

**ANNUAL
REPORT
2007-2008**



GLOBAL CAPITAL MARKETS LIMITED



BOARD OF DIRECTORS

I. C. BAID	Director
AMITABH SHUKLA	Director
A. K. DAS	Director
L. N. SHARMA	Director

COMPANY SECRETARY

POOJA AGARWAL

BANKERS

AXIS BANK
INDIAN OVERSEAS BANK
UNITED BANK OF INDIA
INDUSIND BANK LIMITED
HDFC BANK
ICICI BANK

AUDITORS

M/s. MITRA DEBMALLIK & CO.
Chartered Accountants
9, Kiran Sankar Roy Road, Kolkata - 700 001
Phone : 2248 4469

REGISTRARS & SHARE TRANSFER AGENTS

R & D INFOTECH PVT. LTD.
22/4, Nakulaswar Bhattacharjee Lane, Kolkata - 700 026
Phone : 2463 1657, 2463 1658
E-mail : rdinfotec@yahoo.com • Website : www.rdinfotech.org

REGISTERED OFFICE

Sir R. N. M. House
3-B, Lal Bazar Street, 5th Floor, Kolkata - 700 001
Phone : 2248 9908, 2248 1053
E-mail : global1995@rediffmail.com • Website : www.gcminfoline.com

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given that Nineteenth Annual General Meeting of the members of M/s. Global Capital Markets Ltd. will be held on Friday 26th day of September, 2008 at 10.00 a.m. at Shyamal Smriti Parishad, 30 Dr. Nagen Ghosh Road, Kolkata - 700 031 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2008, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Amitabh Shukla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider, and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. MITRA DEBMALLIK & CO., Chartered Accountants, the retiring Auditor of the Company be and are hereby reappointed as Auditor of the Company from the conclusion of this Annual General Meeting and until the conclusion of the next Annual General Meeting and that the Board of Directors/Audit Committee of Directors of the Company be and is hereby authorized to fix their remuneration plus reimbursement of any out-of-pocket expenses that may be incurred, in connection with the audit."

M/s. MITRA DEBMALLIK & CO. have intimated the Company that, if reappointed, their appointment will be within the limit laid down under Section 224 of the Companies Act, 1956.

Registered Office :
Sir RNM House, 5th Floor
3-B, Lal Bazar Street
Kolkata - 700 001
Date : 31st July, 2008

By Order of the Board
For Global Capital Markets Ltd.

L. N. SHARMA
Director

NOTES :

1. A Member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The instrument appointing a Proxy must be lodged at the Registered Office of the Company at least 48 hours prior to the time of the meeting.
3. The Share Transfer Books and the Register of Members of the Company will remain closed from September 22nd, 2008 to September 26th, 2008 (both days inclusive).
4. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting.
5. Members, who hold shares in de-materialized form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting.
6. Members holding shares in physical form are requested to notify immediately any change in their address and bank particulars to the Company or Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective depository participants and not to the Company or Share Transfer Agent, without any delay.
7. In all correspondence with the Company, members are requested to quote their account/folio nos. and in case their shares are held in dematerialized form, they must quote their DP ID and Client ID No.
8. Members holding shares in physical form can now avail the facility of Nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. The prescribed form (Form 2B) can be obtained from the office of the STA of the Company. Members desiring to obtain this facility, may send their Nomination Form (in duplicate) duly filled in, to the Company or its Share Transfer Agent by quoting their respective folio nos.
9. Investors/Shareholders are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and Share Certificate etc., are not received from their DPs by the Registrar within 15 days from the date of generation of the DRN for dematerialization, the DRN will be treated as rejected/ cancelled. This step is being taken on the advice of National Securities Depository Limited (NSDL) so that no Demat request remains pending beyond a period of 21 days. Upon rejection/cancellation of the DRN, a fresh DRF has to be forwarded along with the share certificates by the DPs to the Registrar. This note is only to caution the investors/shareholders that they should ensure their DPs do not delay in sending the DRF and share certificates to the Registrar after generating the DRN.



DIRECTORS' REPORT

TO THE SHAREHOLDERS

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

Financial Results

	(Rs. in lacs)	
	Year ended 31-3-2008	Year ended 31-03-2007
Total Income	272.79	155.21
Profit/(Loss) before Depreciation & Tax	214.93	127.79
Less: Depreciation	31.94	22.66
Profit/(Loss) before tax	182.99	105.13
Less : Provision for taxation		
Current	54.01	19.56
Deferred	4.34	14.68
Fringe Benefit	1.19	0.14
	59.54	34.38
Profit/(Loss) after tax	123.45	70.75
Special Reserve under Section 451C of RBI Act, 1934	24.69	14.15
	98.76	56.60
Add : Balance brought forward from previous year	(94.16)	(150.76)
Balance carried forward	4.60	(94.16)

DIVIDEND

The Company has not declared any dividend for the year ended 31st March, 2008.

PRESENT PERFORMANCE AND FUTURE PROSPECT

Like earlier years, your company has been able to maintain upward trend of profitability. A buoyant capital market environment and a robust economic growth coupled with a improved GDP growth witnessed by our country has also helped your company to post all round improvement in its performance. Its income has improved by 75.76%, Operating Profit (Profit before Depreciation) by 68.19%, Profit before Tax (PBT) by 74.06% and Profit after Tax (PAT) by 74.50% as compared to last year. The Company has been able to utilize its fund in a better manner which has helped to increase its interest income by 75.76%. With our economy maintaining the same level of growth pattern and our capital market showing stability, your company is sure to post a higher growth in the years to come.

FUTURE PLANNING & PROSPECT

Your Company is also considering to diversify its activities in the field of Real Estate / Construction activities and Export/Import of tradable items. To capitalize the high growth in the construction and Real Estate sector, your Company is considering to enter into joint venture for construction and development of township, hotels, resorts, amusement park and residential-cum-commercial complexes. The total project cost for the same is estimated around \$300 million which shall be mainly raised through External commercial Borrowings (ECBs) and / or private placement of equity shares to overseas entities. Recently, the concept of generating power / energy through use of wind power technology has become very popular all over the world as it is pollution free and cost of generation is cheaper as compared to the conventional system of generating energy. In India, the Central Government and the State governments are offering various concession in terms of lower customs duty and cess and providing long term finances at a competitive rate of interest. Your Company is also considering the proposal to set up wind power projects through joint venture with any overseas entities. The company is also looking into the prospect of export and import of tradable and retail items to / from European countries. It has already obtained necessary Export / Import Code (IEC) (Office of the JT. Director General of Foreign Trade) in this respect.

