditure appear as Annexure to Schedule at item No. 15(m) in the Notes to the Accounts. The other particulars relating to Conservation of Energy and Technology Absorption stipulated in the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

PERSONNEL

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company during the year.

COMPLIANCE CERTIFICATE UNDER COMPANIES ACT, 1956

A certificate issued by M/s A. J. & Associates, Company Secretaries in terms of the provisions of Section 383A of the Companies Act, 1956, to the effect that the Company has complied with the applicable provisions of the said Act is attached to this Report.

PARTICULARS OF EMPLOYEES

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the support received from the shareholders and Overseas & Indian Principals. The Directors also thank the esteemed Customers for their continued patronage, co-operation and confidence reposed in the Company's products.

On behalf of the Board

R. S. Lodha

Chairman

Kolkata, 25th June, 2005

ALFRED HERBERT (INDIA) LTD.

AUDITORS' REPORT

To The Members of Alfred Herbert (I) Limited.

1. We have audited the attached Balance Sheet of ALFRED HERBERT (INDIA) LIMITED as at 31st March, 2005 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. 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 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 the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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 (Auditors' Report)(Amendment) Order, 2004 ("the order") issued by the Central Government in exercise of the power conferred by Section 227(4A) of the Companies Act, 1956 ("the Act") and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we report that :
 - (i) a. The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
 - b. According to the information and explanation given to us, most of the fixed assets have been physically verified by the management during the year in a phased program and no material discrepancies were noted on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. The company has not disposed off a substantial part of its fixed assets during the year, which affect the going concern status of the company.
 - (ii) a. As explained to us, all the inventory of the Company has been physically verified during the year by the management. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable having regard to the size of the Company and nature of its business.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

ness.

- c. On the basis of examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company is maintaining proper records of inventory. Discrepancies noticed on physical verification of stocks were not material.
- (iii) According to the information and explanation given to us, the Company has neither granted nor taken any loans to and from the companies, firms or other parties as listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(iii)(b) to (g) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us; there are reasonable internal control procedures commensurate with the size and nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control.
- (v) In our opinion and according to the information and explanations given to us the Company has not entered into the contracts or arrangements referred to in the Section 301 of the Act that need to be entered into the register required to be maintained under that Section. Accordingly, clause 4(v) (b) of the Order are not applicable.
- (vi) The Company has not accepted any deposits under Section 58A and 58AA or any other relevant provisions of the Act from the public during the year.
- (vii) In our opinion, the internal audit system of the Company is commensurate with the size of the Company and nature of its business.
- (viii) The Central Government has not prescribed for the maintenance for the cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the products of the Company.
- (ix) a. According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.
- b. On the basis of the records of the Company and the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess were outstanding as at 31st March, 2005 for a period of more than six months from the



- date, they became payable.
- c. According to the records of the Company and according to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- (x) As per the records of the Company, the Company has no accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues of financial institutions, banks or debenture holders.
- (xii) Based on our examination of documents and records and according to the information and explanations given to us the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi / mutual benefit fund / society. Therefore, the provisions of the clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on the documents and records produced to us, in regard to the dealings or trading in shares, securities, debentures and other investments, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The above investments have been held by the Company in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loan outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the funds raised on short term basis have not been utilised for long term purposes.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, during the year.
- (xix) According to the information and explanations given to us and the records examined by us no debentures have been issued during the year. Accordingly, provisions of clause

4(xix) of the order are not applicable to the Company.

(xx) Based on the records examined by us, the Company has not raised monies by public issue during the year.

(xxi) During the course of our examination of books of accounts carried out in accordance with generally accepted practices in India, we have neither come across any incidence of fraud on or by the company nor have we been informed of any such case by the management.

4. Further to the above we report that :

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) 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 such books;
- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts;
- iv) 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 Section 211(3C) of the Companies Act, 1956.
- v) On the basis of the written representations received from the directors and taken on record by the Board of Directors. None of the directors is disqualified as on 31st March, 2005 from being appointed as a director in terms of clause(g) of sub-section(1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with Notes thereon, 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;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date, and
 - c) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

for Clark, Gardner, Wolf & Co.
Chartered Accountants

Kolkata
Date : 25th June, 2005

P. L. SONI
Partner
Membership No. 55335

ALFRED HERBERT (INDIA) LTD.

Regn. No. 21-003516

COMPLIANCE CERTIFICATE

To,
The Members,
Messrs. **ALFRED HERBERT (INDIA) LIMITED**, Kolkata.

We have examined the registers, records, books and papers of Messrs. **Alfred Herbert (I) Ltd.** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2005 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company being a public limited company, the comments are not required.
4. The Board of Directors duly met **four times** respectively on **10th May 2004, 30th July 2004, 30th October 2004 and 31st January 2005** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from **22nd July 2004 to 30th July 2004** and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March 2004 was held on **30th July 2004** after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loan to its directors or person or firms or companies referred to under section 295 of the Act during the financial year under scrutiny.
9. The company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company has made necessary entries in the

register maintained under Section 301 of the Act.

11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.
13. The company has :
 - (i) delivered all the certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act.
 - (ii) deposited amount of dividend declared in a separate bank account on 03.08.2004 which is within five days from the date of declaration of such dividend.
 - (iii) paid/posted warrants for dividends to all the members within 30 days from the date of declaration and in respect of all unclaimed/unpaid dividend, the Bank has been instructed to transfer the balance as on 04.09.2004 to the unpaid dividend account of the company.
 - (iv) transferred the amounts in unpaid dividend account which has remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act to the extent applicable to the company.
14. The Board of Directors of the company is duly constituted. The appointment of Additional Director has been duly made during the financial year.
15. The company has not appointed any managing director/wholtime director/manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and /or such authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend.



rights shares and bonus shares pending registration of transfer of shares.

