



ALFRED HERBERT (INDIA) LTD.

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ANNUAL REPORT
2007 - 2008



ANNUAL REPORT

2007-2008

BOARD OF DIRECTORS

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

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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 Eighth 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 30th July, 2008 at 9:30 a.m. to transact the following business:-

1. To consider and adopt the audited Accounts of the Company for the year ended 31st March, 2008 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 re-appointment.
4. To appoint a Director in place of Mr. S. S. Jain, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office :
Herbert House,
13/3 Strand Road
Kolkata - 700 001
22nd May, 2008

On behalf of the Board
S. S. Jain
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 22nd July, 2008 to 30th July, 2008 (both days inclusive).
3. The Dividend, if declared, at the meeting will be paid on or after 30th July, 2008 to those Members whose names shall appear on the Register of Members as on 22nd July, 2008.
4. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, ECS mandate etc, to their respective Depository Participant (DP).
5. Shareholders who have not so far encashed their Dividend Warrants for the year ended 31st March 2001 and thereafter may immediately approach the Registrar of the Company for revalidation of unclaimed Dividend Warrants.

The money lying in the Unpaid Dividend Account for the year ended 31st March 2001, will be transferred to Investor Education and Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956 on 2nd November, 2008.

6. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names, are requested to send the share certificates to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt Ltd., 6, Surendra Mohan Ghosh Sarani, Kolkata - 700 001, for consolidation into a single folio.
7. In order to provide protection against fraudulent encashment of Dividend Warrant(s), shareholders holding shares in physical form are requested to intimate immediately to the Company's Registrar particulars of bank account viz., Name of Bank, Branch address with pincode, Bank Account Number with Account type whether saving or current account.
8. 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.



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Eighty-eighth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2008.

FINANCIAL RESULTS

The Financial Results are as under :

	31st March 2008 Rs.	31st March 2007 Rs.
Profit before Tax	10,490,380	25,086,246
Provision for Tax (Incl. Deferred Tax and Fringe Benefit Tax)	1,551,364	6,638,382
Profit after Tax	8,939,016	18,447,864
Surplus from earlier years brought forward/written back	1,585,736	8,689,939
Amount available for appropriation	10,524,752	27,137,803
Appropriations :		
Proposed Dividend	1,542,858	1,542,858
Corporate Dividend Tax	262,209	262,209
General Reserve	2,000,000	20,047,000
Special Reserve	1,788,000	3,700,000
	5,593,067	25,552,067
Surplus carried to Balance Sheet	4,931,685	1,585,736
	10,524,752	27,137,803

DIVIDEND

Your Directors take pleasure in recommending for approval the payment of Dividend of 20 % (Rs. 2/- per share) for the year ended 31st March, 2008.

FINANCIAL PERFORMANCE

The Company's gross income for the financial year ended 31st March 2008 stood at Rs.201.85 lacs, and profit before tax stood at Rs. 104.90 lacs.

The Company's Realty and Business Services Division performed satisfactorily and is actively exploring various opportunities to increase its returns significantly. The Division has also made various Long-term investments which should help maximise returns in the future.

The Company's fully owned subsidiary Alfred Herbert Limited performed satisfactorily but was faced with the dual challenges of sharply increased material costs on one side and large scale imports of second hand machinery by certain customers on the other.

However, with a widening of the range and upgrading the production technology, it should perform better in the future barring unforeseen circumstances. The Company is also making effort to improve the performance of its Sales & Marketing Division actively.

DIRECTORS

Mr. R. S. Lodha and Mr. S. S. Jain retire by rotation and being eligible, offers themselves for re-appointment.

AUDITORS

M/s. Ray & Ray, Chartered Accountants, 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. 17(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.

Your Directors place on record their appreciation for the support received from the shareholders.

Kolkata
22nd May, 2008

On behalf of the Board
R. S. Lodha
Chairman

ALFRED HERBERT (INDIA) LTD.

AUDITORS' REPORT

To the Members of Alfred Herbert (India) Limited.

