



ASSAMBROOK LIMITED
REPORT AND ACCOUNTS
18 MONTH PERIOD ENDED 31 MARCH 2005

ASSAMBROOK

BOARD OF DIRECTORS

SURENDRA RAMPURIA
Managing Director

SIDDHARTH RAMPURIA
Wholetime Director

G. MOMEN
K. N. BHANDARI

AUDITORS

CLARK, GARDNER, WOLF & CO.

BANKERS

BANK OF INDIA
ALLAHABAD BANK
UNION BANK OF INDIA
THE CATHOLIC SYRIAN BANK LIMITED

ASSAMBROOK LIMITED

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India

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REPORT AND ACCOUNTS

18 MONTH PERIOD ENDED 31 MARCH, 2005



NOTICE

Notice is hereby given that the 56th Annual General Meeting of the Company will be held at "KALAKUNJ", 48, Shakespeare Sarani, Kolkata - 700 017 on Friday, 23 September, 2005 at 10.00 a.m. to transact the following business :—

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31 March, 2005 and the audited Profit and Loss Account for the period ended on that date together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Shri G. Momen who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED that Shri K. N. Bhandari, be and is hereby appointed a Director of the Company, whose period of office is liable to determination by retirement of director by rotation."

Registered Office :
1, Shakespeare Sarani,
Kolkata - 700 071
Dated : 26 August, 2005

By Order of the Board

SURENDRA RAMPURIA
Managing Director

NOTES :

1. An Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956, in respect of item nos. 4 and the relevant details in respect of item nos. 2 pursuant to clause 49 of the Listing Agreement with the Stock Exchanges are annexed hereto. Copies of the documents referred to in the Explanatory Statement are available for inspection at the Registered Office of the Company during the working hours on any day prior to the date of the meeting.
2. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a Member of the Company. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be backed by appropriate resolution/authority as applicable, issued on behalf of the organisation.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 16, 2005 to September 23, 2005 (both days inclusive).

NOTICE (Contd.)

4. The Shareholders of the Company are informed that pursuant to the Companies (Amendment) Act, 1999 the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund constituted by the Central Government and the shareholders would not be able to claim any amount of the dividend so transferred to the Fund. All unclaimed/unpaid dividends declared for and upto the financial year ended 31st March, 1997 has been transferred to the said Fund.

The Shareholders who have not encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming the outstanding dividends declared by the Company during the years 1998 to 2001.

5. Members desiring a nomination under Section 109A of the Companies Act, 1956 are requested to file the prescribed Form 2B.
6. Members who hold shares in the dematerialised form, are requested to bring their depository account number for identification.
7. Shareholders are requested to notify their bank particulars giving the name of the bank and the branch and the nature of account to the Company's Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Kolkata - 700 001. The Shareholders may please note that under instructions from the Securities and Exchange Board of India ("SEBI"), furnishing of bank particulars by the shareholders has become mandatory.
8. In terms of the SEBI's Circular dated December 27, 2002, all work related to share registry in terms of both physical and electronic are being maintained by M/s. Maheshwari Datamatics Private Limited, 6 Mangoe Lane, Kolkata 700 001.
9. Shareholders are requested to advise any change in address immediately to the Company's Registrar and Share Transfer Agents, Maheshwari Datamatics Private Limited.
10. Pursuant to the requirements of the Clause 49 of the Listing Agreements with the Stock Exchanges information about the Directors proposed to be re-appointed as given below :

Shri G. Momen, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

Brief Resume and Nature of Expertise

Shri G. Momen is 71 years of age and retired as the Chairman of Carritt Moran & Co. Pvt. Ltd., a well-known tea broking firm. His association with the firm gave him vast experience in the tea industry as a whole, especially in the expertise of valuing and marketing. He has served as a Committee Member in various associations connected with tea. He was appointed as a Director of the Company on 27 April, 1985.

NOTICE (Contd.)

