

**22nd**  
**ANNUAL REPORT**  
**2003 -2004**

**PH TRADING LTD.**  
(FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

**PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

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**BOARD OF DIRECTORS**

MR. P. HIMATSINGKA

MR. A. K. BHUWALKA

MR. A. JHANWAR

MR. R. JHANWAR

**AUDITORS**

M/S. SALARPURIA & PARTNERS

7, CHITTARANJAN AVENUE

KOLKATA-700 072

**BANKERS**

ORIENTAL BANK OF COMMERCE, KOLKATA

ORIENTAL BANK OF COMMERCE, MUMBAI

TAMILNADU MERCANTILE BANK, MUMBAI

**REGISTERED OFFICE :**

PODDAR POINT

'B' BLOCK, 10TH FLOOR

113, PARK STREET

KOLKATA-700 016

# **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

## **NOTICE**

Notice is hereby given that the Twenty 2nd Annual General Meeting of PH TRADING LTD. (Formerly Larsen Services & Trading Company Limited) will be held at its Regd. Office at 113, Park Street, 10th floor, B-Block, Kolkata-700 016, on Tuesday, the 31st August, 2004 at 3.30 p.m. to transact the following Business :-

### **ORDINARY BUSINESS**

- 1) To consider and adopt the Auditors & Directors report as well as audited Balance Sheet and Profit & Loss Account of Company for the year ended 31st March, 2004.
- 2) To declare dividend.
- 3) To appoint director in place of Mr. Ashok Jhanwar who retires by rotation & being eligible offer himself for re-appointment.
- 4) To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next annual general meeting and fix their remuneration.

Regd. Office :

Poddar Point, 10th Floor, 'B' Block  
113, Park Street, Kolkata-700 016

Date : The 18th of June 2004

By order of the Board  
Prakash Himatsingka  
Managing Director

### **NOTES :-**

1. A member entitled to attend & vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not to be a member of the Company. Proxies, in order to be effective, must reach the Registered office of the Company at least 48 hours before the meeting.
2. The Registers of members & transfer book of the Company will remain closed from 26/08/04 to 31/08/04 (both days inclusive).
3. Members are requested to notify any change in address immediately to the Companies registered office.
4. As per the provisions of the Company Act, 1956 (as amended), the facility for making nomination is now available to individuals holding shares in the Company. Those who desires to avail this facility may send their request for nomination in the prescribed form 2B duly filled in and signed to the Company's registered office.
5. (a) As per provisions of Section 205A of the Companies Act, 1956, the Company has already transferred to the General Revenue Account of the Central Government the amount of all unclaimed dividends declared upto and including the financial year ended 31st March, 1996. Hence to claim dividend upto the said period, the members are advised to approach the Registrar of Companies, West Bengal 234/4, Acharya Jagadish Chandra Bose Road, Kolkata-700 020  
(b) Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 dividend, for the financial year ended 31st March, 1997, and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the investor Education and Protection Fund established by the Central Government.  
Members who have not encashed the dividend warrant (s) for the financial year ended 31st March, 1997 or any subsequent financial years are requested to make claim to the share department of the Company. It may also be noted that once the unclaimed dividend is transferred to the Fund, as above, no claims shall lie in respect of such dividend.
6. The Dividend on Equity Shares as recommended for the year ended 31st March, 2004, if approved at this meeting will be payable on or after 31st August, 2004 to those members whose names appear on the Register of members of the Company as on 31st August, 2004.

# **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

## **DIRECTOR'S REPORT**

To

The Members,

Your Directors have pleasure in placing before you the 22nd Annual Report of the Company together with the audited statement of account of the year ended March 31, 2004.

### **FINANCIAL RESULTS :**

Profit during the year		Rs. 19,91,393
Add : Previous year balance		Rs. <u>39,82,090</u>
		Rs. 59,73,483
Less : Provision for taxation	Rs. 7,30,000	
Deferred tax liability	Rs. 9,956	
Proposed dividend	Rs. 3,60,000	
Dividend Tax	Rs. <u>46,125</u>	
		Rs. <u>11,46,081</u>
Balance transferred to Balance Sheet		Rs. <u>48,27,401</u>

### **DIVIDEND :**

Your Directors are pleased to recommend a dividend @ 0.75 Paise per fully paid up equity share of Rs. 10/- each for the year ended 31st March, 2004.