1. We have audited the attached Balance Sheet of ALFRED HERBERT (INDIA) LIMITED as at 31 March 2008 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date (hereinafter referred to as "financial statement"), all of which have been signed under the reference to this report. These financial statements are the responsibility of company's management. 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 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 (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (the "Order"), 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 ANNEXURE, a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 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 account as required by the law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) The financial statements dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, the financial statements dealt with by this report comply with the Accounting Standards referred to in section 211 (3C) of the Act;
 - (v) On the basis of the written representations received from the directors, as on 31 March 2008 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Notes gives the information as 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:

- (b) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For RAY & RAY
Chartered Accountants
Abhijit Neogi
(Partner)

Place : Kolkata
Date : 22nd May, 2008

Membership No. 61380

ANNEXURE TO THE AUDITORS' REPORT (Referred to in Paragraph 3 of our report of even date)

- (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 explanations 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 noticed 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 the 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.
(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)(a) 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 the 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 internal controls.



- (v) (a) In our opinion and according to the information and explanations given to us, the Company has not entered into any contracts or arrangements which are required to be entered in the register maintained u/s 301 of Companies Act 1956. Accordingly, clause 4 (v)(b) of the order are not applicable.
- (vi) The Company has not accepted any deposits under section 58A, 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 of any 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, Employee's State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.
On the basis of the records of the Company and the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as aforesaid were outstanding as at 31 March, 2008 for a period of more than six months from the date they became payable.
(b) According to the records of the Company and according to the information and explanations given to us by the management, 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) According to the Information and explanations given to us and based on document and records produced before us, the Company has granted loan on the basis of security by way of pledge of shares and proper records in respect thereof have been maintained.
- (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) Based on our examination of documents and records and evaluation of the related internal controls, in respect of dealings/trading in securities, in our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made in those records. We also report that the Company has held the shares, securities, debentures and other investments 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 bank or financial institutions.
- (xvi) The Company did not have any term loan outstanding during the year. Accordingly, Clause 4 (xvi) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the Company has not raised Funds on short-term basis and therefore provisions of Clause 4(xvii) of the order are not applicable to the Company.
- (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 auditing 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 cases by the management.

For RAY & RAY
Chartered Accountants
Abhijit Neogi
(Partner)
Membership No. 61380

Place : Kolkata
Date : 22nd May, 2008

ALFRED HERBERT (INDIA) LTD.

CIN No : U74999WB1919PLC003516

COMPLIANCE CERTIFICATE

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

We have examined the registers, records, books and papers of Messrs. **Alfred Herbert (India) 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, 2008 (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 **6th June 2007, 27th July 2007, 31st October 2007 and 30th January 2008** 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 **17th July 2007 to 27th July 2007** 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 2007 was held on **27th July 2007** 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 persons 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 was not required to make any 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 Board of directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. The company has :
 - (i) delivered all the certificates on lodgment thereof for transfer/transmission or for any other purpose in accordance with the provisions of the Act.
 - (ii) deposited amount of dividend declared by demand draft in a separate bank account on 31.07.2007 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 25.08.2007 to the unpaid dividend account of the company.
 - (iv) transferred the amounts in unpaid dividend account and matured deposits which have 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. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy 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 31.03.2008.
25. The company, being an investment company and registered as a NBFC, provisions pursuant to section 372A is 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.

Place : Kolkata

Date : 15th May, 2008

For A. J. & ASSOCIATES

Company Secretaries

Abhijeet Jain

Partner

C.P. No. : 3426

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
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 2008.

1. Annual Return (Schedule V) in Form 20B made upto 27.07.2007 filed on 24.08.2007.
2. Balance Sheet (Schedule VI) in Form 23AC as at 31.03.2007 filed on 08.08.2007.
3. Compliance Certificate in Form 62 for the year - ended 31.03.2007 filed on 08.08.2007.
4. Form 1 INV (unclaimed dividend) filed on 29.11.2007.
5. Form 1 INV (unclaimed deposits) filed on 26.03.2008.