DIRECTORS

Shri Amitabh Shukla retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

**AUDITORS**

M/s. MITRA DEBMALLIK & CO., Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a certificate from them to the effect that their reappointment as Auditors, if made, would be within the limits as prescribed under Section 224(1-B) of the Companies Act, 1956.

FIXED DEPOSIT

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 and Rules made there under.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company comes under the category of Non-Banking Financial Company, there was no scope for conservation of energy or technology absorption.

There was no foreign exchange earnings/outgo during the year under review.

PARTICULARS OF EMPLOYEES

No employee of the Company is covered by Section 217(2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

CASH FLOW STATEMENT

The Cash Flow Statement for the year ended 31st March, 2008 pursuant to Clause 32 (as amended) of the Listing Agreement with Stock Exchanges is annexed herewith.

CORPORATE GOVERNANCE

Your Company complies with all the mandatory requirements of the Listing Agreement entered into with stock exchanges pertaining to Corporate Governance, in terms of revised Clause 49 of the Listing Agreement. A detailed report on Corporate Governance has been included in this report along with a Certificate from the Company's Auditor regarding Compliance of Corporate Governance. Further, a separate Management Discussion and Analysis Report is also given in this report.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act 1956, the Directors report that :

1. The preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to Standard Accounting Practices.
2. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

APPRECIATION

Your Directors express their feelings of gratitude for the assistance and co-operation extended by Banks, Government authorities, Shareholders, Suppliers and Customers of the Company.

The Directors wish to extend their sincere thanks to each and every employees of the Company for their dedicated contribution and look forward the continuance of it in the times to come.

For and on behalf of the Board of Directors

Kolkata,
July 31, 2008

L. N. SHARMA
Director

**CORPORATE GOVERNANCE REPORT**

The Company pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance :

Company's philosophy on Code of Corporate Governance

Commitment to values, fair play and transparency are the cornerstones of the principles of Corporate Governance. The Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders. A company which maintains a good practice of Corporate Governance would be able to optimize the use of financial and human resources at its disposal resulting into various benefits to the investors, customers, creditors, employees and the society in general.

Our Company believes that all its operations and activities must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

Board of Directors**(a) Composition of the Board**

The Board has presently four members out of which three are non-executive Directors. The Board members comprises of professionals possessing required skills, experience and expertise necessary to manage the Company. Normally, the Board meets once in every quarter to review the Company results and all other matters materials in nature. The particulars of the Directors and their attendance at the Board Meeting and committee meeting during the year and last AGM and also their number of directorship and committee membership as on 31/03/2008 are given herein below :

Name of Director	Category of Director	No. of other Directorship held	No. of other Board Committee(s) of Which he is a Member	No. of other Board Committee(s) of which he is Chairman
Mr. I. C. Baid	Promoter-Non Executive	Two	Nil	Nil
Mr. L. N. Sharma	Executive	Nil	Nil	Nil
Mr. A. K. Das	Independent-Non Executive	One	Nil	Nil
Mr. Amitabh Shukla	Independent-Non Executive	Nil	Nil	Nil

(b) Details of sitting fees, remuneration etc. paid to Directors.

Name of Director	Sitting fees for attending Meetings of the Board and/or Committee thereof	Remuneration paid during 1st April, 2007 to 31st March, 2008
Mr. I. C. Baid	Rs. 9,000/-	—
Mr. A. K. Das	Rs. 9,000/-	—
Mr. L. N. Sharma	Rs. 9,000/-	—
Mr. Amitabha Shukla	Rs. 9,000/-	—



(c) Number of Board Meetings held and attended by Directors

- (i) Four Meetings of the Board of Directors were held during the year 1st April, 2007 to 31st March, 2008.

These were held on :

1. 30th June, 2007
2. 31st July, 2007
3. 26th October, 2007
4. 31st January, 2008

- (ii) The attendance record of each of the Directors at the Board Meetings during the year ended on 31st March, 2008 and at the last Annual General Meeting is as under :

Name of Director	No. of Board Meetings attended	Attendance at the last AGM
Mr. I.C.Baid	4	Yes
Mr. A.K.Das	4	Yes
Mr. L.N.Sharma	4	Yes
Mr. Amitabh Shukla	4	Yes

Audit Committee**(a) Composition, names of members and Chairperson**

Presently, the Audit Committee comprises of the following independent Directors :

- 1) Mr. I. C. Baid
- 2) Mr. Amitabh Shukla
- 3) Mr. A. K. Das

Mr. A. K. Das is the Chairman of the Committee

(b) Terms of Reference

The terms of reference of the Audit Committee, as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, are as follows :

Oversight of the Company's financial reporting process and the disclosure of its financial information.

Recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services to be undertaken by the Auditors.

Reviewing with management the annual financial statements with reference to any changes in accounting policies and practices, major accounting entries based on exercise of judgment by management, qualification in draft audit report, significant adjustment arising out of audit, the going concern assumptions, compliance with accounting standards, compliance with stock exchanges, SEBI, RBI and any other regulatory authority concerning financial statements and any related party transactions that may have potential conflict with the interests of the Company at large.

Reviewing the adequacy of internal control system and inter audit functions.

Reviewing the nature and scope of external and internal audit.

Reviewing the Company's financial and risk management policies.

**(c) Meetings and attendance during the year**

The Audit Committee meetings were held on 30th June, 2007, 31st July, 2007, 26th October, 2007 and on 31st January, 2008. The attendance of each Committee member is as under :

Name of Director	No. of Meetings attended
1) Shri I. C. Baid	4
2) Shri A. K. Das	4
3) Shri Amitabh Shukla	4

Remuneration Committee

The Remuneration Committee during the year comprised of three Directors namely, Shri I. C. Baid, Shri A. K. Das and Shri L. N. Sharma. The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. However, none of the Directors has taken any remuneration from the Company in the year under review except Meeting Fees.

Shareholders / Investors Grievance Committee

The Company has formed "Shareholders/Investors Grievance Committee" comprising of Non-executive Directors viz., Shri I. C. Baid, Shri A. K. Das and Shri Amitabh Shukla to specially look into the redressing of shareholders and investors complaints. The committee oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services. The Committee meets twice in a month to avoid any delay in transfer process.

The Company has authorized the Directors severally to approve the share transfer.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (duly amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorised the Committee to implement and monitor the various requirements as set out in the code.

There were no complaints pending for reply as on 31st March, 2008. There were no share transfers pending for registration as on the said date.

Board Procedure

The members of the Board have been provided with the requisite information mentioned in the listing agreement well before the Board Meetings and the same were dealt with appropriately.

