

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.

For & on Behalf of the Board

Dated: 14th August, 2008
Place: Kolkata

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.

1. 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:

- AGM date, time & venue: 26th September, 2008 at 10:00 AM.
Baishakhi Housing Club,
No.2 Deodhar Rahman Road, Kolkata – 700 033
- Financial Year: 1st April, 2007 to 31st March, 2008
- Book Closure : 22nd September, 2008 to 26th September, 2008 (both days inclusive)
- Listings: The Stock Exchange - Mumbai
- Stock Code: The Stock Exchange, Mumbai – 520127
- ISIN (for Demat Shares): INE 654 B01014.
- 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.
- (ix) Compliance Officer: Mr. Arun Kumar Sethia
170/2C A.J.C. Bose Road,
Kolkata – 700 014.
Phone : 2284 0613
- (x) Share Transfer System: Shares received for physical transfer at the registered office are marked with an inward serial number. The documents after a preliminary scrutiny about the fitness of their delivery are handed over twice a week to the RTA for processing of transfer which after needful checking are entered in a register for transfer authorization. The transfer register is placed before the Share committee, once a fortnight is approved on the basis of RTA recommendation. Subject to approval the RTA endorses the certificates and mails the same on specific advises and issues option Letter for Demat within 21 days from lodgment of transfer, and provides confirmation to the Company, which is tallied with the Transfer register and monitored, periodically.
- (xi) Dematerialization: The Company's shares are under compulsory dematerialization enlisted with both the Depositories viz. NSDL and CSDL. A significant portion of the floating stock had been dematerialized. Over the period the transactions in the dematerialized securities have substantially increased whereas there are hardly any transactions in the physical mode.
- (xii) Redressal of Investor Grievances: Low volume turnover hardly provides scope of any routine activity in this area; hence the primary responsibility for redressal activities had been entrusted upon the RTA backed by the Compliance Officer under the supervision and control of Share Committee. The nature of Complaints were mainly the delay in receipt of share certificates as most of the share holders misinterpreted the Option Letters sent by the RTA following registration of transfer. The acceptances of Demat were slow to begin with.

STOCK PRICE DATA

MONTH	HIGHEST RATE	LOWEST RATE
APRIL -07	2.03	1.54
MAY - 07	1.87	1.42
JUNE -07	2.16	1.73
JULY -07	1.92	1.60
AUGUST -07	2.13	1.55
SEPTEMBER -07	2.60	1.72
OCTOBER -07	2.10	1.48
NOVEMBER -07	2.84	1.51
DECEMBER -07	3.61	2.01
JANUARY -08	4.79	2.54
FEBRUARY -08	2.99	1.99
MARCH -08	2.15	1.68

N.B. : THE ABOVE QUOTED RELATES TO TRADING AT THE STOCK EXCHANGE- MUMBAI.
MARKET CAPITALIZATION AS AT 31.03.08 - RS. 3.00 CRORES (APPROX)

DISTRIBUTION OF SHAREHOLDING AS PER AMENDMENTS TO CLAUSE 35 OF LISTING AGREEMENT. **Statement showing Shareholding Pattern 31.03.2008.**

Name of the Company :		BALURGHAT TECHNOLOGIES LIMITED				
Scrip Code :				Quarter Ended :	31ST MARCH 08	
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) ¹	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group ²					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	27	2164900	1420300	11.895	11.895
(b)	Central Government/ State Government(s)	0	0	0	0.000	0.000
(c)	Bodies Corporate	9	4018500	1644200	22.080	22.080
(d)	Financial Institutions/ Banks	0	0	0	0.000	0.000
(e)	Any Others(Specify)	0	0	0	0.000	0.000
	Sub Total(A)(1)	36	6183400	3064500	33.975	33.975

2	Foreign					
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.000	0.000
B	Bodies Corporate	0	0	0	0.000	0.000
C	Institutions	0	0	0	0.000	0.000
D	Any Others(Specify)	0	0	0	0.000	0.000
	Sub Total(A)(2)	0	0	0	0.000	0.000
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	36	6183400	3064500	33.975	33.975
(B)	Public shareholding					
I	Institutions					
(a)	Mutual Funds/ UTI	0	0	0	0.000	0.000
(b)	Financial Institutions / Banks	0	0	0	0.000	0.000
(c)	Central Government/ State Government(s)	0	0	0	0.000	0.000
(d)	Venture Capital Funds	0	0	0	0.000	0.000
(e)	Insurance Companies	0	0	0	0.000	0.000
(f)	Foreign Institutional Investors	0	0	0	0.000	0.000
(g)	Foreign Venture Capital Investors	0	0	0	0.000	0.000
(h)	Any Other (specify)	0	0	0	0.000	0.000
	Sub-Total (B)(I)	0	0	0	0.000	0.000
B 2	Non-institutions					
(a)	Bodies Corporate	179	2763498	724098	15.184	15.184
(b)	Individuals	13714	7292401	3308989	40.068	40.068
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	70	1928601	1890201	10.597	10.597
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.				0.000	0.000
(c)	Any Other (specify)					
(c-i)	Non Resident Individual	39	32100	11500	0.176	0.176
	Sub-Total (B)(2)	14002	12016600	5934788	66.025	66.025
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	14002	12016600	5934788	66.025	66.025
	TOTAL (A)+(B)	14038	18200000	8999288	100.000	100.000
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.000	0.000
	GRAND TOTAL (A)+(B)+(C)	14038	18200000	8999288	100.000	100.000