ALFRED HERBERT (INDIA) LTD.

Balance Sheet

as at 31st March, 2008

	Schedules	As at 31st March, 2008 (Rs.)		As at 31st March, 2007 (Rs.)	
SOURCES OF FUNDS					
Shareholders' Funds					
Capital	1	7,714,290		7,714,290	
Reserves and Surplus	2	237,438,119	245,152,409	230,489,178	238,203,468
Deferred Tax Liability			2,157,809		2,059,536
			<u>247,310,218</u>		<u>240,263,004</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	3		57,373,368		58,794,979
Less : Depreciation			<u>14,037,545</u>		<u>14,595,692</u>
Net Block			43,335,823		44,199,287
Capital Work-in-progress			3,147,954		3,147,954
Investments	4		189,317,552		85,823,154
Current Assets, Loans and Advances :					
Sundry Debtors	5		627,715		121,315
Cash and Bank Balances	6		13,692,518		106,889,525
Other Current Assets	7		3,605,891		3,762,242
Loans and Advances	8		14,035,604		14,215,881
			<u>31,961,728</u>		<u>124,988,963</u>
Less : Current Liabilities and Provisions :					
Liabilities	9		6,489,000		4,990,506
Provisions	10		13,963,839		12,905,848
			<u>20,452,839</u>		<u>17,896,354</u>
Net Current Assets			<u>11,508,889</u>		<u>107,092,609</u>
			<u>247,310,218</u>		<u>240,263,004</u>
Accounting Policies and Notes to Accounts	16				

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

As per our report of even date.

For RAY & RAY
Chartered Accountants
Abhijit Neogi
Partner
Membership No. 61380
Kolkata
22nd May, 2008

On behalf of the Board
R. S. Lodha
Chairman
R. C. Tapuriah
Director



Profit and Loss Account

For the year ended 31st March, 2008

	Schedules	For the year ended 31st March, 2008 (Rs.)	For the year ended 31st March, 2007 (Rs.)
INCOME			
Income from Operations	11	15,027,594	30,136,291
Income from Investments	12	5,155,752	3,392,730
Other Income	13	1,165	30,240
		<u>20,184,511</u>	<u>33,559,261</u>
EXPENDITURE			
Cost of Materials	14	432,759	219,946
Other Expenses	15	8,444,116	7,467,103
Depreciation		1,002,264	970,974
Less : Transferred from Revaluation Reserve		185,008	185,008
		<u>9,694,131</u>	<u>8,473,015</u>
PROFIT BEFORE TAX		<u>10,490,380</u>	<u>25,086,246</u>
Less : Provision for Taxation :			
Current Tax		1,400,000	6,200,000
Deferred Tax		98,273	385,891
Fringe Benefit Tax		53,091	52,491
PROFIT / (LOSS) AFTER TAX		<u>8,939,016</u>	<u>18,447,864</u>
Add : Balance brought forward from previous year.		1,585,736	7,989,939
Add : Excess provision of tax provided in earlier years written back		-	700,000
Available for appropriation		<u>10,524,752</u>	<u>27,137,803</u>
APPROPRIATIONS			
Proposed Dividend		1,542,858	1,542,858
Corporate Dividend Tax		262,209	262,209
General Reserve		2,000,000	20,047,000
Special Reserve		1,788,000	3,700,000
Balance carried to Balance Sheet		4,931,685	1,585,736
		<u>10,524,752</u>	<u>27,137,803</u>
Basic & diluted Earning per share - (Face value Rs. 10/- each)		11.59	23.91
No. of shares used in computing earning per share - Basic and Diluted		771,429	771,429
Accounting Policies and Notes to Accounts	16		

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 RAY & RAY

Chartered Accountants

Abhijit Neogi

Partner

Membership No. 61380

Kolkata, 22nd May, 2008

On behalf of the Board

R. S. Lodha

Chairman

R. C. Tapuriah

Director