All the directors, who are on various committees, are within the permissible limits stipulated in the listing agreement. The Directors have intimated from time to time about their membership in the various committees in other companies.

CEO/CFO Certification

The CFO appointed for the purpose of Clause 49 have given the necessary certificate to the Board in the prescribed format.

Compliance Certificate

Compliance certificate for Corporate Governance from Auditors of the Company is annexed herewith.

General Body Meetings

(a) The details of the previous three Annual General Meetings held is as under :

AGM	Financial Year	Day/Date Accounting Period	Time	Venue
1.	1.4.2004 - 31.3.2005	Thursday	10.00 A.M. 29.09.2005	30, Dr. N. G. Road, Kolkata - 700 031
2.	1.4.2005 - 31.3.2006	Tuesday	10.00 A.M. 26.09.2006	- Do -
3.	1.4.2006 - 31.3.2007	Thursday	10.00 A.M. 27.09.2007	- Do -



- (b) Whether special resolutions were put through postal ballor last year ? No
- (c) Are special resolutions proposed to be put through postal ballot this year ? No

Disclosures

- (i) There are no materially significant transactions with related parties viz., Promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest.
- (ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. These are widely published in national and regional newspapers.

General Shareholder Information

Annual General Meeting to be held on Friday, the 26th September, 2008 at 10.00 A.M. at Shyamal Smriti Parishad at 30, Dr. Nagen Ghosh Road, Kolkata - 700 031

Financial Calendar : 2008-2009

First Quarterly Results	Before end of July, 2008
Second Quarterly Results	Before end of October, 2008
Third Quarterly Results	Before end of January, 2009
Audited Results for the Y. E. 31st March, 2009	Before end of June, 2009

Dates of Book Closure

Monday the 22nd September 2008 to Friday the September 26th, 2008 (both days inclusive).
Dividend payment date : The Company has not declared any dividend for the current financial year.

Listing on Stock Exchanges

The Equity Shares of the Company are presently listed at the following Stock Exchanges :

The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
The Calcutta Stock Exchange Association Ltd., 7, Lyons Range, Kolkata - 700 001.

Company Stock Code**Equity Shares**

The Stock Exchange, Mumbai	530263
The Calcutta Stock Exchange Association Ltd.	17056

Market Price Data

Month	CSE			BSE		
	High Rs.	Low Rs.	Volume Nos.	High Rs.	Low Rs.	Volume Nos.
April, 2007	—	—	—	—	—	—
May, 2007	—	—	—	—	—	—
June, 2007	—	—	—	—	—	—
July, 2007	—	—	—	11.96	7.27	56,495
Aug. 2007	—	—	—	7.90	6.50	56,781
Sept. 2007	—	—	—	8.85	6.73	54,485
Oct. 2007	—	—	—	8.08	6.60	38,334
Nov. 2007	—	—	—	7.65	6.43	47,904
Dec. 2007	—	—	—	13.73	6.94	81,532
Jan. 2008	—	—	—	21.00	12.00	6,54,620
Feb. 2008	—	—	—	16.18	10.05	16,46,153
Mar. 2008	—	—	—	15.85	11.00	54,97,416

**Registrar and Transfer Agents**

R & D Infotech Private Limited
 22/4, Nakuleshwar Bhattacharjee Road, Kolkata - 700 026.
 Telephone : (033) 2463 1657/58
 Fax : (033) 2463 1658
 Email : rdinfotec@yahoo.co.in : rd.infotech@vsnl.net

Share Transfer System

Share transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are complete in all respects.

Distribution of share holding

The distribution of shareholding of Equity Shares as on 31st March, 2008 is given below :

Category	No. of Shares	% age	No.of	% age Shareholders
1 - 500	13,93,596	5.89	10,551	90.68
501 - 1000	3,38,852	1.42	398	3.42
1001 - 2000	3,03,813	1.28	199	1.71
2001 - 3000	1,76,343	0.75	67	0.57
3001 - 4000	1,33,132	0.56	36	0.31
4001 - 5000	1,67,141	0.71	35	0.30
5001 - 10000	9,05,430	3.82	107	0.91
10001 - 50000	36,78,063	15.52	169	1.45
50001 - 100000	21,03,233	8.87	28	0.25
Above 100001	1,44,98,897	61.18	46	0.40
TOTAL	2,36,98,500	100.00	11,636	100.00

Shareholding pattern as on 31st March, 2008

	% holding
Promoters	5.255
Mutual funds & UTI	0.431
Private Corporate Bodies	61.905
Indian Public	32.409
Total	100.000

Dematerialisation of Equity Shares

As per SEBI Directives the equity shares of the Company are to be traded only in D'mat form for all investors. Nearly, 65.67% of total equity share capital is presently held in dematerialised form with NSDL and CDSL.

The ISIN No. allotted to equity shares of the Company is : INE 062C01018.

Address for correspondence

Sir R N M House
 3-B, Lal Bazar Street, 5th Floor
 Kolkata - 700 001

Contact Person : Mr. Amalesh Sadhu - Secretarial

Designated ID under clause 47(F) of the Listing Agreement : global1995@rediffmail.com

The above report has been placed before the Board at its meeting held on 31st July, 2008 and the same was approved.

For and on behalf of the Board of Directors

Kolkata,
 July 31, 2008

L. N. SHARMA
 Director



CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

The Members,
Global Capital Markets Ltd.

We have examined the compliance of conditions of Corporate Governance by **Global Capital Markets Limited** for the year ended March 31, 2008 as prescribed in Clause 49 of the Listing Agreement of your Company with various stock exchanges, Compliance with the conditions of corporate governance laid down is the responsibility of the management and our examination was limited to procedures adopted and their implementation by the Company to ensure that the conditions of Corporate Governance have been complied with. Our examination was neither an audit nor is this certificate an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions on Corporate Governance as stipulated in the above Listing Agreements. We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/investors grievance committee. We further state that such compliance is neither an assurance regarding the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
MITRA DEBMALLIK & CO.
Chartered Accountants

M. DEBMALLIK
Partner
Membership No. 300-50646

Kolkata
30th June, 2008



COMPLIANCE CERTIFICATE FROM COMPANY SECRETARY

To
The Board of Directors
GLOBAL CAPITAL MARKETS LIMITED

I have examined the registers, records and papers of **GLOBAL CAPITAL MARKETS LIMITED** as required to be maintained under the Companies Act, 1956, the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company (the requirements) for the year ended March 31, 2008.

Based on my examination as well as information and explanations furnished by the Company to me and the records made available to me, I report that.