RANGE ANALYSIS AS ON (31-MAR-2008)

Range	Shares	Folios	Percent shares	Percent folios
1 - 500	3016561	11243	16.5745	80.0898
501 - 1000	1296136	1544	7.1216	10.9987
1001 - 2000	849425	532	4.6672	3.7897
2001 - 3000	778771	303	4.2790	2.1584
3001 - 4000	299829	83	1.6474	0.5913
4001 - 5000	457747	95	2.5151	0.6767
5001 - 10000	933161	124	5.1273	0.8833
10001 - 50000	1706172	85	9.3746	0.6055
50001 - 100000	934988	14	5.1373	0.0997
AND ABOVE	7927210	15	43.5561	0.1069
Sum Count	18200000	14038	100.0000	100.0000

BALURGHAT TECHNOLOGIES LIMITED
AUDITOR'S CERTIFICATE

We have examined the compliance of the conditions of Corporate Governance by Balurghat Technologies Limited for the year ended 31st March, 2008 as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

On the basis of representation received from the Company, we state that during the year ended 31st March, 2008 no justifiable investor grievances were pending for a period exceeding one month.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For GUHA & Sons
Chartered Accountants

Place: Kolkata
Date: 14th August, 2008.

K. Guha
Proprietor
Membership No. – F/8256

AUDITORS REPORT

To the Shareholders:

We have audited the attached Balance Sheet of Balurghat Technologies Limited as at 31st March, 2008 and the annexed Profit & Loss Account for the year ended on that date. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the 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 examination on a test basis the evidence supporting the amounts and disclosures made 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 reporting. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) order 2005, issued by the Central Govt. in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order.

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

- a) 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;
- b) In our opinion, proper books of accounts as required by law had been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our Audit have been received from the Branches, not visited by us.
- c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of Accounts and the returns from the Branches.
- d) *Subject to the observations made in para 1 of clause 6 of the Notes on Accounts*, in our opinion the Balance Sheet and Profit & Loss Account dealt with by this report, substantially complies with the Accounting Standards referred to in Sec. 211 (3C) of the Companies Act, 1956.
- e) On the basis of representations received from the Director's taken on record by the Board, we report that none of the Director's are disqualified as on 31.03.2008 from being reappointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.

Subject to the observation referred to above, in our opinion and to the best of the information and explanation given to us, the annexed accounts give the information required under the Companies Act, 1956 in the manner so required and give a true & fair view, in conformity, with the accounting principles generally accepted in India.

i. in the case of the Balance sheet, of the state of affairs of the Company as on 31st March, 2008;

ii. in the case of the Profit & Loss Account of the Losses incurred by the Company for the year ended on that date.

Place: Kolkata
Date: 14th August, 2008.

GUHA & SONS
CHARTERED ACCOUNTANTS

K.GUHA
PROPRIETOR
Membership No. – F/8256

ANNEXURE

Re: Balurghat Technologies Limited.

Referred to in para 3 of our report of even date,

- i.
 - a) The fixed assets of the Company are widely dispersed and the Company is maintaining necessary records of all the particulars relating of such assets including the situation thereof:
 - b) The Fixed Assets of the Company have not been physically verified during the year.
- ii.
 - a) The inventory had been physically verified by the Management during the year.
 - b) The frequency and the procedures of the physical verification of the inventories followed by the Management are reasonable and adequate commensurate with the volume of business.
 - c) The Company is maintaining proper and adequate records of the inventories at the location and no material discrepancies were reported during the year
- iii.
 - a) The Company has granted Interest free unsecured loan to a Company under the same management with due approval of the Board which has been adequately disclosed in the notes on Accounts as the only related party transaction, listed in the Register maintained under sec 301 of the Companies Act, 1956.
 - b) The Company has granted the above loan free of interest which in contrary to the provisions of Sec 372A (3) of the Companies Act, 1956.
 - c) The principal amount repayable on demand is good and fully recoverable as per stipulated terms, in the regular course of business.
 - d) No amount is overdue on such loan account with the concerned party.
 - e) The Company has taken interest free unsecured loan from three parties enlisted in the Register maintained pursuant to Sec 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs. 21,75,000/-(previous year Rs.27,50,000/-)
 - f) In our opinion the terms of funding of the said loans are prima-facie not prejudicial to the interests of the Company.
 - g) According to the information and explanations given to us, due to acute paucity of funds, the Company was not in a position to repay the matured obligations as such all of which stands overdue for repayment. However the Management has obtained favorable reschedulement in almost all cases, expect a few cases wherein the recovery proceedings initiated and are being contested on merits also expected to be settled favorable.
- iv. In our opinion and as per the information and the explanations given to us in the course of the Audit, the Internal control systems are satisfactory and there are no evidences of any continuing weakness and /or failure in the system.
- v. In our opinion and according to the information and explanations given to us in course of our Audit, there were no transactions with any related party listed in the Register maintained under Sec. 301 of the Companies Act, 1956 over Rs. Five Lacs during the year.
- vi. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public to which the provisions of Sec. 58A & Sec. 58AA along with applicable rules under the Companies Act, 1956 are applicable, as such the question of compliance or non- compliance with the said rules does not arise.
- vii. In our opinion the provisions of the Clause VII of the CAR (Amendment) Order 2005, are applicable to the Company, but as per the information and explanations given to us, the acute paucity of funds prevented Company to arrange for the Internal Audit, which shall be complied with on priority basis as and when the situation improves.
- viii. In our opinion and according to the information and explanations given to us, the provisions for maintenances of Cost Records in terms of Sec. 209 (1) (d) of the Companies Act, 1956 are not applicable to this Company.
- ix.
 - a) According to the information and explanations given to us in course of the Audit, in our opinion the Company was not regular in payment of statutory obligations viz. in respect of E.S.I. contributions. Whereas the PF contributions had been deposited with the authorities concerned up to the date. The Company continues to be liable for the Interest and damages applicable. The undisputed liabilities in arrears for the year ended 31.03.08 pending for more than 6 months include the following:

ESI – Rs. 2,68,058/- (Previous year Rs. 2,68,058/-)

- b) As regard the liabilities under dispute, there were no amounts in arrears payable to any of the Statutory Authorities e.g. under Income tax, Sales Tax, Service Tax, Customs and Excise Duties / Cess as at the year end expect an amount of damages imposed by the PF authorities Rs. 12,50,404/- (Previous year Rs. 9,86,513/-) for a period prior to incorporation of the Company, pending before the Hon'ble Tribunal of PF at New Delhi for necessary adjudication.
- x. In our opinion and as per the information and explanations given to us, the accumulated losses incurred by the Company has exceeded 50 % of its net worth, and has not incurred cash loss for the year under review.
- xi. In our opinion and as per the information and explanation given to us, the Company had defaulted in payments of its Interest and redemption obligations in respect of the privately placed Debentures of Rs. 100.00 Lacs to Karnataka State Financial Corporation, Bangalore the dues in respect of which outstanding at the year end aggregates to Rs. 512.00 Lacs (previous year Rs.423.00 Lacs) being the maximum amount due as at 31.12.07.
- xii. The Company has not granted any loans and advances against any securities placed to it and as such maintenance of any records in the context does not apply.
- xiii. In our opinion and as per the information and explanation given to us the Company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/ Society and as such provision of Clause 4 (xiii) of the order does not apply.
- xiv. In our opinion and as per the information and explanation given to us in the normal course of our Audit the Company is not dealing or trading in shares, debentures or any other securities and as such Clause 4 (xiv) of the order has no application herein.
- xv. In our opinion and as per the information and explanation given to us in the normal course of Audit the Company the company had not Issued any guarantee for loans taken by any third party from Banks and/or Financial institutions and thus provisions for clause 4(xv) of the order are not applicable to this Company.
- xvi. As per the information and explanation given to us in normal course of our Audit, the Company has not availed any Term Loan from any of the Banks or financial Institutions and thus any comment on the deployment of such funds, are impertinent to the context.
- xvii. In our opinion and as per the information and explanation given to us in the normal course of Audit and upon overall examination of the Balance Sheet of the Company no funds raised on short term basis were deployed for long term purposes and vice versa.
- xviii. According to the information and explanation given to us, the Company had not issued/allotted any shares to the parties enlisted in the Register maintained under Sec. 301 of the Companies Act, 1956, on preferential basis during the year under review.
- xix. According to the information and explanation given to us, the debentures issued by the Company is adequately secured, with the charge there upon created on the securities are duly registered with the appropriate authority.
- xx. According to the information and explanation given to us, the Company has not raised any money through a public issue during the year.
- xxi. Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no fraud on or by the Company had been noticed or reported during the course of our Audit.

GUHA & SONS
Chartered Accountants

Place: Kolkata
Dated: 14th August, 2008.

K. Guha
Proprietor
Membership No. – F/8256

BALURGHAT TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2008

		31st March 2008		31st March 2007	
	Schedules	Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	174076880		174076880	
Reserves & Surplus	2	<u>7442530</u>		<u>9755818</u>	
			181519410		183832698
Loan Funds					
Secured Loans	3	11839622		12611699	
Unsecured Loans	4	<u>9537258</u>		<u>9981032</u>	
			21376880		22592731
TOTAL			<u><u>202896290</u></u>		<u><u>206425429</u></u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	48633025		51001024	
Less: Depreciation		<u>18680406</u>		<u>17655689</u>	
Net Block			29952619		33345335
Investment	6		100000		100000
Current Assets, Loans And Advances					
Inventories	7	1876000		1581811	
Sundry Debtors	8	18386020		31813265	
Cash & Bank Balances	9	3052278		1292438	
Other Current Assets	10	18028581		28643304	
Loans	11	2489668		3332088	
		<u>43832547</u>		<u>66662906</u>	
Less :					
Current Liabilities & Provisions					
Current Liabilities	12	12420447		13407620	
Provisions	13	<u>77108</u>		<u>71658</u>	
		<u>12497555</u>		<u>13479278</u>	
Net Current Assets			31334992		53183628
Deferred Revenue Expenditure					
VRS A/c			878979		1464965
(to the extent not written off or adjusted)					
Loss carried forward			140629700		118331501
T-O-T-A-L			<u><u>202896290</u></u>		<u><u>206425429</u></u>

As per our attached report of even date.

