



ASSAMBROOK LIMITED
REPORT AND ACCOUNTS
For THE YEAR ENDED 31 MARCH 2008

ASSAMBROOK

BOARD OF DIRECTORS

SIDDHARTH RAMPURIA
Managing Director

SURENDRA RAMPURIA
SUBHRENDU GANGOPADHYAY
M. K. GUHA
M. NOWLAKHA
Directors

AUDITORS

TIWARI & CO.

BANKERS

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

ASSAMBROOK LIMITED

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REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 2008

ASSAMBROOK

NOTICE

Notice is hereby given that the 59th Annual General Meeting of the Company will be held at "VIDYA MANDIR", 1, Moira Street, Kolkata - 700 017 on Saturday 27 September, 2008 at 4.00 p.m. to transact the following business: - Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31 March, 2008 and the audited Profit and Loss Account for the year ended on that date together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Shri Subhrendu Gangopadhyay who retires by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office:
1, Shakespeare Sarani,
Kolkata - 700 071
Dated :28 August, 2008

By Order of the Board

Siddharth Rampuria
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 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.
2. 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, 1999 has been transferred to the said Fund.
3. The Register of Members and Share Transfer Book of the Company will remain closed from period 21 Sept 2008 to 27 Sept 2008 (both days inclusive) for the purpose of Annual General Meeting.
4. In terms of the SEBI's Circular dated December 27,2002, all jobs related to share registry in terms of both physical and electronic are being maintained by Maheshwari Datamatics Private Limited, 6 Mangoe Lane,Kolkata - 700 001.
5. The relevant details in respect of item no.2 pursuant to clause 49 of the Listing agreement with the Stock exchanges are annexed hereto.

Details of Directors seeking reappointment at the forth coming 59th Annual General Meeting.

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 :

Shri Subhrendu Gangopadhyay, Director of the Company, retire by rotation and being eligible offers himself for reappointment.

Brief resume and nature of expertise:

Shri Subhrendu Gangopadhyay is a Graduate of Commerce, L.L.B., F.C.S., F.C.I.S. (Eng) Company Secretary. He is the former President of the Institute of Company Secretaries of India. He was a Company Secretary in various organizations and having vast experience in the financial and secretarial matters. His active participation in the meeting of the Board has been very useful and effective.

Apart from Assambrook Ltd. Shri Subhrendu Gangopadhyay does not hold any Directorship and Membership of the Committee.

Shri Subhrendu Gangopadhyay does not hold any shares in the Company.

No Directors of the Company except Shri Subhrendu Gangopadhyay is concerned or interested in the resolution.



ASSAMBROOK LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Reports together with the Audited Accounts for the year ended March 31, 2008.

1. FINANCIAL RESULTS :

	For the year ended 31 March, 2008	(Rs. in lacs) for the year ended 31 March, 2007
Loss before Depreciation & Taxation	124.83	392.05
Add : Depreciation	76.59	88.29
Loss before Taxation	201.42	480.34
Add: Provision for taxation Fringe Benefit Tax	2.33	2.88
Loss after taxation	203.75	483.22
Deduct/Add :		
Balance brought forward from Profit & Loss Account	1128.76	645.54
Balance carried forward	1332.51	1128.76

2. DIVIDEND :

In view of the loss shown in the results no dividend is being recommended by the Board.

3. OPERATIONS :

The year under review witnessed a further decline in margins due to a steep hike in the wage rate due to the prevailing Industrywide Agreement and increase in input costs, inter alia, fuel, chemical and fertilizers. There was a decline in prices in the later half which further impaired the operations. In view of the continuous recession in the industry and prevailing situation in Assam and with a view to formalizing a settlement with all secured creditors the company has entered in to an arrangement with a buyer expressing interest in acquisition of the tea estates. Your Directors will be seeking necessary consent of the members at the appropriate time.

With a view to increasing shareholder wealth and returns, the Board of Directors are seriously evaluating various options to enter new businesses and would keep the shareholders abreast with the plans on crystallization. The Board is aware of the extremely difficult period that the Company and its shareholders have been passing through and wish to take the opportunity of reassuring all, that investments will be focused in high growth areas.

4. AUDITORS' REPORT:

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

5 AUDITORS :

M/s Tiwari & Co., Chartered Accountants, Auditors retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.



DIRECTORS REPORT (Contd.)

6. DIRECTORS :

Shri Subhrendu Gangopadhyay retires by rotation at the forth coming Annual General Meeting and being eligible, offers himself for reappointment.

7. 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 year ended 31 March, 2008 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 year ended 31 March, 2008 and of the loss of the Company for that financial year.
- (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.

