

# ANNUAL REPORT

## =====2007=====

Report  Junction.com

**Balughat**  
The Balughat Group Since 1952

# TECHNOLOGIES LIMITED

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Chairman

- Shri Hansraj Sethia  
(Appointed w.e.f. 31.07.2007)
- Shri Uttam Chand Sethia  
(Resigned on 31.07.2007)

#### Director

Shri Mahavir Prasad Goenka  
Shri Madanlal Agarwal  
(appointed w.e.f. 10.08.2007)

#### Managing Director

Shri Pawan Kumar Sethia

#### Executive Director

Shri Arun Kumar Sethia

#### Auditors

Guha & Sons  
Chartered Accountants  
Kolkata

#### REGISTRARS & SHARE TRANSFER AGENTS

MCS Ltd.  
77/2A, Hazra Road,  
Kolkata - 700 029.

#### AUDIT COMMITTEE

Shri Mahavir Prasad Goenka - Chairman  
Shri Pawan Kumar Sethia - Member  
Shri Arun Kumar Sethia - Member

#### REGISTERED OFFICE

170/2C A.J.C. Bose Road,  
Kolkata - 700 014.

## **BALURGHAT TECHNOLOGIES LIMITED**

**Registered office: 170/2C A.J.C. Bose Road, Kolkata – 700 014.**

### **NOTICE**

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the Shareholders of Balurghat Technologies Ltd. will be held on Wednesday, 26<sup>th</sup> September, 2007 (10:00 AM), at Baishakhi Housing Club, No.2 Deodhar Rahman Road, Kolkata – 700 033 to transact the following:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account for the financial year ended 31<sup>st</sup> March, 2007 and reports of Directors and Auditor's thereon.
2. To appoint Director in place Sri Mahabir Prasad Goenka, who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit to pass, with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Guha & Sons, Chartered Accountants, Kolkata, who retire at this meeting, being eligible and willing to act as Auditor, be and are hereby appointed Auditors of the Company to hold office till the conclusion of the next Annual General Meeting at a remuneration may be approved by the Board of Directors"

### **SPECIAL BUSINESS**

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

4. "RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions if any of the Companies Act 1956, Mr. Madanlal Agarwal, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company"

### **NOTES:**

1. The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2007 to 26<sup>th</sup> September, 2007 (both days inclusive).
2. A member entitled to attend and vote at the meeting is also entitled to appoint a Proxy to attend and vote in his stead. A proxy need not be a member of the Company Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the meeting.
3. Members are requested to bring their copies of the Report and Accounts to the meeting along with the Admission slip duly filled in and handover the same at the entrance of the meeting hall.
4. Members are requested to notify any correction/change in their address immediately to the Registrars and Transfer agent.

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

#### **Item No. 4**

The Board of Directors of the Company (the board) has appointed, pursuant to the provisions of Section 260 of the Companies Act, 1956 (the act) & Articles of Association of the Company, Mr. Madanlal Agarwal as an Additional Director of the Company w.e.f. 10.08.2007.

In terms of the provisions of section 260 of the act, Mr. Madanlal Agarwal would hold office up to the date of the Annual General Meeting.

The Company has received a notice in writing from a member along with a deposit of Rs.500/- proposing the candidature of Mr. Madanlal Agarwal for the office of Director of the Company, under the provisions of Section 257 of the Act.

Mr. Madanlal Agarwal has, to his credit more than 40 years experience in Travel & Transport Industry & corporate governance. Keeping in view his enriched expertise and knowledge, it will be in the interest of the Company that Mr. Madanlal Agarwal is appointed as a Director, who if appointed shall be liable to retire by rotation, in accordance with the provisions of the Articles of Association of the Company.

The Board commends the resolution set out at Item4 of the Notice for your approval.

Save and except Mr. Madanlal Agarwal none of the other Directors of the Company is, in any way concerned or interested in the resolution.

BY THE ORDER OF THE BOARD  
for **BALURGHAT TECHNOLOGIES LTD.**

### **REGISTERED OFFICE**

170/2C A.J.C. Bose Road,  
Kolkata – 700 014.