For GUHA & SONS
Chartered Accountants

P. K. SETHIA : Managing Director
ARUN SETHIA : Executive Director
M.P.GOENKA : Director

Place : Kolkata
Date : 14th August, 2008

(K. Guha)
Proprietor

BALURGHAT TECHNOLOGIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

		31ST March 2008		31st March, 2007	
	Schedules	Rs.	Rs.	Rs.	Rs.
INCOME	14				
Freight	A	61258819		41806908	
Sales & Services	B	77881076		72332847	
Income (Travel Division)	C	31286091		34758903	
Others		195150		19819	
			170621136		148918477
EXPENDITURE					
Transport	15	54641478		37626361	
Travel	15	29886802		33466619	
Materials	16	76208966		70975671	
			160737246		142068651
GROSS PROFIT			9883890		6849826
OTHER EXPENSES					
Administrative Expenses	17	29894584		5935010	
Finance Charges	18	567685		552193	
Depreciation		1491866		1562693	
			31954135		8049896
Profit/Loss Before Taxation			(22070245)		(1200070)
Provision for Taxation FBT- Interest		115293			92076
Less: Excess provision PY		1052	114241		
Income Tax paid for earlier year			0		589
Profit/ Loss After Taxation			(22184486)		(1292735)
Balance brought forward from previous year			(118331501)		(117038766)
Less : Adjustment relating to assets withdrawn			-		-
Less : Loss on sale Assests Withdrawn			113713		-
Available for Appropriation			(140629700)		(118331501)
APPROPRIATIONS :					
General Reserve			-		-
Balance Carried to Balance Sheet			(140629700)		(118331501)
			(140629700)		(118331501)

As per our attached report of even date

For GUHA & SONS
Chartered Accountants

P. K. SETHIA : Managing Director
ARUN SETHIA : Executive Director
M.P.GOENKA : Director

Place : Kolkata
Date : 14th August, 2008

(K. Guha)
Proprietor

BALURGHAT TECHNOLOGIES LIMITED**SCHEDULES TO THE BALANCE SHEET**

	Rs. 31st March 2008	Rs. 31st March 2007
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**SCHEDULE - 1:
SHARE HOLDER'S FUND****SHARE CAPITAL****Authorised**3,00,00,000 Equity Shares
of Rs. 10/- each**300000000****300000000****Issued and Subscribed**1,66,16,360 Equity Shares of
Rs. 10/- each fully paid-up**166163600****166163600**

(Previous Year 1,66,12,360)

15,83,640 Equity Shares of
Rs. 10/- each partly paid-up**7913280****7913280**

(Previous Year 15,87,640)

174076880**174076880****SCHEDULE - 2
RESERVES & SURPLUS**

	General Reserve	Revaluation Reserve	Debenture Redemption Reserve	Profit & Loss A/c	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
As on 1st April 2007	-	9755818	-	-	9755818
Less:					
Revalued assets withdrawn		2313288			
As on 31st March 2008		7442530			7442530

SCHEDULE - 3**SECURED LOANS**KSFC (on acct. of 18% Secured N.C.D.
issued favouring Karnataka State**10000000****10000000**

Financial Corpn. Pending Redemption)

Car Loan

1839622**2611699**

(Secured against Vehicles)

11839622**12611699**

BALURGHAT TECHNOLOGIES LIMITED**SCHEDULES TO THE BALANCE SHEET**

	31st March,2008	31st March,2007
	Rs.	Rs.
SCHEDULE - 4		
UNSECURED LOANS		
Loans from Shareholders	2900000	3175000
Inter Corporate Deposit	4371690	4396690
Loans Deposit from others	2265568	2409342
	<u>9537258</u>	<u>9981032</u>
SCHEDULE - 6		
INVESTMENT		
<u>Quoted</u> (at cost)		
10,000 Equity		
Shares of Rs. 10 each of Tai Industries Ltd.	100000	100000
	<u>100000</u>	<u>100000</u>
SCHEDULE - 7		
INVENTORIES		
High Speed Diesel	907665	704142
Petrol	254158	227851
Lubricant Oil	700341	638322
Grease	1038	8710
Acid	12110	1350
Distilled Water	688	1436
	<u>1876000</u>	<u>1581811</u>
SCHEDULE - 8		
SUNDRY DEBTORS		
Outstanding for over six months considered good	2757900	17787015
Others Considered good	15628120	14026250
	<u>18386020</u>	<u>31813265</u>
SCHEDULE - 9		
CASH & BANK BALANCES		
Cash in hand	941521	1339738
(at H.O. and Branches)		
Balance with Banks	2110757	(47300)
	<u>3052278</u>	<u>1292438</u>

SCHEDULE - 5**I. FIXED ASSETS**

FIXED ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Gross Block as on 01.04.2007 Rs.	Additions during the period Rs.	Deductions or Sales Rs.	Gross Block as on 31.03.2008 Rs.	Balance as on 01.04.2007 Rs.	For the Year Rs.	Deductions During Period Rs.	Balance as on 31.03.2008 Rs.	Balance as on 31.03.2008 Rs.
LAND	9214910		786500	8428410					8428410
BUILDING & GODOWN	20269929		2135000	18134929	2984731	308866	186712	3106885	15028044
MOTOR CARS	7905645	536534	454150	7988029	3239861	736913	280437	3696337	4291692
SCOOTERS & CYCLES	944295			944295	884728			884728	59567
FURNITURE & FIXTURES	4670568			4670568	4110324	295647		4405971	264597
FUEL STATION	1637684	449145		2086829	756692	55490		812182	1274647
ELECTRIC GENERATORS	517280			517280	503846			503846	13434
COMPUTER ETC.	2698741	21972		2720713	2476668			2476668	244045
WEIGHING SCALES	1500000			1500000	1100813	94950		1195763	304237
AIR CONDITIONERS	1314972			1314972	1280140			1280140	34832
PUMP SETS	327000			327000	317886			317886	9114
	51001024	1007651	3375650	48633025	17655689	1491866	467149	18680406	29952619
AS ON 31ST MARCCH 2007	48657265	2784354	440595	51001024	16298591	1562693	205595	17655689	33345335

