

ANNUAL REPORT

=====2008=====



TECHNOLOGIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Shri Hansraj Sethia

Director

Shri Mahavir Prasad Goenka
Shri Madanlal Agarwal

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 14th Annual General Meeting of the Shareholders of Balurghat Technologies Ltd. will be held on Friday, 26th September, 2008 (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 31st March, 2008 and reports of Directors and Auditor's thereon.
2. 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

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

"RESOLVED that Sri Madanlal Agarwal who was appointed as an Additional Director of the Company by the Board of Directors and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, under section 257 of the Companies Act, 1956 from a member of the Company and who has consented, if appointed, to act as a Director of the Company, is hereby appointed as a Director of the Company, liable to retire by rotation".
4. To consider and if thought fit to pass, with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED that Sri Hansraj Sethia who was appointed as Director in casual vacancy caused by the resignation of Sri U.C. Sethia, of the Company by the Board of Directors and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, under section 257 of the Companies Act, 1956 from a member of the Company and who has consented, if appointed, to act as a Director of the Company, is hereby appointed as a Director of the Company, liable to retire by rotation".

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

REGISTERED OFFICE

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

Dated: 14TH August, 2008.

PAWAN KUMAR SETHIA
MANAGING DIRECTOR

NOTES:

1. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2008 to 26th September, 2008 (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.
5. Explanatory statements in respect of item 3 & 4 as required under Section 173(2) of the Companies Act, 1956 are annexed.

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

Item No. 3

Sri. 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 re-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 ordinary resolution mentioned at Item no. 3 of the Notice is submitted to the members for 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.

Item No. 4

Sri Hansraj Sethia has over 50 years experience in Logistics & related industries. The participation of Sri Hansraj Sethia as a Director of the Company will add considerable value to the direction and growth of the Company. Mr. Hansraj Sethia who if appointed shall be liable to retire by rotation, in accordance with the provisions of the Articles of Association of the Company. The ordinary resolution mentioned at Item no. 3 of the Notice is submitted to the members for approval.

Save and except Mr. Hansraj Sethia 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: 14TH August, 2008.

PAWAN KUMAR SETHIA
MANAGING DIRECTOR



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

Name :	Sri Hansraj Sethia	Sri Madanlal Agarwal
DIN:	01636618	00272513
Age:	80 years	70 years
Date of Appointment :	31 st July, 2007	10 th August, 2007
Academic Qualification :	Under Graduate	Under Graduate
Nature of expertise in functional Areas :	Entrepreneur par Excellence with over 50 years experience in Transport Trade Organization & Operations.	Enriched Expertise in Travel & Transport Industry for over 40 years
Interest in Other Companies & nature :	NIL	Gandhamardhan Sponge Industries Pvt Ltd – Director
Membership of committees in other Concerns :	NIL	NIL

The above report had been taken on record at the meeting of the Board of Director's held on 14th August, 2008.

Dated: 14th August, 2008
Place: Kolkata

For & on Behalf of the Board

Pawan Kumar Sethia
Managing Director

DIRECTOR'S REPORT

To the Members:

Your Director's herewith present the 14th Annual report of the Company along with the Audited Accounts for the year ended 31st March,08.

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

Particulars	Year Ended 31-03-08	Year Ended 31-03-07
Total Earnings	1706.21	1489.18
Total Expenditure	1906.31	1480.04
PBDIT	-200.10	9.14
LESS: Finance Charges	5.67	5.52
Depreciation	14.91 (20.58)	15.62 (21.14)
Profit / Loss before Tax	(220.70)	(12.00)
Provision for Tax	(1.14)	(.93)
Profit / Loss after Tax	(221.84)	(12.93)
Accumulated Profit / Loss b/f	(1183.32)	(1170.39)
Adjustment relating to assets withdrawn Loss on sale of Investment	(1.14)	
Profit/Loss for appropriation	(1406.30)	(1183.32)
Profit / Loss c/f	(1406.30)	(1183.32)

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-

After resumption of operation in Kolkata the company faced stiff competition for gaining back the old cliental. With the limited resources in hand your Directors had put in their best efforts and in absence of external funding support, revival based upon internal accruals involves a longer gestation period and even more of patience and perseverance to bear with. The rising fuel cost has also impacted the operational cost and resulted in reduced margins, as the impact could not have been passed on to the customers' due to competitive pricing in the markets.

FUTURE OUTLOOK-

Today India has moved from being known as a developing economy, to being recognised as the back office of the world to now being applauded as a manufacturing and outsourcing hub, a force to be reckoned with! The demand for outsourcing logistics solutions will pick up momentum in the next few years. Organised integrated logistics solutions providers will be key beneficiaries on their capability to provide superior quality, low cost service in terms of network, infrastructure, fully integrated services and IT. The company is concentrating on reviving its business in the Western Sector & the progress has been satisfactory.