Dated: 14<sup>TH</sup> August, 2007.

**ARUN KUMAR SETHIA**  
**EXECUTIVE DIRECTOR**

**INFORMATION PURSUANT TO LISTING AGREEMENTS****DETAILS OF DIRECTOR'S SEEKING APPOINTMENT/REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:**

<b>Name :</b>	Sri Mahabir Prasad Goenka	Sri Madanlal Agarwal
<b>DIN:</b>	00157026	00272513
<b>Age:</b>	69 years	69years
<b>Date of Appointment :</b>	28 <sup>th</sup> September, 2004	10 <sup>th</sup> August, 2007
<b>Academic Qualification :</b>	Under Graduate	Under Graduate
<b>Nature of expertise in functional Areas :</b>	Entrepreneur par Excellence with over 45 years experience in Transport Trade Organization & Operations.	Enriched Expertise in Travel & Transport Industry for over 40 years
<b>Interest in Other Companies &amp; nature :</b>	Orissa Spinning Mills Ltd. – Director	Gandhamardhan Sponge Industries Pvt Ltd – Director
<b>Membership of committees in other Concerns :</b>	NIL	NIL

The above report had been taken on record at the meeting of the Board of Director's held on 14<sup>th</sup> August, 2007.

Report Junction.com

For & on Behalf of the Board

Dated: 14<sup>th</sup> August, 2007  
Place: Kolkata

**Arun Kumar Sethia**  
Executive Director

**DIRECTOR'S REPORT**

To the Members:

Your Director's herewith present the 13<sup>th</sup> Annual report of the Company along with the Audited Accounts for the year ended 31<sup>st</sup> March,07.

1. The summarized financial performance of your Company is presented herein under: (Amount Rs. In Lacs)

Particulars	Year Ended 31-03-07	Year Ended 31-03-06
Total Earnings	1489.18	875.28
Total Expenditure	1480.04	1324.89
PBDIT	9.14	(449.61)
LESS: Finance Charges	5.52	0.91
Depreciation	<u>15.62</u> (21.14)	<u>15.75</u> (16.66)
Profit / Loss before Tax	(12.00)	(466.27)
Provision for Tax	(.93)	NIL
Profit / Loss after Tax	(12.93)	(466.27)
Accumulated Profit / Loss b/f	(1170.39)	(699.04)
Adjustment relating to assets withdrawn Loss on sale of Investment		01.92 <u>07.00</u> (05.08)
Profit/Loss for appropriation	(1183.32)	(1170.39)
Profit / Loss c/f	(1183.32)	(1170.39)

**DIVIDEND-**

In view of the accumulated losses during the current year, your Director are unable to recommend any Dividend for the year under reference.

**REVIEW OF OPERATIONS AND STRATEGIC PLANNING-**

The Directors are pleased to inform you that the suspension of work at our Kolkata office has been withdrawn. Your Company has also resumed its traditional parcel booking service in North Bengal. The Directors are also pleased to inform that the Company has started a Travel Division & the performance has been satisfactory. The board also continues to explore various avenues of business opportunities for the turn around of the company.

**FUTURE OUTLOOK-**

The economy of the country is showing robust growth in almost all sectors. Our vision to be the customer's choice for all their Logistical needs is based on its guiding principles of trust, reliability and quality. Your company is planning to expand its services in North Bengal to gain higher market share amidst stiff competition. The company is also concentrating on expanding its business in North Zone.

**IMMEDIATE CONCERNS-**

Upon the resumption of activities the problem pertaining to allocation of resources both for working capital and settlement of outstanding liabilities unless be accommodated in full the success of the Management will entirely depend upon balancing of the liquidity which as such will be the key to the survival.

**EMPLOYEE RELATIONS-**

The Company is left with very few persons, which fits the existing requirement. Your Directors had taken cognizance of manpower and are in the process of taking appropriate steps as necessary, in the context. The employee relations at the branch level continues to be stable and satisfactory productive at the present juncture.