The Company is a Listed Company.

All the requisite registers and other records required under the Act and Rules made there under have been maintained in accordance with the requirements.

All the requisite forms, returns and documents required under the Act and Rules made there under have been filed with the Registrar and other authorities as per the requirements.

All the requirements relating to the meetings of directors, shareholders, creditors and other (wherever applicable) as well as relating to the minutes of the proceedings there at have been complied with.

No new appointment of directors and/or other officers of the Company have been made during the financial year.

Due disclosure under the requirements have been made by the Company. It has also complied with the requirements in pursuance of the disclosure made by its Directors.

The issue of Capital and Securities is in conformity with the requirements.

The company has entrusted the work of Share transfers and other related matters to M/s. R & D Infotech Pvt. Ltd. Kolkata and the compliance of various provisions of the Companies Act as regards transfer and transmission of shares etc. has been monitored by the Company through its compliance officer from time to time.

Loans and Investments have been made by the Company in accordance with the requirements.

All necessary approvals of Directors, Shareholders, Central Government and other authorities, if any, wherever required have been obtained.

Kolkata
30th June, 2008

Debashish Mukhopadhyay
Company Secretary

**MANAGEMENT DISCUSSION AND ANALYSIS****Financial Performance**

The Company's Gross Income for the financial year ended 31st March 2008 stood at Rs.272.79 lacs as compared to 155.21 lacs in the previous year thereby registering a growth of 75.75 % on YOY basis. The Operating Profit (PBDIT) also registered a growth of 68.18 % amounting to Rs.214.93 lacs

Non-cash expenses (Depreciation) increased by 41% amounting to Rs.31.93 lacs (previous year: Rs.22.66 lacs). Net Profit (PAT) was higher by 74.07% amounting to Rs.182.99 lacs (Previous year: Rs.105.13 lacs). Higher income resulted in higher tax outgo. The company has paid/made provision for taxation of Rs.54.01 lacs for the current year.

Out of Net Profit, the company has transferred Rs.24.69 lacs to Special Reserve Fund pursuant to Section 45IC of the Reserve Bank of India Act, 1934 .

The Company has been able to maintain higher growth in Income and Profit in both the sector viz., Capital Market Operations and Interest Income. Its disbursement of loans as at 31st March 2008 stood at 1982.21 lacs as compared to Rs.1514.03 lacs as at 31st March 2007.

Industry Structure and Developments

The Operations of Non Banking Financial Companies (NBFCs) are being regulated and supervised by Reserve Bank of India in terms of powers conferred up on it under Chapter III – B of Reserve Bank of India Act, 1934. The regulatory and supervisory framework for NBFCs have been continuously strengthened in order to ensure strong and healthy functioning of the financial services sector.

The NBFC sector in India has become very matured with reduced dependence on acceptance of public deposits as part of its overall funding. The NBFC sector plays a vital role in funding various projects and working capital requirement by the corporate sector for long term as well as short term basis.

The buoyant economic environment and positive GDP growth got the attention of the global investors and the FII inflows continued even in the current fiscal. The net investments by FIIs touched USD 7 billions in the month of September 2007. Higher capital inflow along with encouraging performance by Indian corporate sector helped the equity market to grow substantially. The average daily market volume/ turnover in cash segment of NSE touched Rs.20,000 crores in October 2007. Also, the average volume in derivative segment which was Rs.29,543 crores in the year 2006-07 touched a high of Rs.83,348 crores in October 2007. The year has seen considerable growth in the mutual fund sector and the total assets under various mutual fund schemes at the end of the year stood at Rs.5 lacs crores. The last financial year also witnessed some major IPOs raising fund from the Indian capital markets like DLF Ltd and Reliance Power Ltd. However, the market witnessed major correction in the last quarter of the financial year 2007-08 due to sub prime crisis in the housing sector and its related negative impact on the overseas markets. The negative quarterly performance by some of the leading FIIs and investment bankers of the world impacted severely all the major market indices worldwide and our BSE SENSEX and NIFTY also corrected by more than 30% from their peak level. Continuing negative global trends coupled with steep price rise in crude oil continues to cast a shadow on the outlook of the market in the near future.

Opportunities & Threats

Indian Financial Market has a very high growth potential and the macro economic fundamentals are also strong enough to help the country to sustain its growth potential resulting into higher disposable income and a larger number of investors. The quantum of growth in resource mobilization by mutual fund industry along



with introduction of new products like mini derivative contracts, Securities Lending and Borrowing Scheme, etc. in F & O Segment would provide a significant business opportunity for our company.

The recent turmoil in the world market due to sub prime crisis which led to liquidity crunch in the market may have adverse impact on the future performance of the company.

Risks and Concerns

The recent sharp fall in the equity market and substantial reduction in volume and liquidity may have adverse impact on the performance of the company. Our Company is exposed to specific risks that are particular to its existing businesses and environment including interest rate volatility, economic cycle, market risk and credit risk. Our Company manages these risks by following a conservative and prudent business strategy and risk management practices. A dedicated customer base and adoption of prudential business strategies would help our company to perform consistently despite such stiff competition and difficult conditions.

Adequacy of Internal Control System

Our Company follows an extensive internal control system to ensure that all its financial assets are safeguarded and all transactions are authorized and supported by prudential business norms.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee reviews the adequacy of internal control system on regular basis.

Fulfillment of RBI Norms and Standards

The company continues to fulfill all the norms and standards laid down by RBI as applicable to the Company.

Human Resource Development

The Company has a team of experienced professionals to guide its investments strategies.

Cautionary Statement

Statements in the Management Discussion and Analysis regarding the Company's objectives, estimates and expectations are within the scope of applicable laws and regulations. Actual performance might differ from those either expressed or implied.

**AUDITORS' REPORT
TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of **GLOBAL CAPITAL MARKETS LIMITED** as at 31st March, 2008 and the relative Profit & Loss Account for the year ended on that date of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

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 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.

As required by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (The 'Act') and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the attached Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

1. 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.
2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books of accounts.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the said books of accounts as examined by us.
4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report are prepared in compliance with the Accounting Standards referred in Section 211 (3C) of the Companies Act, 1956 to the extent applicable.
5. On the basis of written representations received from the Directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2008 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the 'Act'.
6. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit & Loss Account together with the notes thereon and attached thereto give in the prescribed manner the information required by 'the Act' and also give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2008;
 - b) in the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **MITRA DEBMALLIK & CO.**

Chartered Accountants

M. DEBMALLIK

Partner

Membership No. 300-50646

Kolkata
30th June, 2008

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 situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern.
- ii. (a) The Stock-in-trade has been physically verified by the management at reasonable intervals during the year.
- (b) The procedure of physical verification of stock of shares followed by the management is reasonable and adequate in relation to the size of the company and nature of business.
- (c) The Company is maintaining proper records of inventory. No discrepancies were noticed on physical verification of stock of shares as compared to book records.
- iii. (a) As per the information furnished by the company, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 during the year.