### **DIRECTORS :**

Sri Ashok Jhanwar, Director of the Company retire by rotation but being eligible offers himself for re-appointment.

Directors Responsibility statement pursuant to section 217 (2AA) of the Companies Act, 1956.

The Directors hereby confirm.

- I) That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure.
- II) That the directors had selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss of the Company for that period.
- III) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on a going concern basis.

### **AUDITORS :**

M/s. Salarpuria & Partners, Chartered Accountants of 7, Chittaranjan Avenue, Kolkata-72, the auditors of the Company being eligible offer themselves for re-appointment.

### **DEPOSITS :**

The Company has never accepted any deposit and as such absolves itself of any compliance in this behalf.

### **PERSONNEL :**

There was no employee receiving remuneration according to section 217(2A) of the Companies Act and hence no statement has been given.

### **Information under section 217(1)E of the Companies Act., 1956.**

Your Company has no activity relating to conservation of energy and Technology absorption. The Company does not have any foreign exchange earnings.

*By order of the Board*

113, Park Street  
10th Floor, Kolkata-700 016  
Dated : Friday, the 18th June, 2004

**P. HIMATSINGKA** | Directors  
**A. K. BHUWALKA** |

# **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

## **AUDITOR'S REPORT :**

### **TO THE MEMBERS :**

We have Audited the attached Balance Sheet of PH TRADING LTD. (Formerly Larsen Services & Trading Company Limited) as at 31st March, 2004 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period 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 have 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 examining, on a 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 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 Manufacturing and Other Companies (Auditor's Report) order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion, proper books of account as required by the law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditor's Report's have been forwarded to us and have been appropriately dealt with.
- (iii) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches.
- (iv) In our opinion the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2004, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2004 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

Subject to : Non provision of Bad and doubtful debts amounting to Rs. 1,255,698/-

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004;
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date and;
- (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

**FOR SALARPURIA & PARTNERS**

*Chartered Accountants*

**ARVIND GHOSH**

*Partner*

7, Chittaranjan Avenue  
Kolkata-700 072  
The 18th day of June, 2004

# **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

## **ANNEXURE**

- i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) These fixed assets are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) Substantial part of fixed assets have not been disposed off during the year to the question of affecting the going concern does not arise.
- ii) a) Physical verification of inventory has been conducted at reasonable intervals by the Management.
- b) The procedures for verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of the same.
- iii) a) The company has taken unsecured loans from companies, Firms or other Parties covered under the register maintained under Section 301 of the Act viz.

Name of the Party	Opening Balance	Amt. taken together with Interest	Amount paid	Closing Balance
Abhishek Chemicals Pvt. Ltd.	5,518,655	41,701,933	43,100,501	4,120,087
Avismi Properties Pvt. Ltd.	NIL	2,160,399	78,107	2,082,292
Himatsingka Chemicals Pvt. Ltd.	1,537,458	8,358,052	6,793,284	3,102,226
Intel Sales Pvt. Ltd.	803,228	2,444,207	292,465	2,954,970
Prakash Himatsingka	6,586,596	4,749,004	5,664,746	5,670,854
Pramadh Properties Pvt. Ltd.	NIL	2,150,092	75,994	2,074,098
Swan Silverwares Pvt. Ltd.	4,913,068	31,757,309	32,799,841	3,870,536
Variable Plaza Pvt. Ltd.	1,779,737	2,921,568	1,612,208	3,089,097
Vikranu Properties Pvt. Ltd.	NIL	2,145,708	75,095	2,070,613

- b) In our opinion, the rates of interest and Terms & Conditions on which loan have been taken are not prima facie, prejudicial to the interest of the Company.
- c) They are regular in the payment of Principal & Interest as stipulated and there is no overdue amounts of loans taken from parties listed in the registers maintained under section 301 of the Companies Act.
- iv) There is an adequate internal control procedure commensurate with the size and the nature of its business or the purchase of inventory and fixed assets and for the sale of goods.
- v) a) The transactions that need to be entered into a register in pursuance of sec. 301 have been so entered.
- b) Transactions other than interest have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted deposits from the public and so the directives issued by the

## **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

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reserve Bank of India and the provisions of Sec. 58A and 58AA of the Act and the rules framed thereunder do not apply to it.