**DIRECTOR'S-**

- Shri Uttam Chand Sethia resigned from the Board of the Company with effect from 31<sup>st</sup> July, 2007. The Directors place on record their deep appreciation of the valuable services rendered by Shri U.C. Sethia during his tenure since the inception of this organization as Chairman of the Company
- Under Article 97 of the Articles of Association of the Company Shri Mahabir Prasad Goenka retires by rotation at the end of the ensuing Annual General Meeting and being eligible, offers himself for reappointment.
- Shri Hansraj Sethia has been appointed as Director with effect from 31.07.07 in the Casual Vacancy caused by resignation of Shri Uttam Chand Sethia. The Board has appointed him as the Chairman of the Board with effect from the date of his appointment. He will hold office until the date of the 14<sup>th</sup> Annual General Meeting i.e. the date of tenure of Shri Uttam Chand Sethia, had he been in the office.
- Shri Madanlal Agarwal an experienced personality in this industry has been appointed as an Additional Director of the Company pursuant by the provisions of the Article 103 of the Articles of Association of the Company. The advantage of his more than 40 years industrial and business experience and acumen will thus be available to the benefit of the Company. He will hold office until the date of the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT-**

Pursuant to the provisions contained in the Section 217(2AA) of the Companies Act, 1956, your Director's state as under:

- (i) That in the preparation of the annual accounts the accounting standards had been substantially complied along with proper explanation to all the material departures;
- (ii) That your Director's have selected such accounting policies and have applied the same consistently and had made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as well as the profit or loss of the Company pertaining to such period;
- (iii) That your Director's have taken proper and sufficient care for the maintenance of accounting records, as also for safe guarding the assets of the Company and for detection of frauds and other irregularities;
- (iv) That on account of the adverse circumstances prevailing in the Company your Director's had been compelled to allow certain departures in respect of certain regulatory provisions all of which had been justified with proper explanations as also with regards to the adverse opinions and reservations made by the Auditors, in their report to the members.
- (v) Your Director's have prepared the accounts on the going concern basis and considers the same to be appropriate irrespective of opinions to the contrary.

**CORPORATE GOVERNANCE-**

A separate section on Corporate Governance is included in the Annual Report as Annexure – I and II. A certificate from the Auditors as to compliance of the various provisions of the Clause 49 of the listing agreement is annexed herewith.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION-**

Having regard to the nature of business undertaken by your Company, the aforesaid disclosures are not required.

**FOREIGN EXCHANGE EARNING AND OUTGO-**

There had been no foreign exchange earnings and outgo during the period under review.

**PARTICULARS OF EMPLOYEES EARNINGS-**

No Statement in terms of Sec.217(2A) of the Companies Act, 1956 is annexed to this report as the Company did not have any employee who has been in receipt of remuneration above Rs.24,00,000/- per annum or Rs.2,00,000/- per month, during whole or any part of the year under review.

**AUDITORS-**

M/s. Guha & Sons. Chartered Accountants are the Auditors of the Company, retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

**LISTING OF SHARES-**

The Securities of the Company are listed with Mumbai Stock Exchange and shall continue to be listed thereat only. Pursuant to the SEBI (Delisting of Securities) Regulations 2003, upon confirming the applicable compliances Company had made necessary application for Voluntary Delisting of its shares from Jaipur, Madras and Kolkata and the same are pending disposal as on date, with the respective Exchanges.

**ACKNOWLEDGEMENT-**

Your Director's wish to place on record their gratitude to various Deps. of the State and Central Governments, Suppliers and esteemed customer for their valuable support. Your Director's also place on record their gratitude for the valued shareholders for their unstinted support for enhancing the true values of a corporate democracy.

**For & on Behalf of the Board**

Dated: 14<sup>th</sup> August, 2007  
Place: Kolkata

**Pawan Kumar Sethia  
Managing Director**

entitled to sitting fees for attending the meetings The Chairman has waived all the sitting fees for attending the meeting as a gesture of goodwill. The concerned Director's have waived their entitlements of the sitting fees for attending the Meetings of the Committees.