- (b) Not Applicable
- (c) Not Applicable
- (d) Not Applicable
- (e) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (f) Not Applicable
- (g) Not Applicable
- iv. In our opinion and in accordance with the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in these internal controls.
- v. (a) According to the information and explanations given to us, in our opinion the transactions that need to be entered in register maintained under Section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
(b) In our opinion and the information and explanations given to us, the aforesaid transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public to which the provisions of Section 58-A and 58-AA of the Companies Act, 1956 and rules framed thereunder apply.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of business.
- viii. Not Applicable.
- ix. (a) According to the records of the Company, Provident Fund and Employees State Insurance Act, 1948 is not applicable to the Company and that the operations of the company during the year did not give rise to any sales tax, wealth tax, custom duty and excise duty.
(b) According to the information and explanations given to us, there were no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- x. Not Applicable.
- xi. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any bank or financial institution.
- xii. On the basis of the records examined by us and the information and explanations given to us, the Company has not granted any loans/or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii. As the company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4(xiii) of the Order are not applicable to the company.
- xiv. The Company is dealing in shares, debentures and securities. On the basis of examination of records and the information and explanation given to us, we are of the opinion that the Company has maintained proper records of transactions and contracts for purchase and sale of shares and timely entries have been made by the Company in such records. The shares and debentures are held in the name of the Company.
- xv. As the Company has not given any guarantee for loans taken by others from banks or financial institutions, clause 4(xv) of the Order is not applicable to the company.
- xvi. As the Company has not taken any term loans from any bank or financial institutions, clause 4(xvi) of the Order is not applicable to the company.
- xvii. In our opinion and the information and explanations given to us, the company has not raised any fund on short term basis. Hence clause 4(xvii) of the Order is 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
- xix. The Company has not issued any debenture during the year.
- xx. The Company has not raised any money by public issue during the year and hence clause 4(xx) of the Order is not applicable to the Company.
- xxi. To the best of our knowledge and according to the information and explanations given to us and the records of the Company examined by us, no fraud of material nature on or by the Company was noticed or reported during the year.

For **MITRA DEBMALLIK & CO.**
Chartered Accountants
M. DEBMALLIK
Partner
Membership No. 300-50646

Kolkata
30th June, 2008

**BALANCE SHEET AS AT 31ST MARCH 2008**

	Schedule No.	As at 31st March, 2008		As at 31st March, 2007	
		Amount		Amount	
₹		Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS					
Shareholders' Funds					
a) Share Capital	1	236,985,000		236,985,000	
b) Reserves & Surplus	2	18,645,715		6,300,734	
Deferred Tax Liability		3,658,531		3,224,166	
TOTAL		259,289,246		246,509,900	
II. APPLICATION OF FUNDS					
FIXED ASSETS	3				
a) Gross Block		23,168,452		20,588,691	
b) Less : Depreciation		8,294,357		5,702,225	
Net Block			14,874,095		14,886,466
INVESTMENTS	4		52,131,512		52,131,512
CURRENT ASSETS, LOANS & ADVANCES	5				
a) Current Assets		72,479,526		64,927,137	
b) Loans & Advances		235,678,510		197,938,470	
		308,158,036		262,865,607	
LESS :					
CURRENT LIABILITIES AND PROVISIONS	6				
a) Current Liabilities		115,229,526		84,866,423	
b) Provisions		3,937,286		1,799,677	
		119,166,812		86,666,100	
NET CURRENT ASSETS			188,991,224		176,199,507
MISCELLANEOUS EXPENDITURE	9		3,292,415		3,292,415
(to the extent not written off)					
TOTAL		259,289,246		246,509,900	
III. NOTES ON ACCOUNTS	10				

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

This is the Balance Sheet referred to in our Report of even date.

For MITRA DEBMALLIK & CO.

Chartered Accountants

M. DEBMALLIK

Partner

Kolkata, 30th June, 2008

For and on behalf of the Board

I. C. BAID

Director

A. K. DAS

Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2008**

	Schedule No.	Year Ended March 31, 2008 Amount Rs.	Year Ended March 31, 2007 Amount Rs.
INCOME			
Income from Operations		26,994,861	15,521,089
Dividend & Other Income	7	284,895	250
Total Income		<u>27,279,756</u>	<u>15,521,339</u>
EXPENDITURE			
Administrative & Other Expenses	8	5,786,961	2,742,430
Total Expenditure		<u>5,786,961</u>	<u>2,742,430</u>
PROFIT/(LOSS) BEFORE DEPRECIATION AND TAX		21,492,795	12,778,909
Depreciation		3,193,565	2,266,272
PROFIT/(LOSS) BEFORE TAX		18,299,230	10,512,637
Provision for Taxation			
Current		5,401,213	1,956,026
FBT		118,671	14,511
Deferred		434,365	1,467,740
Net Profit after Tax carried down		<u>12,344,981</u>	<u>7,074,360</u>

Profit & Loss Appropriation Account for the year ended 31.03.2008

By Net Profit brought forward	12,344,981	7,074,360
Special Reserve u/s. 45 IC of the RBI Act 1934	2,468,996	1,414,872
	<u>9,875,985</u>	<u>5,659,488</u>
Profit/(Loss) brought forward from previous year	(9,416,543)	(15,076,031)
Balance carried to Balance Sheet	<u>459,442</u>	<u>(9,416,543)</u>

NOTES ON ACCOUNTS 10

The Schedules referred to above form an integral part of the Profit & Loss Account.

This is the Profit & Loss Account referred to in our Report of even date.

For MITRA DEBMALLIK & CO.