Apart from Assambrook Limited, Shri G. Momen holds directorship and membership of the following Companies/Committees excluding Private and Foreign Companies:

Sl.	Name of the Company	As Director	As Committee Member
1.	ABL International Ltd.	Director	
2.	Apeejay Tea Ltd.	Director	Audit Committee
3.	Baghmari Tea Co. Ltd.	Director	
4.	Bengal Tea & Fabrics Ltd.	Director	Audit Committee
5.	Birla VXL Ltd.	Director	Audit Committee Remuneration Committee
6.	Empire & Singlo Tea Co. Ltd.	Director	Remuneration Committee
7.	Harrisons Malayalam Ltd.	Director	
8.	Jutlibari Tea Co. Limited	Director	
9.	Kanco Enterprises Limited	Director	Audit Committee Investors Grievance Committee
10.	OCM India Limited	Director	
11.	Scottish Assam (India Ltd.)	Director	
12.	Williamson Magor & Company Ltd.	Director	Investor Grievance

None of the Directors of the Company except Shri G. Momen is concerned or interested in the Resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO.4:

At a meeting of the Board of Directors held on 20 August, 2004 Shri K. N. Bhandari was appointed as an Additional Director of the Company, with effect from 20 August, 2004, till the date of the next Annual General Meeting.

In accordance with Section 260 of the Companies Act, 1956 Shri K. N. Bhandari vacates office at this Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 alongwith the requisite deposit of Rs. 500/- has been received from a member signifying his intention to propose the appointment of Shri Bhandari as a Director of the Company. Shri K. N. Bhandari, aged 63 is a B.A. and L.L.B. He is the former Chairman-cum-Managing Director of The New India Assurance Company Limited, Mumbai and United India Insurance Company Limited, Chennai. He also served as the Chairman of the General Insurance public Sector Insurance Company's Association (GIPSA) and also Member of Tariff Advisory Committee Board and Governing Board National Insurance Academy, Pune. At present he is associated with various organisation as a Member namely:

- Reinsurance Advisory Committee of I.R.D.A.
- Governing Board, Institute of Certified, Risk & Insurance Manager, Hyderabad.
- Editorial Board, IRDA Journal.

Considering his rich and vast experience, it will be in the interest of the Company to avail of his contribution in the overall progress of the Company and accordingly the Board recommends the resolution for approvals and adoption.

He also holds other directorship/committee membership in the following companies :

Sl No.	Name of the Company	As Director	As Committee Member
1.	Andhra Cements Limited (ACL) Secunderabad	Nominee Director (IDBI)	Audit Committee Remuneration Committee
2.	Hindalco Industries Ltd., Mumbai	Director	
3.	Suraj Diamonds & Jewellery Ltd.,	Director	
4.	Agriculture Ins. Co. of India Ltd.,	Director	
5.	Seri Venture Capital Limited	Director	
6.	Kenbee Consultants Limited	Director	

None of the Directors of your Company, other than Shri Bhandari, is interested in this resolution.

The Board recommends the Resolution for acceptance by the Members.

Registered Office :
1, Shakespeare Sarani,
Kolkata - 700 071
Dated : 26 August, 2005

By Order of the Board

SURENDRA RAMPURIA
Managing Director



ASSAMBROOK LIMITED

DIRECTORS REPORT

The Annual Report of the Directors together with the Audited Accounts of the Company for the eighteen month period ended 31 March, 2005.

1. FINANCIAL RESULTS :

		(Rs. in lacs)
	For the 18 month period ended 31 March, 2005	For the 18 month period ended 30 September, 2003
Loss before Depreciation & Taxation	1079.82	601.89
Add : Depreciation	166.87	176.39
Loss : before Taxation	1246.69	778.28
Deduct : Provisions for taxation - Deferred	—	296.60
Loss after taxation	1246.69	481.68
Deduct :-		
Balance brought forward from Profit Loss Account	91.41	573.09
Amount transferred from General Reserve Account	996.28	—
Balance carried forward	(159.00)	91.41

2. DIVIDEND :

No dividend is being recommended by the Board in view of the losses shown in the results.

3. OPERATIONS :

The first half of the season 2004 was encouraging. Price averages recorded an increase in North India compared to the previous year. However, the latter half again witnessed unfavourable operating conditions with lower demand and a downtrend in prices. Most of the first half gains were neutralised by the operations of the latter.

DIRECTORS REPORT (Contd.)

As reported, the Company had entered into an agreement for sale of the South India Plantations, the conveyance of which was completed on 24 December, 2004.

4. **SUBSIDIARY :**

Pursuant to the Scheme of Arrangement between Sudera Enterprises Private Limited and the Company's subsidiary ABL International Limited sanctioned by the Hon'ble High Court at Calcutta, fresh equity shares were issued and allotted to the members of the erstwhile Sudera Enterprises Private Limited by ABL International Limited. This resulted in reduction of the holding in the Subsidiary Company. As such ABL International Limited ceased to be a subsidiary of the Company with effect from 15 March, 2005.