BALURGHAT TECHNOLOGIES LIMITED**SCHEDULES TO THE BALANCE SHEET**

	31st March, 2008	31st March, 2007
	Rs.	Rs.
SCHEDULE - 10		
OTHER CURRENT ASSETS		
Security Deposit	436696	1180660
Godown Advance	261280	465400
Branch Account	125553	210892
Staff Advance	923000	969126
T. D. S. A.Y. 07-08	992768	992768
T. D. S. A.Y. 08-09	528784	965758
Advance Against Settlement/ Expenses	200000	200000
Reserve for bad debts	14560500	23658700
	<u>18028581</u>	<u>28643304</u>
SCHEDULE - 11		
LOANS & ADVANCES		
Inter Corporate Deposit		
(Loans to companies under same management)	1078000	1593000
Loans to Directors and their relatives	-	-
Loans to others	1411668	1739088
	<u>2489668</u>	<u>3332088</u>
SCHEDULE - 12		
CURRENT LIABILITIES		
Lorry Hire Charges payable	1517900	2512059
Claims payable	280700	256850
Auditor's Remuneration	7000	7000
Interest payable	5729410	5729410
T.D.S. Payable	1201	2332
Creditors	4674404	4692416
Gratuity Payable	94539	104539
FBT Payable	115293	99713
Service Tax Payable	-	3301
	<u>12420447</u>	<u>13407620</u>
SCHEDULE - 13		
PROVISIONS		
Gratuity	77108	71658
	<u>77108</u>	<u>71658</u>
SCHEDULE - 14		
INCOME		
A. Freight	61258819	41806908
B. Sales		
H. S. D.	65151048	60275377
Petrol	9660450	9522801
Lub. Oil	2990899	2442475
Distilled Water	15060	13860
Grease	56883	71406
Acid	6736	6928
Super Diesel	-	-
	<u>77881076</u>	<u>72332847</u>
C. Other Income		
Travel Division	31286091	34758903
Other Income	195150	19819
	<u>170621136</u>	<u>148918477</u>

BALURGHAT TECHNOLOGIES LIMITED

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

	31st March, 2008		31st March, 2007	
	Rs.	Rs.	Rs.	Rs.
SSCHEDULE - 15				
DIRECT COST				
Transport Division				
Transport Expenses	54300078		37165861	
Coolie Expenses	341400	54641478	460500	37626361
Travel Division				
Travel Division Operating Exp		29886802		33466619
		<u>84528280</u>		<u>71092980</u>
SCHEDULE - 16				
MATERIALS				
Opening Stock :				
H. S. D.	704142		614140	
Petrol	227851		209990	
Lubricant Oil	638322		358694	
Distilled Water	1436		1177	
Grease	8710		9640	
Acid	1350		1420	
		1581811		1195061
Purchase :				
H.S.D.	64221430		59487040	
Petrol	9467898		9360533	
Lubricant Oil	2735543		2440871	
Distilled Water	8328		7993	
Grease	66990		62312	
Acid	2966		3672	
		76503155		71362421
		<u>78084966</u>		<u>72557482</u>
Less : Closing Stock				
H. S. D.	907665		704142	
Petrol	254158		227851	
Lubricant Oil	700341		638322	
Distilled Water	1038		1436	
Grease	12110		8710	
Acid	688		1350	
		1876000		1581811
		<u>76208966</u>		<u>70975671</u>

BALURGHAT TECHNOLOGIES LIMITED

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

	31st March, 2008	31st March, 2007
	Rs.	Rs.
SCHEDULE - 17		
Administrative Expenses:		
Advertisement	53206	7480
Auditors' Remuneration	5000	5000
Bad Debts	23658700	
Bonus & Ex-gratia	21480	23280
Claims	496666	675548
Computer Maintenance	46068	43112
Conveyance & Car Expenses	308885	269966
Directors' Remuneration	315200	311200
E.S.I.	2416	3624
Electricity	227282	224235
Filing Fees	4612	2500
General Expenses	619752	576819
Godown Repair	4000	45610
Gratuity	5450	4590
Insurance	19017	31624
Legal Expenses	100950	103719
Medical Expenses	3000	766
P.F. Contribution/Pension Fund	26136	40283
Postage	259590	116936
Profession Tax	5550	5000
Repair & Maintenance	75856	30740
Rates & Taxes	41450	49192
Registrar & Share Transfer	40452	41556
Rent	698982	839593
Salary & Perks	1292095	1169096
Stationery & Printing	219974	169097
Stock Exchange Fees	30000	29405
Tax Audit	2000	2000
Telephone	457325	382070
Travelling & Conveyance	267504	242648
VRS Expenses	585986	488321
	29894584	5935010
SCHEDULE - 18		
Finance Charges		
Interest	306278	270855
Finance Charges	195590	
Bank Charges	65817	281338
	567685	552193

SCHEDULE ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2008 AND THE PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE.