Chartered Accountants

M. DEBMALLIK

Partner

Kolkata, 30th June, 2008

For and on behalf of the Board

I. C. BAID
Director

A. K. DAS
Director



SCHDULES TO THE ACCOUNTS

	As at 31st March, 2008 Rs.	As at 31st March, 2007 Rs.
1. SHARE CAPITAL		
AUTHORISED		
2,40,00,000 Equity shares of Rs.10/- each	240,000,000	240,000,000
ISSUED, SUBSCRIBED AND PAID-UP		
2,36,98,500 Equity shares of Rs.10/- each	236,985,000	236,985,000
TOTAL	236,985,000	236,985,000
2. RESERVES & SURPLUS		
General Reserve	12,485,190	12,485,190
Special Reserve (as per RBI Guidelines)	5,701,083	3,232,087
Profit & Loss Account	459,442	(9,416,543)
TOTAL	18,645,715	6,300,734

3. FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As on 01-04-2007	Additions during the year	Sales/ Adjustment	As on 31-03-2008	As on 01-04-2007	For the Year	On Sales Adjustment	As on 31-03-2008	As on 31-03-2008	As on 31-03-2007
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Data Processing Equipments	17,732,737	3,150,655	516,350	20,367,042	4,148,199	3,079,627	490,529	6,737,297	13,629,745	13,584,538
Plant & Machinery	1,817,206	63,000	117,544	1,762,662	1,134,590	48,185	110,904	1,071,871	690,791	682,616
Furniture & Fittings	1,038,748	—	—	1,038,748	419,436	65,753	—	485,189	553,559	619,312
TOTAL	20,588,691	3,213,655	633,894	23,168,452	5,702,225	3,193,565	601,433	8,294,357	14,874,095	14,886,466
Previous Year	12,371,739	8,216,952	—	20,588,691	3,435,953	2,266,272	—	5,702,225	14,886,466	8,935,786

4. INVESTMENTS

	Name of the Script	As at 31st March, 2008		As at 31st March, 2007	
		Qty Nos.	Value Rs.	Qty Nos.	Value Rs.
1	Bank of India	100	3,300	100	3,300
2	Bharat Commerce Ltd.	4	20	4	20
3	Essar Shipping Ltd.	183	5,966	183	5,966
4	GCM Securities Ltd.	910,000	45,500,000	910,000	45,500,000
5	J K Corpn. Ltd.	14	888	14	888
6	Motorol India Ltd.	500	1,000	500	1,000
7	Jacksons Investment Ltd.	662,000	6,620,000	662,000	6,620,000
8	Timken India Ltd.	4	338	4	338
	TOTAL	1,572,805	52,131,512	1,572,805	52,131,512

Market Value of Investment as on 31/03/2008

159,585,419

166,189,456

**SCHDULES TO THE ACCOUNTS**

	As at 31st March, 2008		As at 31st March, 2007	
	Rs.	Rs.	Rs.	Rs.
5. CURRENT ASSETS, LOANS & ADVANCES				
A. CURRENT ASSETS				
i) Stock-in-trade		32,573,053		51,198,863
ii) Sundry Debtors (Considered Good)				
a) Exceeding six months	2,020,498		948,181	
b) Other Debts	<u>17,512,700</u>	19,533,198	<u>5,157,436</u>	6,105,617
iii) Cash & Bank Balances				
Cash-in-hand	5,698,527		4,385,851	
With Scheduled Banks	<u>14,674,748</u>	20,373,275	<u>3,236,806</u>	7,622,657
(On Current Account)				
Total (A)		<u>72,479,526</u>		<u>64,927,137</u>
B. LOANS & ADVANCES				
(Unsecured, considered good)				
i) Loans		198,221,947		151,403,109
ii) Advances recoverable in cash/kind				
or for value to be received		30,465,428		42,355,262
iii) Advance payment of Tax & TDS		<u>6,991,135</u>		<u>4,180,099</u>
Total (B)		<u>235,678,510</u>		<u>197,938,470</u>
GRAND TOTAL (A+B)		<u>308,158,036</u>		<u>262,865,607</u>
6. CURRENT LIABILITIES & PROVISIONS				
A. CURRENT LIABILITIES				
Sundry Creditors		114,141,055		84,003,012
Other Liabilities		<u>1,088,471</u>		<u>863,411</u>
Total (A)		<u>115,229,526</u>		<u>84,866,423</u>
B. PROVISIONS				
Provisions for Taxation		<u>3,937,286</u>		<u>1,799,677</u>
Total (B)		<u>3,937,286</u>		<u>1,799,677</u>
GRAND TOTAL (A+B)		<u>119,166,812</u>		<u>86,666,100</u>



SCHEDULES TO THE ACCOUNTS

	Year Ended March 31, 2008		Year Ended March 31, 2007	
	Rs.	Rs.	Rs.	Rs.
7. OTHER INCOME				
Dividend		281,506		250
Profit on sale of Assets		3,389		—
TOTAL		<u>284,895</u>		<u>250</u>
8. OPERATING AND ADMINISTRATIVE EXPENSES				
Advertisement		29,233		50,484
Auditors' Remuneration				
Statutory Audit Fees	14,000		9,000	
Other Services	<u>3,000</u>	17,000	<u>6,500</u>	15,500
Bank Charges		44,901		21,562
Books & Periodicals		18,625		10,115
Computer Maintenance		89,888		—
Conveyance Expenses		64,965		—
Depository Charges		38,482		11,224
Directors sitting Fees		36,000		16,000
Electricity Charges		51,625		—
Filing Fees		1,500		1,500
General Charges		130,922		63,438
Insurance Charges		20,943		22,041
Interest Charges		197,093		—
Leave & License Fees		110,000		110,000
Listing & Registration Fees		205,650		97,500
Office Maintenance		122,753		75,728
Postage & Telegram		141,230		58,474
Printing & Stationary		103,354		91,607
Repair & Maintenance		255,263		146,854
Rent		459,000		360,000
Salary, Bonus, Allowances		1,966,855		1,374,860
Staff Welfare		175,990		62,383
Telephone		468,504		23,008
Tours & Travel		1,037,185		130,152
TOTAL		<u>5,786,961</u>		<u>2,742,430</u>
9. MISCELLANEOUS EXPENDITURE				
I) Preliminary Expenses				
Balance as per last account		3,292,415		3,292,415
Less : written off during the year		—		—
TOTAL		<u>3,292,415</u>		<u>3,292,415</u>



10. NOTES ON ACCOUNTS

1. Significant Accounting Policies

The accounts are prepared under the historical cost convention and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

The significant accounting policies followed by the Company are as stated below :

a. Inventories

Stock-in-trade has been valued at cost or market price whichever is lower.

b. Revenue Recognition

Items of Income and Expenditure are recognised on accrual and prudent basis.

c. Fixed Assets and Depreciation

Depreciation on fixed assets have been provided for on straight line method as per the rates prescribed under schedule XIV of the said Act.

d. Investments

Investments are valued at cost.

e. Taxes on Income

Provision for Current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax assets or liabilities arising on account of timing differences, which are capable of reversal in one or more subsequent years is recognised using the tax rates and tax laws that have been enacted or subsequently enacted. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are not recognised unless there is sufficient assurance that there will be sufficient future taxable income available to realise such losses.

f. Retirement Benefits

As none of the employees have completed the minimum length of service as provided in the Payment of Gratuity Act, 1972, no provision for gratuity is required to be made.

g. Miscellaneous Expenditure

No Miscellaneous Expenditure is written off during the year.