IMMEDIATE CONCERNS-

The logistics industry is characterized by the presence of numerous unorganized players who give stiff competition to the company at local and regional level. The 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. Rising fuel costs remain to be a cause of worry.

EMPLOYEE RELATIONS-

The Company is left with very few persons, which fits the existing requirement. Your Directors had taken cognizance of manpower and dare 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-

- a) Sri Madanlal Agarwal who was appointed as an Additional Director of the Company by the Board of Directors and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, under section 257 of the Companies Act, 1956 from a member of the Company and who has consented, if appointed, to act as a Director of the Company, is hereby appointed as a Director of the Company, liable to retire by rotation. In view of the considerable experience of Sri Madanlal Agarwal your Directors recommend their appointment.
- b) Sri Hansraj Sethia who was appointed as Director in casual vacancy caused by the resignation of Sri U.C. Sethia, of the Company by the Board of Directors and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, under section 257 of the Companies Act, 1956 from a member of the Company and who has consented, if appointed, to act as a Director of the Company, is hereby appointed as a Director of the Company, liable to retire by rotation. In view of the considerable experience of Sri Hansraj Sethia your Directors recommend their 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 relating to 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-

The Company is committed to uphold the highest standards of corporate governance and adhere to the requirements set out by the Securities & Exchanges Board of India. A detailed section on Corporate Governance pursuant to the requirements of Clause 49 of the listing agreement forms part of 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 Directors take this opportunity to convey their sincere appreciation to the Shareholders for their valuable support and continued confidence in the Company. Your Directors are also deeply grateful to Company's associates, suppliers, Government authorities for their continued support.

For & on Behalf of the Board

Dated: 14th August, 2008
Place: Kolkata

Pawan Kumar Sethia
Managing Director

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2008.

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 is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The basic philosophy of Corporate governance in the Company is to achieve business excellence and dedicate itself for increasing long term shareholder value, keeping in view the needs and interests of all its stakeholders. 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. Sri Hansraj 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) |
| v. Sri Madan Agarwal | -- Director (Non Executive/ Additional) |

b. Attendance:

During the financial year 2007-2008, Four (5) 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	30.04	31.07	14.08	31.10	31.01	ATTENDED	AGM 26/09/07
Sri H.R. Sethia	YES	YES	YES	YES	YES	05	Present
Sri M.P. Goenka	YES	YES	YES	YES	YES	05	Present
Sri P.K. Sethia	YES	YES	YES	YES	YES	05	Present
Sri Arun Sethia	YES	YES	YES	YES	YES	05	Present
Sri Madan Agarwal	YES	YES	YES	YES	YES	05	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 5 times during the Financial Year under reference on the dates preceding the Board Meetings and the attendance therein is stated as under:

Names	30.04	31.07	14.08	31.10	31.01	Total
Sh. M.P. Goenka	YES	YES	YES	YES	YES	05
Sh. Pawan Kr. Sethia	YES	YES	YES	YES	YES	05
Sh. Arun Kumar Sethia	YES	YES	YES	YES	YES	05

Terms of Reference -

- Review of Unaudited Financials.
- Review of Annual Accounts.
- Management representations & Co-ordinations of Statutory Audit.
- Internal Audit Appraisals and Review of Internal Controls.
- Review & assessment of Compliance under applicable laws.
- 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 Director's (2007-2008)

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

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 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 31.03.08-

Total no. of Complaint / queries received: 3

No. of Complaints / Queries disposed: 3

Directly : 1 nos. , Through RTA : 2 nos.

No. of Complaints / Queries pending as on 31.03.2008 – NIL

6. GENERAL MEETINGS:

Sl. No.	Nature of Meeting	Date	Time	Venue	Voting through Postal Ballots
1.	Annual Meeting (11 th) General	26-09-05	10:00 AM	Bhartiya Bhasa Parishad 36A, Shakespeare Sarani Kolkata – 700 017.	No
2.	Annual Meeting (12 th) General	25-09-06	10:00 AM	-do-	No
3.	Annual Meeting (13 th) General	26-09-07	10:00 AM	Baishakhi Housing Club, No.2 Deodhar Rahman Road, Kolkata – 700 033	No

7. DISCLOSURES:

- There were no related party transactions, materially significant for the disclosures in specific were made during the year ended 31.03.08, other than as disclosed by way of Notes on Accounts.
- 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.
- 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:

- 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.
- 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.
- The Management Discussions and analysis is presented as a part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION:

- | | |
|-------------------------------|---|
| (i) AGM date, time & venue: | 26 th September, 2008 at 10:00 AM.
Baishakhi Housing Club,
No.2 Deodhar Rahman Road, Kolkata – 700 033 |
| (ii) Financial Year: | 1 st April, 2007 to 31 st March, 2008 |
| (iii) Book Closure : | 22 nd September, 2008 to 26 th September, 2008 (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 |