- vii) The company has an internal audit system commensurate with its size and nature of business.
- viii) The maintenance of cost records has not been prescribed by the Central Government U/s. 209 (1) (d) of the Companies Act, 1956 (1 of 1956). Therefore the item (viii) of the aforesaid other is not applicable.
- ix) a) The Company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other Statutory dues with the appropriate authorities. As per management the Provident Fund Act and Employees State Insurance Act are not applicable to the company.  
b) As per management there are no disputed dues of sales tax/income tax/custom tax/wealth tax/excise duty/cess etc.
- x) Item (x) of the order is not applicable to the company.
- xi) The company has not defaulted in repayment of dues to a financial institution or bank.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence the question of maintenance of adequate documents and records does not arise.
- xiii) The company is dealing in shares, securities, debentures and other investments and proper records have been maintained of the transactions and timely entries have been made therein and such shares, securities debentures and other securities have been held by the company in its own name.
- xiv) As per management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xv) The company has not taken any loan, so the question about its applicability for the required purpose does not arise.
- xvi) There is no fund raised on short term basis and hence question of used it for long term investment does not arise.
- xvii) No share issues have been made during the year so there could not have been any preferential allotment of shares to parties covered in the Register maintained U/s. 301 of the Act.
- xviii) No debentures issue have been made by the company and so the question of its securitisation does not arise.
- xix) No public issues were made in this period, so end use money utilisation relating to the same does not arise.
- xx) No fraud on by the company has been noticed or reported during the year.

7, Chittaranjan Avenue  
Kolkata-700 072  
The 18th day of June, 2004

**FOR SALARPURIA & PARTNERS**  
*Chartered Accountants*  
**ARVIND GHOSH**  
*Partner*

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## BALANCE SHEET AS AT 31ST MARCH, 2004

	SCHEDULE	AS AT		AS AT	
		31.03.2004	31.03.2003	31.03.2004	31.03.2003
		Rs.	Rs.	Rs.	Rs.
<b>Sources of Funds :</b>					
Share Capital	A	4,800,000		4,800,000	
Reserves & Surplus	B	4,827,401		3,982,090	
Secured Loans	C	10,337,770		12,987,558	
Unsecured Loans	D	62,101,689		56,807,636	
		<u>82,066,860</u>		<u>78,577,284</u>	
<b>Application of Funds :</b>					
Fixed Assets	E				
Gross Block		4,104,810	3,692,402		
Less : Depreciation		<u>2,200,176</u>	<u>2,243,153</u>		
		1,904,634		1,449,249	
Investments :	F	791,128		791,128	
Current Assets, Loans & Advances	G				
<b>Current Assets :</b>					
Accrued Interest		97,125	363,333		
Inventories		47,855	47,855		
Sundry Debtors		102,170,649	82,324,997		
Cash & Bank Balances		1,679,801	2,022,435		
Loans & Advances		<u>4,644,934</u>	<u>10,779,049</u>		
		108,640,364		95,537,669	
<b>Less : Current Liabilities And Provisions :</b>					
Current Liabilities	H	26,000,141	16,661,637		
Provisions	I	<u>3,269,125</u>	<u>2,539,125</u>		
		29,269,266		19,200,762	
Net Current Assets		<u>79,371,098</u>		<u>76,336,907</u>	
		<u>82,066,860</u>		<u>78,577,284</u>	
Notes on Accounts	J				