2. Deferred Taxation

The Company has accounted for Deferred Tax in accordance with the Accounting Standard 22 – “Accounting for Taxation on Income issued by ICAI. Current year’s deferred tax liability arising on account of timing difference in respect of depreciation has been provided for against current year’s income and credited to Deferred Tax Liability Account. However, Deferred Tax Assets in respect of unabsorbed depreciation and business losses have not been recognised since there is no reasonable certainty of realisation.

3. Earning per share (As per Accounting Standard 20)

Basis for calculation of basic and diluted earning per share is as under :

Particulars		2007-2008	2006-2007
Profit after taxation	Rs.	123,44,981	70,74,359
Weighted average no. of Equity Shares	Nos.	2,36,98,500	2,36,98,500
Basic and Diluted Earning per share	Rs.	0.52	0.30
Face value per share	Rs.	10/-	10/-



4. Related Party Disclosure (Accounting Standard 18)

A. Relationships

- (1) Wholly owned subsidiary - None
- (2) Associate Company - None
- (3) Companies under the common control of the Promoters
 - GCM Securities Limited
 - GCM Commodity & Derivative Pvt. Ltd.
- (4) Key Management Personnel
 - Mr. I. C. Baid
 - Mr. L. N. Sharma

B. Transactions

There has been no related party transactions during the year under review except Normal Share transactions executed through GCM Securities Ltd., Member of National Stock Exchange and M/s. I.C. Baid & Co., Member of Calcutta Stock Exchange.

5. Impairment of Assets

The management of the Company has, during the year carried out technological evaluation for identification of assets, if any, in accordance with Accounting Standard 28. Based on the judgment of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any assets.

6. Segment Reporting

The Company is currently engaged only in capital market operations and there are no separate reportable segment as per Accounting Standard 17.

7. Previous year's figures have been rearranged/regrouped wherever necessary including Cash Flow Statement.

**8. Additional Information as required under Part IV of Schedule VI to the Companies Act 1956****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No.	46292
State Code	21
Balance Sheet Date	31st March, 2008

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities	259,289
Total Assets	259,289

SOURCES OF FUNDS

Members' Capital	236,985
Reserves & Surplus	18,646
Deferred Tax Liability	3,658
Secured Loans	Nil
Unsecured Loans	Nil

APPLICATION OF FUNDS

Net Fixed Assets	14,874
Investments	52,132
Net Current Assets	188,991
Misc. Expenditure	3,292
Accumulated Losses	Nil

IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousand)

Total Income	27,280
Total Expenditure	8,981
Profit/(Loss) before Tax	18,299
Profit/(Loss) after Tax	12,345
Earning per share (in Re. Annualised)	0.52
Dividend Rate (%) (Pro-rata)	Nil

**V. GENERIC NAMES OF THREE PRINCIPLE PRODUCTS/SERVICES OF THE COMPANY
(As per Monetary terms)**

Item Code No. (ITC Code)	N.A.
Product Description	N.A.

**9. PARTICULARS IN RESPECT OF OPENING STOCK, PURCHASES, SALES AND CLOSING STOCK FOR THE YEAR ENDED 31ST MARCH, 2008**

OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
No. of Shares Debentures	Amount Rs.	No. of Shares Debentures	Amount Rs.	No. of Shares Debentures	Amount Rs.	No. of Shares Debentures	Amount Rs.
1,173,287	51,198,863	1,741,214	87,995,298	2,191,550	107,274,106	722,951	32,573,053
Previous Year 2,456,659	72,505,323	389,430	31,017,712	1,672,802	54,022,560	1,173,287	51,198,863

10. DETAILS OF CLOSING BALANCE OF STOCK-IN-TRADE

As per Annexure 'A'

For MITRA DEBMALLIK & CO.

Chartered Accountants

M. DEBMALLIK

Partner

Kolkata, 30th June, 2008

For and on behalf of the Board

I. C. BAID

Director

A. K. DAS

Director



PARTICULARS	As at 31st March, 2008		As at 31st March, 2007	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
(A) Quoted				
1 Albert David Ltd.	2,900	21,750	2,900	21,750
2 Adlabs Film Ltd.	100	66,585	-	-
3 Air Deccan Ltd.	850	119,552	-	-
4 Apollo Tyers Ltd.	500	25,500	500	25,500
5 Bharat Bijlee Ltd.	50	124,365	-	-
6 Chennai Petrochem Ltd.	100	2,750	100	2,750
7 Deepak Fertilizer Ltd.	2,000	224,900	-	-
8 Dhanus Ltd.	1,513	299,574	-	-
9 DLF Ltd.	500	322,875	-	-
10 D-Link Ltd.	13,000	978,900	-	-
11 EDE Lwdiss Ltd.	200	140,840	-	-
12 EI Hotels Ltd.	500	77,400	-	-
13 Emerald Commercial Ltd.	130,500	5,220,000	130,500	5,220,000
14 Essar Steel Ltd.	500	1,550	500	1,550
15 FDC Ltd.	5,000	145,250	-	-
16 GIPCL	500	53,850	-	-
17 GMRInfra Ltd.	200	31,950	-	-
18 Himachal Futuaristic & Communication Ltd.	800	14,005	300	3,480
19 Hind Oil Exploration Ltd.	100	990	100	990
20 HOCL Ltd.	100	575	100	575
21 ICICI Bank Ltd.	500	384,700	-	-
22 ICSA Ltd.	100	42,475	-	-
23 IDFC Ltd.	500	83,875	-	-
24 IGL Ltd.	500	70,575	-	-
25 India Glycol Ltd.	200	3,100	200	3,100
26 ITC Ltd.	17,850	863,665	15,600	435,040
27 Jaiprakash Associates Ltd.	900	7,155	900	7,155
28 J P Hydro	500	30,800	-	-
29 Khaitan India Ltd.	200	860	200	860
30 Khoobsurat Ltd.	296,000	14,800,000	296,000	14,800,000
31 Kirloskar Oil Ltd.	2,000	220,400	-	-
32 L T Ltd.	100	294,260	-	-
33 MAGNUM	1,000	17,650	-	-
34 Manaksia Ltd.	500	37,500	-	-
35 Mandya Finance Ltd.	3,400	8,500	3,400	8,500
36 MANGCHEFER Ltd.	1,000	24,050	-	-
37 MEGH Ltd.	1,000	20,050	-	-