#### 5. SHARE COMMITTEE:

The Share Committee as it is known is responsible for both the Share Transfer Management and Investors Redressal Services. The Committee constitutes of Sri Arun Sethia, as the Chairman, Sri M.P. Goenka as Director. The Share committee holds its meetings monthly as per requisition of the Registrars and Share Transfer Agents, processing the transfer applications which are approved at the meeting. The RTA concerned reports the committee on Dematerialization status and requests over 21 days, if any. The committee also reviews the status of redressal of Investor's Complaints on the basis of report of the RTA along with the Compliance Officer for the cases received by them respectively and any pending complaints as may be referred to it are disposed by the Committee itself. Further\* that the Committee has been authorized and empowered by the Board for issue of Share Certificate upon dematerialization and / or sub-division consolidation and / or Duplicate Certificates under the signature of the Compliance Officer as the Authorized Signatory along with the mechanized signatures imprinted on the Certificates.

During the year ended 31.03.07-

Total no. of Complaint / queries received: 9

No. of Complaints / Queries disposed: 9

Directly : 3 nos. , Through RTA : 6 nos.

No. of Complaints / Queries pending as on 31.03.2007 – NIL

#### 6. GENERAL MEETINGS:

Sl. No.	Nature of Meeting	Date	Time	Venue	Voting through Postal Ballots
1.	Annual Meeting (10 <sup>th</sup> ) General	28-09-04	10:00 AM	Bhartiya Bhasa Parishad 36A, Shakespeare Sarani Kolkata – 700 017.	No
2.	Annual Meeting (11 <sup>th</sup> ) General	26-09-05	10:00 AM	-do-	No
3.	Annual Meeting (12 <sup>th</sup> ) General	25-09-06	10:00 AM	-do-	No

#### 7. DISCLOSURES:

- (i) There were no related party transactions, materially significant for the disclosures in specific were made during the year ended 31.03.07, other than as disclosed by way of Notes on Accounts.
- (ii) There were no significant non compliance reported against the Company during the year under reference, attributing any penal liability imposed upon, by any of the Regulatory Authorities related to the Capital Market
- (iii) Whereas due to prevailing financial stringency over the last several years, the Company was not in a position to pay the listing fees to certain Stock Exchanges except Mumbai Stock Exchange in respect of which there are no outstanding as on date. The Company have applied for delisting of its securities from the Madras, Jaipur, Kolkata, pending disposal till date. Under similar circumstances the Company is not in a position to pay to fees introduced by CDSL, which are since been pending till date.

#### 8. MEANS OF COMMUNICATION:

- (i) The quarterly Financial (Provisional) results are forwarded to the Exchange with 24 hours from its approval by the Board and are generally published in both National and Regional Newspapers within 48 hours from their publication.
- (ii) The Company has not made any specific representations, to any of the Investors, other than routine queries from the Shareholders, which are promptly responded by the Compliance Officer.
- (iii) The Management Discussions and analysis is presented as a part of the Annual Report.

#### 9. GENERAL SHAREHOLDER INFORMATION:

- (i) AGM date, time & venue: 26<sup>th</sup> September, 2007 at 10:00 AM.  
Baishakhi Housing Club,  
No.2 Deodhar Rahman Road, Kolkata – 700 033
- (ii) Financial Year: 1<sup>st</sup> April, 2006 to 31<sup>st</sup> March, 2007
- (iii) Book Closure : 25<sup>th</sup> September, 2007 to 26<sup>th</sup> September, 2007 (both days inclusive)
- (iv) Listings: The Stock Exchange - Mumbai
- (v) Stock Code: The Stock Exchange, Mumbai – 520127
- (vi) ISIN (for Demat Shares): INE 654 B01014.
- (vii) Market Price Data: Refer to Annexure on Market Price Data
- (viii) Registrar & Transfer Agents: MCS Ltd.  
77/2A, Hazra Road, Kolkata – 700 029.  
Phone: 2454 1892/93.