8. FIXED DEPOSITS :

The Company had filed a petition before the Company Law Board (CLB), Eastern Region Bench, Kolkata for restructuring the repayment schedule of its fixed deposits. The CLB by an Order dtd: 30 June, 2008 was pleased to reschedule repayments of all the fixed deposits and directed payments in installments to be completed by May, 2009. Necessary steps are being taken to ensure compliance.

The Company had decided not to accept fresh deposits and/or renew the matured deposits.

9. 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.

10. FINANCIAL :

During the year under review, negotiated settlements with some secured lenders have been finalised. This resulted in a reduction in outstanding liabilities which would now be repaid over an agreed period on concessional terms.

11. PREFERENTIAL ISSUE OF WARRANTS :

The Company had issued 683760 Preferential Warrant with an option to the Warrant holders to acquire for every Warrant one fully paid up Equity Share of Rs.10/- each of the Company for cash at a price of Rs.28/- per share aggregating to Rs.191.45 lacs. The Board of Directors of the Company had decided to allot 236245 Equity shares of Rs.10/- each fully paid up on conversion of warrants as per prescribed regulations of SEBI. The Company raised Rs.59.53 lacs during the year out of the above issue. The fund raised from the preferential issue during the year has been utilized for repayment of debts.

12. 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.

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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.

13. APPRECIATIONS :

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

SIDDHARTH RAMPURIA
(MANAGING DIRECTOR)

Registered Office :
1, Shakespeare Sarani
Kolkata - 700 071
Dated: 28 August, 2008

M. K. GUHA
(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 year ended March, 2008.



Particulars with respect to Conservation of Energy :

- | | |
|---|--|
| 1. Energy conservation :
measures taken | Replacement of old and outdated equipments, wherever required with energy efficient giving higher output with less energy consumption. |
| 2. Additional Investment :
and Proposals if any,
being implemented for
being reduction of
consumption of energy | Installation of energy saving equipment and modernisation of Factories at the Estate is being done in a phased manner. |
| 3. Impact of measures at (1) :
& (2) above for reduc-
tion of energy consum-
ption and consequent
impact on the cost of
production of goods. | Improvement of energy utilisation resulting in economy in cost. |



ANNEXURE TO DIRECTORS' REPORT (Contd.)

'FORM A'

	For the year Ended 31 March, 2008	For the year ended 31 March, 2007
A) POWER AND FUEL CONSUMPTION		
1) Electricity		
a. Purchased		
Unit(KWH)	746188	692540
Total Amount(Rs.in lacs)	65.51	47.44
Rate/Unit(Rs.)	8.76	6.85
b. Own Generation		
Through Diesel Generator :		
Units(in KWH)	49010	86230
Unit per Ltr.of Diesel	1.47	
Oil(KWH)	0.67	0.61
Cost/Unit (Rs.)	21.07	19.91
2) Coal (KHASI/LEDO-ROM/LECO)		
Qty.(MT)	1364.61	1713.53
Total Cost(Rs.in lacs)	34.89	49.00
Average Rate (Rs.)	2560.00	2860.00
3) Furnance Oil		
Qty.(K.Ltrs.)	36.780	14.733
Total Cost (Rs. in lacs)	9.60	5.16
Average Rate (Rs.)	26116.67	35030.00
4) Consumption Per Unit of Production		
Production (Tea) (Gross in lac kgs.)	9.01	12.91
Electricity (KWH/Kg.)	0.89	0.54
Furnance Oil (Ltr./Kg.)		0.01
Coal (Kg/Kg.)	1.54	1.32

FORM -'B'

TECHNOLOGY ABSORPTION :

1. Research & Development(R&D)

(a) Specific areas in which R&D
Is carried out by the Company

(b) Benefits derived as a result
of the above R&D

(c) Future plan of action

(d) Expenditure on R&D

i. Capital

ii. Recurring

iii. Total

iv. Total R&D Expenditure as a
Percentage of total turnover

No separate R&D is
carried out by the
Company.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

2. Technology absorption, adaptation and innovation

- | | |
|--|--|
| a) Efforts in brief made towards Technology Absorption, adaptation and innovation. | In house discussions with experts and training programme was held for innovative idea of production and to update the staff. |
| b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. | There has been an overall improvement in productivity and economy in cost was achieved |
| c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished | Not Applicable |
| (a) Technology imported
(b) Year of import
(c) Has technology been fully absorbed?
(d) If not fully absorbed areas where this has not taken place, reasons therefore, and future plans of action. | |

(3) Foreign Exchange earnings and outgo :

- | | |
|--|-------------------------------|
| (a) Activities relating to export initiatives taken to increase exports | Not Applicable |
| (b) Development of new export markets for products and services and export plan. | Not Applicable |
| (c) Total foreign exchange :
Used | NIL 4.39 |
| b) Earned (gross) | NIL NIL |



ASSAMBROOK LIMITED

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, norms and disclosures that have to be made on the Corporate Governance front are set out. In this report, we confirm your Company's compliance with the corporate governance criteria as required under Clause 49.