23. The company has not invited/accepted or renewed any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The company has not made any borrowings during the financial year ended 31.03.2005.
25. The company, being an investment company, provisions pursuant to section 372A are not applicable.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year.
31. As informed by the management, there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has deposited both employee's and employer's contribution towards Provident Fund with prescribed authorities pursuant to section 418 of the Act.

7. Shareholders Minutes Book
8. Directors Minutes Book
9. Index of Members
10. Register of Charges.
11. Directors Committee Minutes Book.

Annexure - B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2005.

1. Annual Return (Schedule V) made upto 30.09.2004 filed on 16.09.2004.
2. Balance Sheet (Schedule VI) as at 31.03.2004 filed on 11.08.2004.
3. Compliance Certificate for the year-ended 31.03.2004 filed on 11.08.2004.
4. Form No. 29 dated 23.11.2004 filed on 24.11.2004
5. Form No. 29 dated 22.11.2004 filed on 24.11.2004
6. Form No. 32 dated 04.08.2004 filed on 05.08.2004

Place : Kolkata

For **A. J. & Associates**

Date : 22nd June, 2005

Company Secretaries

Satya Narayan Nayak

Partner

C.P. No. : 6642

Annexure - A

Registers as maintained by the Company

1. Register of Members
2. Register of Directors
3. Register of Directors Shareholding
4. Register of Application and Allotment
5. Register of Contract u/s 301 for disclosure u/s 299
6. Register of Transfer

ALFRED HERBERT (INDIA) LTD.

Balance Sheet

as at 31st March, 2005

	Schedules	As at 31st March, 2005 (Rs.)	As at 31st March, 2004 (Rs.)
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	7,714,290	7,714,290
Reserves and Surplus	2	137,482,992	136,832,805
Deferred Tax Liability		1,743,639	1,953,703
		<u>146,940,921</u>	<u>146,500,798</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	27,869,907	28,243,150
Less : Depreciation		14,396,982	14,151,427
Net Block		13,472,925	14,091,723
Capital Work-in-progress		3,147,954	—
Investments	4	121,598,025	112,485,880
Current Assets, Loans and Advances :			
Sundry Debtors	5	—	278,892
Cash and Bank Balances	6	10,689,763	9,974,884
Other Current Assets	7	218,887	218,887
Loans and Advances	8	21,870,365	32,999,811
		<u>32,779,015</u>	<u>43,472,474</u>
Less : Current Liabilities and Provisions :			
Liabilities	9	15,218,812	6,821,193
Provisions	10	8,838,186	16,728,086
		<u>24,056,998</u>	<u>23,549,279</u>
Net Current Assets		<u>8,722,017</u>	<u>19,923,195</u>
		<u>146,940,921</u>	<u>146,500,798</u>
Accounting Policies and Notes to Accounts	15		

Note : The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date.

For CLARK, GARDNER, WOLF AND COMPANY
Chartered Accountants

P. L. Soni
Partner

Kolkata

25th June, 2005

On behalf of the Board

R. S. Lodha
Chairman

R. C. Tapuriah
Director



Profit and Loss Account

For the year ended 31st March, 2005

	Schedules	For the year ended 31st March, 2005 (Rs.)	For the year ended 31st March, 2004 (Rs.)
INCOME			
Income from Operations	11	9,523,799	10,788,551
Other Income	12	910,257	383,499
		<u>10,434,056</u>	<u>11,172,050</u>
EXPENDITURE			
Cost of Materials	13	531,132	583,513
Other Expenses	14	5,511,924	7,979,101
Depreciation		593,684	648,709
Less : Transferred from Revaluation Reserve		<u>185,008</u>	<u>317,602</u>
Provision for non-performing Loans and Advances		2,000,000	2,000,000
Provision for doubtful debts		<u>277,572</u>	<u>—</u>
		<u>8,729,304</u>	<u>10,893,721</u>
PROFIT BEFORE TAX		<u>1,704,752</u>	<u>278,329</u>
Less : Provision for Taxation :			
Current Tax		200,000	260,000
Deferred Tax		<u>(210,054)</u>	<u>(281,403)</u>
PROFIT / (LOSS) AFTER TAX		<u>1,714,816</u>	<u>299,732</u>
Add : Balance brought forward from previous year		<u>7,029,339</u>	<u>7,659,876</u>
Available for appropriation		<u>8,744,155</u>	<u>7,959,608</u>
APPROPRIATIONS			
Proposed Dividend		771,429	771,429
Corporate Dividend Tax		106,192	98,840
Special Reserve		355,000	60,000
Balance carried to Balance Sheet		<u>7,509,534</u>	<u>7,029,339</u>
		<u>8,744,155</u>	<u>7,959,608</u>
Basic & diluted Earning per share - (Face value Rs. 10/- each)		2.22	0.39
No. of shares used in computing earning per share - Basic and diluted		771,429	771,429
Accounting Policies and Notes to Accounts	15		

Note : The Schedules referred to above form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date.

As per our report of even date
For CLARK, GARDNER, WOLF AND COMPANY
Chartered Accountants

P. L. Soni
Partner
Kolkata
25th June, 2005

On behalf of the Board

R. S. Lodha
Chairman
R. C. Tapuriah
Director