PARTICULARS	As at 31st March, 2008		As at 31st March, 2007	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
38 MTNL	1,598	169,708	-	-
39 NEPCMICON Ltd.	200	3,380	-	-
40 NICCO Ltd.	500	11,875	-	-
41 Orchid Chemicals Ltd.	300	18,210	300	18,210
42 Powergrid Ltd.	5,000	491,500	-	-
43 Prakash Industries Ltd.	300	645	300	645
44 Prism Cement Ltd.	2,500	105,625	-	-
45 PTC Ltd.	1,500	152,925	-	-
46 Punj Lloyd Ltd.	500	173,450	-	-
47 Rana Sugar Ltd.	2,000	31,500	-	-
48 Ratnamani Ltd.	500	443,675	-	-
49 RCF Ltd.	2,000	126,700	-	-
50 REL	100	132,945	-	-
51 Reliance Capital & Finance Ltd.	207	157,688	100	3,100
52 Reliance Industries Ltd.	350	41,475	350	41,475
53 Reliance Petroleum Ltd.	1,150	131,218	400	5,780
54 Resorgimento Industrial Co. Ltd.	1,300	625,000	1,300	625,000
55 Reliance Power Ltd.	400	138,020	-	-
56 SALSTEEL Ltd.	1,000	17,350	-	-
57 Sicals Ltd.	1,900	321,385	-	-
58 SRF Ltd.	3,500	397,075	-	-
59 State Bank of India Ltd.	150	30,345	150	30,345
60 Sunil Hitech Ltd.	-	-	1,500	169,508
61 Tata Steel Ltd. (Rights)	722	216,600	-	-
62 Tata Power Ltd.	150	178,530	-	-
63 Tata Steel Ltd.	319	245,247	-	-
64 TCS Ltd.	37	31,450	37	31,450
65 THEMISMED Ltd.	1,380	248,400	-	-
66 T N Petrochemicals Ltd.	5,000	82,000	-	-
67 TTML	15,225	491,006	-	-
68 Videocon International Ltd.	100	2,100	100	2,100
69 Weizmann Industries Ltd.	5,000	189,250	-	-
TOTAL (A)	541,051	30,189,053	455,837	21,458,863
(B) Unquoted				
1 Aavishkar Films Pvt. Ltd.	-	-	250	2,500,000
2 Arya Commodities (P) Ltd.	3,500	35,000	3,500	35,000
3 Ashika Credit Capital Limited	1,500	150,000	1,500	150,000



PARTICULARS	As at 31st March, 2008		As at 31st March, 2007	
	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
4 Butterfly Creations Pvt. Ltd.	-	-	10,000	1,000,000
5 Gold Star Metals Ltd.	-	-	80,000	4,000,000
6 Jeeva Vanijya Pvt. Ltd.	-	-	51,500	5,150,000
7 L.P.Agarwalla Consultants Pvt. Ltd.	20,000	1,000,000	-	-
8 Lakeshore Textrade Pvt. Ltd.	-	-	27,000	2,700,000
9 Longway Business Solutions Pvt. Ltd.	-	-	200,000	2,000,000
10 NCL Research & Financial Consultants Ltd.	129,500	259,000	-	-
11 Nilpur Vanijya Pvt. Ltd.	-	-	32,600	3,260,000
12 Nutan Trade & Credit Pvt. Ltd.	150	15,000	-	-
13 P. N. Nirman Pvt. Ltd.	20,000	200,000	20,000	200,000
14 Prithivi Vinimay Pvt. Ltd.	7,250	725,000	9,500	950,000
15 Rupasi Traders Pvt. Ltd.	-	-	15,400	1,540,000
16 Shree Cargo Movers Pvt. Ltd.	-	-	700	2,205,000
17 Silver Pearl Trading (P) Ltd.	-	-	15,500	1,550,000
18 Tamilnadu Steeltube Ltd.	-	-	250,000	2,500,000
TOTAL (B)	181,900	2,384,000	717,450	29,740,000
TOTAL (A + B)	722,951	32,573,053	1,173,287	51,198,863

Market Value of Quoted shares

216,684,528

206,697,947

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008**

(Pursuant to Clause 32 of the Listing Agreement)

		2007-2008 Rs.	2006-2007 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax and Extraordinary items		18,180,559	10,498,126
Adjustment for :			
Depreciation		3,193,565	2,266,272
Interest Income		—	—
Dividend Income		(281,506)	(250)
Profit on sale of Investments		—	—
Miscellaneous Income		(3,389)	—
Miscellaneous Expenditure written off		—	—
Operating Profit before Working Capital charges	[I]	21,089,229	12,764,148
Adjustment for :			
(Increase)/Decrease in Sundry Debtors		(13,427,581)	(660,695)
(Increase)/Decrease in Loans & Advances		(34,919,104)	(66,180,807)
(Increase)/Decrease in Inventories		18,625,810	21,306,460
Increase/ (Decrease) in Current Liabilities		30,363,103	45,336,942
Direct Tax Paid for current year		(2,720,377)	(699,576)
Tax adjustments in respect of earlier years		(543,227)	—
Total	[II]	(2,621,376)	(897,676)
Cash Generated from Operations	[I + II]	18,467,853	11,866,472
Taxes (paid)/Refund received	[III]	(2,820,936)	(1,772,182)
Cash Flow before Extraordinary items	[I + II + III]	15,646,917	10,094,290
Extraordinary items		—	—
Net Cash Flow from Operating activities	(A)	15,646,917	10,094,290
	[I + II + III]		
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(3,213,655)	(8,216,952)
Sale of Fixed Assets		32,460	—
(Increase)/Decrease in Investments		—	—
Dividend received		281,506	250
Interest received/receivables		—	—
Profit on sale of Investments		—	—
Miscellaneous Income		3,389	—
Net Cash used in Investing activities	(B)	(2,896,300)	(8,216,702)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Share Capital		—	—
Net Cash used in financing activities	(C)	—	—
D. Cash and cash Equivalents 1.4.2007	(D)	7,622,658	5,745,070
E. Cash and cash Equivalents 31.3.2008	[A+B+C+D]	20,373,275	7,622,658

For MITRA DEBMALLIK & CO.

Chartered Accountants

M. DEBMALLIK

Partner

M. No. : 300-50646

Kolkata, 30th June, 2008

For and on behalf of the Board

I. C. BAID
DirectorA. K. DAS
Director

Sir R. N. M. House, 3B, Lal Bazar Street
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