The basic objective of corporate governance adopted by your Board is to ensure accountability and transparency in the functioning of the management with emphasis on integrity and regularity in day to day functioning of your Company. Your Company espouses cause of longterm success in all area of its business and commit itself to achieve this by outstanding productivity, quality and performance. It continues to evolve learn, adapt for the common good of its stake holders.

It is believed by your Board that corporate governance must balance individual interests with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice.

2. BOARD OF DIRECTORS

- A) The Board comprises of five Directors of which three are Non Executive Independent Directors. More than half of the Board consist of Non Executive Independent Directors.

Brief resume of the Directors proposed to be reappointed are given to the Annexure to the Notice and are forming part of the Annual Report.

Shri Siddharth Rampuria - Managing Director of the Company is Chief Executive Officer(CEO) and Shri P.M. Sethia - Senior Manager-Corporate Services has been concurrently designated as Chief Financial Officer (CFO) of the Company.

- B) Attendance of each Director at the Board Meeting and at the last Annual General Meeting and other Directorship/Committee

Members hold :

During the year 2007-08, 6 Board Meetings were held on 27 June,2007, 28 September, 2007, 22 November,2007, 24 December,2007, 27 February,2008, 31 March,2008.

The attendance and no. of other Directorship/Committee Membership of each Director (excluding Assambrook Ltd., Private Ltd. Companies and Foreign Companies) is given below :

Name of Directors	Category of Directorship(s)	Attendance at Board Meetings	Attendance at Annual General Meetings 24.12.2007	No. of other Directorship held	No. of Board Committee of which Member/Chairman
Shri Surendra Rampuria	Director	6	Yes	1	NIL
Shri Siddharth Rampuria	Managing Director	6	Yes	1	NIL
Shri S Gangopadhyay	Director	6	Yes	NIL	NIL
Shri Mrinal Kanti Guha	Director	6	Yes	NIL	NIL
Shri Madhukar Nowlakha	Director	6	Yes	NIL	NIL

REPORT ON CORPORATE GOVERNANCE (Contd.)

3. AUDIT COMMITTEE :

The Audit Committee comprises of Shri Subhrendu Gangopadhyay as Chairman and Shri Mrinal Kanti Guha and Shri Madhukar Nowlakha as Members.

Shri Subhrendu Gangopadhyay - M.Com., L.L.B., F.C.S., F.C.I.S.(Eng.), Company Secretary, fulfils the requirement under the code.

The Company Secretary/or Senior Manager - Corporate Services concurrently designated as Chief Financial Officer(CFO) acts at the Secretary to the Committee.

Terms of reference specified by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement.

The Audit Committee met five times during the year. The attendance record of the members at the meetings is as follows:

Name of Directors	Status	No. of Meeting attended
Shri S. Gangopadhyay	Chairman	5
Shri M.K.Guha	Member	5
Shri Madhukar Nowlakha	Member	5

4. REMUNERATION COMMITTEE

(i) Brief description of terms of reference :

The Board has set up a remuneration Committee. This Committee is responsible for recommending to the Board, the remuneration package of Managing and Wholetime Director including their annual increment and commission after reviewing their performance.

(ii) Composition, name of members and Chairperson :

The Committee was constituted in September 2006. The Remuneration Committee comprises of 3 non-executive Directors with Shri Subhrendu Gangopadhyay as Chairman, Shri Mrinal Kanti Guha and Shri Madhukar Nowlakha as members.

(iii) REMUNERATION POLICY :

Executive Directors

The Managing Director's and Wholetime Director's remuneration are paid as per the terms stated in the agreements and approved by the Board and confirmed by the shareholders of the Company and other required statutory and procedural approvals. No remuneration has been paid to the Managing Director during the year.

Non Executive Directors

The non-exeuctive Directors are paid Sitting Fees of Rs.2000/- for each meeting of the Board or any Committee plus reimbursement of actual travel and out of pocket expenses incurred for attending such meetings.

The details of the remuneration paid to the directors during the year ended 31 March, 2008 are :

Name of Directors	Salary/LTA (Rs)	Perquisites & Allowance	Commission (Rs.)	Sitting Fees	Total (Rs.)
Shri Surendra Rampuria				12000.00	12000.00
S. Gangopadhyay				26000.00	26000.00
Shri M.K. Guha				22000.00	22000.00
Shri Madhukar Nowalkha				22000.00	22000.00