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2007.

The listing agreement of the Stock Exchanges in Clause 49 (revised) has laid down a code of Corporate Governance, which your Company has complied with as follows:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The company's philosophy on corporate governance has been developed with a tradition and culture of fair and transparent governance and disclosure practices were in existence even before they were declared mandatory by legislation. Your Company believes in transparency, integrity, professionalism and accountability in its dealings. However, due to strained financial conditions the Company was unable to provide pecuniary benefits to stakeholders expectations and strictly complies with regulatory guidelines on corporate governance.

### 2. BOARD OF DIRECTOR'S

#### a. Composition :

- |                               |   |
|-------------------------------|---|
| i. Shri Uttam Chand Sethia    | - Chairman (Non Executive)              |
| ii. Sri Mahavir Prasad Goenka | - Director (Non Executive/ Independent) |
| iii. Sri Pawan Kumar Sethia   | - Managing Director (Whole time)        |
| iv. Sri Arun Kumar Sethia     | - Executive Director (Whole time)       |

#### b. Attendance:

During the financial year 2006-2007, Four (4) nos. Board Meetings were held, along with the Annual General Meeting on the various dates, stated as under vis-à-vis the attendance of the Director's thereat:

NAMES	29.04	28.07	30.10	31.01	ATTENDED	AGM 25/09/06
Sri U.C. Sethia	YES	YES	YES	YES	04	Not present
Sri M.P. Goenka	YES	YES	YES	YES	04	Present
Sri P.K. Sethia	YES	YES	YES	YES	04	Present
Sri Arun Sethia	YES	YES	YES	YES	04	Present

### C. DECLARATION OF INTEREST:

Pursuant to provisions of Sec 299(I) of the Companies Act 1956, Notice in Form 24AA was received from all the Director's, along with the necessary declaration U/s 274(1) (g) had been taken on record at the relevant Board Meeting on the commencements of the financial year under reference.

### 3. AUDIT COMMITTEE:

i ) Composition: The Audit Committee is constituted of 3 Members under the Chairmanship of Sri M.P. Goenka an Independent & Non Executive Director with 2 other whole time Director's.

ii ) Attendance: The audit Committee met 4 times during the Financial Year under reference on the dates preceding the Board Meetings and the attendance therein is stated as under:

Names	29.04	28.07	30.10	31.01	Total
Sh. M.P. Goenka	YES	YES	YES	YES	04
Sh. Pawan Kr. Sethia	YES	YES	YES	YES	04
Sh. Arun Kumar Sethia	YES	YES	YES	YES	04

#### (iii) Terms of Reference -

- (i) Review of Unaudited Financials.
- (ii) Review of Annual Accounts.
- (iii) Management representations & Co-ordinations of Statutory Audit.
- (iv) Internal Audit Appraisals and Review of Internal Controls.
- (v) Review & assessment of Compliance under applicable laws.
- (vi) Review & recommendation in respect of Managerial Remuneration.

### 4. REMUNERATION COMMITTEE:

Not yet formally constituted and the relevant functions are discharged by the Audit Committee above referred.

Details of Remuneration paid to the to Director's (2006-2007)

Heads of Payments	Sh. U.C. Sethia	Sh. M.P. Goenka	Sh. P.K. Sethia	Sh.A.Sethia
Consolidated Salary	NIL	NIL	96,000/-	96,000/-
House Rent Allowance	NIL	NIL	57600/-	57,600/-
P.F. Cont.	NIL	NIL	11,520/-	11,520/-
Bonus/ Commission	NIL	NIL	NIL	NIL
Others (Sitting Fees)	NIL	4000/-	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>4000/-</b>	<b>1,65,120/-</b>	<b>1,65,120/-</b>

Notes: Apart from the aforesaid no other sum was paid to the Director's, apart from reimbursements of expenses incurred on behalf of the Company, if any. However, the Managing and the Executive Director being in whole time employment with the Company are not