5. **AUDITORS' REPORT :**

The Auditor's observations have been dealt with in the notes which are self explanatory and do not require further clarification.

6. **AUDITORS :**

Clark, Gardener, Wolf & Co., Chartered Accountants, Auditors of the Company retire and are eligible for re-appointment.

7. **DIRECTORS :**

Shri G. Momen retire by rotation and being eligible offer himself for re-appointment. Your Director recommended his re-appointment.

The Board appointed Shri K. N. Bhandari as an Additional Director of Assambrook Limited with effect from 20 August, 2004. Pursuant to the provisions of the Companies Act, 1956 Shri Bhandari would hold office as a director upto the ensuing Annual General Meeting. The Company has received a notice from a shareholder under Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Shri K. N. Bhandari as a Director of the Company.

Shri Amitabha Ghosh and Shri M. P. Wadhawan have resigned from the Board with effect from 26 August, 2005. Your Board place on record their appreciation for the services rendered by them during their tenure with the Company.

8. **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217(2A) of the Companies Act, 1956 ("the Act") your Directors state and confirm the following:

- (i) That in preparation of the Company's Annual Accounts for the period ended 31 March, 2005 the applicable accounting standards have been followed and proper explanations have been provided for material departures, where applicable.
- (ii) That such accounting policies were selected and applied consistently and the judgments and estimates were 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 period ended 31 March, 2005 and of the loss of the Company for that financial period.



DIRECTORS REPORT (Contd.)

- (iii) That proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularity, were taken.
- (iv) That the annual accounts were prepared on the basis of a going concern.

9. FIXED DEPOSITS :

The Company had filed a petition before the Company law Board, Eastern Region Bench, Kolkata for restructuring the repayment of its fixed deposits. The Company law Board has passed an Order stipulating repayments of all the fixed deposits in installments over a period of 3 years vide its Order dated 31 January, 2005. The Company has already taken necessary steps for compliance of the said Order.

In view of the above, the Company had decided not to accept fresh deposits and/or renew the matured deposits.

10. CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the listing Agreement with Stock Exchanges a separate report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed to this report.

11. PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956 :

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable.

The particulars required in terms of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the annexed Statement.

12. APPRECIATION :

Your Directors record their appreciation for the co-operation extended by all the employees. Your Directors also thank the Banks and Financial Institutions for their support. Your Directors also gratefully acknowledge your support as Shareholders.

By Order of the Board

Registered Office :

1, Shakespeare Sarani

Kolkata - 700 071

Dated : 26 August, 2005

SURENDRA RAMPURIA

Managing Director

SIDDHARATH RAMPURIA

Wholetime Director

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(1) (e) read with the Companies (Disclosure of particulars in the report of Board of Directors' Rules, 1988) and forming part of the Directors' Report for the period ended 31 March, 2005.

'FORM A'

For the 18 Month
period ended
31 March, 2005

For the 18 Month
period ended, 30
September, 2003

A) POWER AND FUEL CONSUMPTION

1. Electricity

a. Purchased		
Unit (KWH)	25071.97	47778.15
Total Amount(Rs. in lacs)	178.13	237.95
Rate/Unit(Rs.)	7.10	4.98

B) Own Generation

(i) Through Diesel Generator :		
Units (in KWH)	5423.80	10520.03
Unit per Ltr. of Diesel		
Oil (KWH)	1.52	1.45
Cost/Unit (Rs.)	10.10	8.69
(ii) Through Steam Turbine/ Generator Units :		
Unit per Ltr. of Fuel Oil/Gas	—	—
Cost/Unit (Rs.)	—	—

2. COAL (KHASHI/LEDO-ROM/LECO

for drying of Tea)

Qty. (MT)	2268.36	3381.97
Total Cost (Rs. in lacs)	64.29	73.08
Average Rate(Rs.)	2834.11	2160.76

3. FURNACE OIL

Qty. (K.Ltrs.)	650.61	747.16
Total Cost(Rs. in lacs)	114.01	121.84
Average Rate (Rs.)	17522.82	16306.58

4. OTHERS/INTERNAL GENERATION

Firewood for drying of Tea Qty.	—	4529.16
Total Cost (Rs.in lacs)	—	59.41
Average Rate (Rs.)	—	1311.75