SCHEDULE – 19

ACCOUNTING POLICIES WITH NOTES ON ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES:-

1) The accounting practices followed by the Company are consistent and in consonance with the Indian Generally Accepted Accounting Principles. The financial statements prepared are by and large are in accordance with the Accounting Standards referred to in the Sec. 211(3) (c) of the Companies Act, 1956.

2) FIXED ASSETS:-

- (i) The fixed Assets are stated either at their cost or in certain cases as at their revalued amount determined in the year 1993.
- (ii) The depreciation on the fixed assets are provided on Straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.

	Year Ended 31-03-08	Year Ended 31-03-07
Revaluation Reserve	Rs. 97,55,818/-	Rs. 97,55,818/-
Less: Adjustments relating to Asset withdrawn / (Loss)	Rs. 23,13,288 /-	-
Balance Carried Forward	Rs. 74,42,530/- =====	Rs. 97,55,818/- =====

- (iii) Estimated amounts of contracts pending execution on Capital Account is Rs. Nil (Previous year Nil)

3) INVESTMENT:-

The Investments being long term in nature are carried over at its cost of acquisition. However, in cases of quoted securities any changes of market price are ignored considering the same to be temporary and reversible in the long run.

4) INVENTORIES:-

The closing stock of the materials is valued at their cost of sales, being lower than its realizable market value, in conformity with AS-2.

5) DEFERRED REVENUE EXPENDITURE:-

The Company had successfully discharged its entire surplus manpower primarily at Kolkata and at the various unproductive branches, through a scheme of Voluntary Separation which had been accepted by the employees concerned, following some initial resistance demonstrated by the Trade Unions. Since the benefit arising there from is expected to prevail over a period of time, the cost incurred had been amortized over a 5 year term, in conformity with the Income Tax regulations applicable, whereas 1/5th has been charged to the current year Profit & Loss a/c aggregating to Rs.5,85,986/- (Previous year Rs.4,88,321/-) and the balance being carried over in the Balance Sheet as Deferred Revenue Expenditure.

6) RETIREMENT BENEFITS:-

The Company follows an actuarial valuation annually for the Gratuity accrual to its employees, wherein the incremental value of the liability ascertained at the year end is provided in the books. However during the current year in view of only 4 continuing employees & appointment of few new employees the actuarial valuation was not considered to be necessary and a reasonable estimation was made in respect of the same, over the certified amount as at 31.03.04.

Whereas in respect of the dues of the employees discharged under Voluntary separation scheme, implemented in Kolkata and various other branches, dues if any on Gratuity A/c has been considered as a current liability wherein there shall be no further accrual over and above balance as ascertained on 31.03.03.

7) CONTINGENT LIABILITIES:-

- (i) The disputed and time barred obligations pending before the Courts of Law, has not been provided for in the books, since the Management is reasonably certain that such claims will not be sustained and are unlikely to have any further material implication on the financial conditions of the Company. The estimated amount of such claims not acknowledged as Debts aggregates to Rs. 52,60,000/- (previous Year Rs. 58,80,000/-).
- (ii) The Company under certain unavoidable circumstances defaulted in payment of interest obligations and subsequently redemption of its privately placed Debentures to the tune of RS. 100.00 Lacs to Karnataka State Financial Corporation, Bangalore. Any claim of the Creditor over and above the amounts already provided in the books are considered by the Management to be contingent in nature and requires no provision in the books. The Director's are confident to settle such entire claim through an OTS offer for amounts not exceeding the sums as already provided in the books.

- (iii) In respect of the damages imposed upon by the Provident Fund authorities for certain delay in depositing the monthly contributions, currently under review, the Company reasonably believes that genuine grounds for such lapses exists, considering which substantial relief will be extended in favour of the Company and as such the incidence of the liability is not readily ascertainable and hence are considered to be of contingent nature.

8) PROVISIONS & RESERVES:-

- (i) Of the total amount of Sundry Debtors, a significant amount happens to be outstanding for more than 6 months. Of this segment balances not showing any movements despite the necessary steps for their recovery over 4 years are provided for as Reserve for Bad Debts in nature aggregating to Rs. 1,45,60,500/- (Previous year Rs. 2,36,58,700/-).
- (ii) The Company is in default in respect of payment of ESI contributions pertaining to the period 2002-2003 aggregating to an amount of Rs. 2,68,058/- (previous year Rs. 2,68,058/-). The said amount was not provided earlier and upon issue of assessment Notice for the same in the current year, it has been provided in the books.
- (iii) In respect of Provident Fund no contributions are outstanding.

9) MANAGERIAL REMUNERATION:-

The Managing Director and the Executive Director are paid remunerations approved by the General Body of the Company, within the limits prescribed under schedule XIII of the Companies Act, 1956. None of them are paid any commission or whatsoever other than their contractual entitlements approved as above. The Non- Executive Director's are only entitled to sitting fees @ Rs. 800/- for every meeting attended by them. The following amounts were paid to the Director's during the year under review:

	Year Ended 31-03-08	Year Ended 31-03-07
Consolidated Salary	192000/-	192000/-
Other Perquisites	115200/-	115200/-
Sitting Fees	8000/-	4000/-
	-----	-----
TOTAL	315200/-	311200/-
	=====	=====

Provident Fund and Family pension includes a payment of Rs. 23040/- (Previous year Rs. 23040/-) payable on account of the Director's pursuant to the terms of employment, with the Company.

10) AUDITORS REMUNERATION :-

The following amount had been provided in the Books as payable to the Auditors of the year under reference:-

	As on 31.03.2008 (Rs.)	As on 31.03.2007 (Rs.)
Statutory Audit	5000/-	5000/-
Tax Audit	2000/-	2000/-
	-----	-----
	7000/-	7000/-
	=====	=====

11) SEGMENT REVENUES, SEGMENT RESULT AND CAPITAL EMPLOYED AS AT 31ST MARCH, 2008:

A. SEGMENT REVENUE	31-03-2008 (RS.)	31-03-2007 (RS.)
Transportation Operations	6,12,58,819/-	4,18,06,908/-
Trading / Other Income	7,80,76,226/-	7,23,52,666/-
Travel Division	3,12,86,091/-	3,47,58,903/-
Less: Inter Segment revenue	-	-
TOTAL REVENUE INFLOW	17,06,21,136/-	14,89,18,477/-

B. SEGMENT RESULTS

Profit / Loss before finance charges
Depreciation after taxation

31-03-2008
(RS.)

31-03-2007
(RS.)

Transportation Operations	(2,32,77,243)	(17,34,644)
Trading / Other Income	18,67,260/-	13,57,176/-
Travel Division	13,99,289/-	12,92,284/-
Less: Finance Charges	5,67,685/-	5,52,193/-
Less: Depreciation	14,91,866/-	15,62,693/-
Less: Provision for Taxation	1,14,241/-	99,713/-
Profit & Loss after Tax	(2,21,84,486)	(12,00,070)

C. CAPITAL EMPLOYED Segment Asset –
Segment Liability

31-03-2008 (RS.)

31-03-2007 (RS.)

Transportation Operations	6,14,44,164/-	8,59,41,407/-
Trading / Other Business	68,73,504/-	46,74,460/-
TOTAL CAPITAL EMPLOYED	6,83,17,668/-	9,06,15,867/-

Notes:

- The Company's operation consists of three (3) nos. reportable segment, in consideration to the nature of activities undertaken by it.
- Geographically segmentations will not be relevant to report the nature of activities which will vary in such classifications and will not be comparable due to diversity of operation in each segment.

12) DEFERRED TAX:-

Due to absence of virtual certainty of the future taxable income, deferred tax assets in the form of unabsorbed depreciation and carry forward losses are not recognized, as per the provisions of AS-22.

13) RELATED PARTY TRANSACTIONS:-

Advances includes a sum of Rs. 10,78,000/- (Previous year Rs. 15,93,000/-) being interest free advance made on account to a Company under the same management, as a short term unsecured accommodation, repayable on demand as per details below:-
 Related Party – M/s BALURGHAT MINERALS PVT. LTD.

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

Common Interested Director - Sh. Uttam Chand Sethia. (resigned w.e.f. 31.07.07)

Sum Advanced - Rs. 3878000/- being maximum amount, Outstanding in the year 2000- 2001.

14) QUANTITATIVE INFORMATION ON STOCK:-

ITEMS	UNIT	OPENING STOCK		PURCHASE		SALES		CLOSING STOCK	
		QTY	VALUE (RS.)	QTY	VALUE (RS.)	QTY	VALUE (RS.)	QTY	VALUE (RS.)
H.S.D.	LTRS	21523	704142	1959000	64221430	1952599	65151048	26736	907665
LUBRICANT OIL	LTRS	6051	638322	25508	2735543	25154	2990899	6509	700341
PETROL	LTRS	4963	227851	204000	9467898	203755	9660450	5119	254158
DIST. WATER	JARS	221	1436	1204	8328	1255	15060	148	1038
GREASE	KGS	71	8710	548	66990	508	56883	108	12110
ACID	BOTTLE	300	1350	562	2966	731	6736	125	688

15) FOREIGN CURRENCY TRANSACTION:-

There are no earnings in Foreign Currency during the year ended 31.03.08

16) NOTE:-

The previous year's figures had been rearranged and regrouped wherever necessary.

BALURGHAT TECHNOLOGIES LIMITED

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL
BUSINESS PROFILE FOR THE YEAR ENDED 31ST MARCH 2008

I. Registration Details

Registration No.				5	9	2	9	6	State Code	2	1
Balance Sheet Date	3	1	0	3	0	8					
	Date	Month	Year								

II. Capital raised during the year (Amount in Rs. Thousand)

Public Issue				N	I	L	Rights Issue				N	I	L
Bonus Issue				N	I	L	Private Placement				N	I	L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities				2	0	2	8	9	6	Total Assets				2	0	2	8	9	6
-------------------	--	--	--	---	---	---	---	---	---	--------------	--	--	--	---	---	---	---	---	---

Sources of Funds

Paid - up Capital				1	7	4	0	7	7	Reserves & Surplus				7	4	4	2
Secured Loans				1	1	8	4	0	Unsecured Loans				9	5	3	7	
Advance from Promoters				N	I	L											

Application of Funds

Net Fixed Assets				2	9	9	5	2	Investments				1	0	0
Net Current Assets				3	1	3	3	4	Misc. Expenditure				8	7	9
Accumulate Losses				1	4	0	6	3	0						

IV. Performance of Company (Amount in Rs. Thousands)

Turnover				1	7	0	6	2	1	Total Expenditure				1	9	2	6	9	1
Loss before tax				2	2	0	7	0	Loss after tax				2	2	1	8	4		

(Please tick Appropriate box + for Profit, - for Loss)

Loss per Share in Rs.				1	3	4	0	Dividend rate %	N	I	L
-----------------------	--	--	--	---	---	---	---	-----------------	---	---	---

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item code No. (ITC Code)							N	I	L	Product	N	I	L					
										Description								
										T	R	A	N	S	P	O	R	T
										T	R	A	V	E	L			
										F	U	E	L	P	U	M	P	

For GUHA & SONS

Chartered Accountants

P. K. SETHIA

Managing Director

ARUN SETHIA

Executive Director

M.P. GOENKA

Director

Place : Kolkata

(K. Guha)

Date : 14th August, 2008

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BALURGHAT TECHNOLOGIES LIMITED							
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2008							
				31st March, 2008	31st March, 2007		
				Rs.	Rs.		
A. CASH FLOW FROM OPERATING ACTIVITIES:							
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS				(22070245)	(1200070)		
ADJUSTMENT FOR							
Depreciation				1491866	1562693		
VRS Expenses W/Off				585986	488321		
Foreign exchange loss				-	-		
Interest Income				-	-		
Interest Expenses				567685	552193		
OPERATING PROFIT BEFORE WORKING							
CAPITAL CHANGES				(19424708)	1403137		
Increase/Decrease in Sundry Debtors				13427245	59029199		
Increase/Decrease in Inventories				(294189)	(386750)		
Increase/Decrease in Sundry Creditors				(981723)	(41924851)		
Increase/Decrease in Other Current Assets				11457143	(15223268)		
CASH GENERATED FROM OPERATIONS				4183768	2897467		
Income tax provided				114241	92665		
CASH FLOW BEFORE EXTRAORDINARY ITEMS				4069527	2804802		
Extra Ordinary item							
(i) Public Issue Expenses (W.O.)				-	-		
(ii) Adjustment in revaluation Reserve				-	-		
NET CASH FROM OPERATING ACTIVITIES				4069527	2804802		
B. CASH FLOW FROM INVESTING ACTIVITIES							
Purchase of fixed assets				(1007651)	(2784354)		
Proceeds from sale of Fixed Assets				481500	235000		
Interest received				-	-		
Dividend Received				-	-		
NET CASH FROM INVESTING ACTIVITIES				3543376	255448		
C. CASH FLOW FROM FINANCING ACTIVITIES							
Proceeds from issuance of Share Capital				-	-		
Proceeds from Long term borrowings				(772077)	1077309		
Re-payment of long term borrowings				(443774)	(1526197)		
Interest paid				(567685)	(552193)		
Dividend Paid				-	-		
NET CASH USED IN FINANCING ACTIVITIES				1759840	(745633)		
NET INCREASE IN CASH & CASH EQUIVALENTS							
AS AT 31.03.2007				1292438	2038071		
(Opening Balance)							
NET INCREASE IN CASH & CASH EQUIVALENTS							
AS AT 31.03.2008							
(Closing Balance)				3052278	1292438		
For GUHA & SONS							
Chartered Accountants				P. K. SETHIA	: Managing Director		
				ARUN SETHIA	: Executive Director		
Place : Kolkata (K. Guha)				M.P.GOENKA	: Director		
Date : 14th August, 2007 Proprietor							

AUDITOR'S CERTIFICATE

To,
The Board of Director's
Balurghat Technologies Limited
170/2C A.J.C. Bose Road,
Kolkata – 700 014.

We have examined the attached cash flow statement of Balurghat Technologies Limited for the year ended 31st March, 2008. The statement has been prepared by the Company in accordance with requirements of Clause 32 of listing agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 14th August , 2008, to the members of the Company.

GUHA & SONS
CHARTERED ACCOUNTANTS

Place: Kolkata
Date: 14th August, 2008

K.Guha
Proprietor
Membership No. – F/8256

PROXY

I/We.....

Of.....

being a member of.....

.....hereby appoint.....or failing

him.....or failing him.....as my/our Proxy

to represent, act and vote for me/us and on my/ our behalf at the Annual general Meeting of the Company to be held on Friday, 26th September, 2008 at 10:00 A.M. and at any adjournment thereof.

Dated.....day of.....2008

Witness.....

Rupees
One
Revenue
Stamp

Note: An instrument appointing a proxy shall be deposited at the Registered office of the Company not less than forty eight hours before the time fixed for the meeting.

.....

ADMISSION SLIP

**PLEASE COMPLETE THIS ADMISSION CARD AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING HALL**

BALURGHAT TECHNOLOGIES LIMITED

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

I hereby record my presence at this Annual General Meeting of the Company at Baishakhi Housing Club, No.2 Deodhar Rahman Road, Kolkata – 700 033 on Friday, 26th September, 2008 at 10:00 A.M

Members NameFolio no.....

(in block Capitals)

Member's/ Proxy's Signature.....

BOOK-POST

If Undelivered please return to:

Balurghat
The Balurghat Group **Since 1952**

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