As per our separate report of even date attached hereto

### FOR SALARPURIA & PARTNERS

Chartered Accountants

ARVIND GHOSH

Partner

7, Chittaranjan Avenue

Kolkata-700 072

The 18th day of June, 2004

P. HIMATSINGKA  
A. K. BHUWALKA

Directors

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2004

	SCHEDULE	YEAR ENDED	YEAR ENDED
		31.03.2004	31.03.2003
		Rs.	Rs.
<b>INCOME :</b>			
Sales (Net)		500,957,880	464,194,593
Sale of Shares		306	—
Other Income	K	956,397	1,082,844
Insurance Claim		509,704	—
Closing Stock of Shares		47,855	47,855
<b>TOTAL - A</b>		<b>502,472,142</b>	<b>465,325,092</b>
<b>EXPENDITURE :</b>			
Opening Stock of Shares		47,855	47,855
Opening Stock (In Transit)		—	94,593
Purchases (Net)		468,999,762	436,442,557
Freight & Octroi Charges		7,201,371	6,894,159
Administrative Selling & Others	L	10,650,738	8,669,209
Interest	M	12,349,477	9,990,925
Depreciation		417,732	365,501
Bad Debts		187,772	881,421
Directors Remuneration		426,300	399,000
Sales Tax A/c		199,742	—
<b>TOTAL - B</b>		<b>500,480,749</b>	<b>463,785,220</b>
Profit Before Taxation ('A' - 'B')		1,991,393	1,539,872
Less : Provision for Income Tax		730,000	590,000
Less : Deferred Tax Liability		9,956	—
Profit After Taxation		1,251,437	949,872
Add : Balance Brought forward from Prev. Year		3,982,090	3,438,343
Amount Available for Appropriation		5,233,527	4,388,215
<b>APPROPRIATIONS :</b>			
Proposed Dividend		360,000	360,000
Dividend Tax		46,125	46,125
Balance Carried to Balance Sheet		4,827,401	3,982,090
		5,233,526	4,388,215
Basic / Diluted Earning Per Share		2.61	1.98

Notes on Accounts

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As per our separate report of even date attached hereto

### FOR SALARPURIA & PARTNERS

Chartered Accountants

ARVIND GHOSH

Partner

7, Chittaranjan Avenue

Kolkata-700 072

The 18th day of June, 2004

P. HIMATSINGKA | Directors  
A. K. BHUWALKA

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## SCHEDULES

	AS AT 31.03.2004 Rs.	AS AT 31.03.2003 Rs.
<b>SCHEDULE : A</b>		
<b>SHARE CAPITAL :</b>		
<b>Authorised</b>		
5,00,000 Equity Shares of Rs. 10/- Each.	<u>5,000,000</u>	<u>5,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP :</b>		
4,80,000 Equity Shares of Rs. 10/- each fully paid in cash	<u>4,800,000</u>	<u>4,800,000</u>
	<u>4,800,000</u>	<u>4,800,000</u>
 <b>SCHEDULE : B</b>		
<b>RESERVES &amp; SURPLUS :</b>		
<b>Profit &amp; Loss Account</b>		
(Balance (Cr.) as per Account Annexed)	<u>4,827,401</u>	<u>3,982,090</u>
	<u>4,827,401</u>	<u>3,982,090</u>
 <b>SCHEDULE : C</b>		
<b>SECURED LOANS :</b>		
ICCI Car Loan against Hypothecation of Motor Car	529,516	140,504
Oriental Bank of Commerce C.C. A/c. (Kolkata)		
(against Book Debts)	<u>9,095,354</u>	<u>12,274,384</u>
L.I.C. (against Keyman Insurance Policy)	<u>712,900</u>	<u>572,670</u>
	<u>10,337,770</u>	<u>12,987,558</u>
 <b>SCHEDULE : D</b>		
<b>UNSECURED LOANS : (Including Interest)</b>		
From Companies	56,430,835	50,221,040
From Directors	<u>5,670,854</u>	<u>6,586,596</u>
	<u>62,101,689</u>	<u>56,807,636</u>

## PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

### FIXED ASSETS

### SCHEDULE - E :

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost	Additions	Sold	Cost	Upto	During	Adjustment	Total	As At	As At
	as on	during	during	as on	01.04.2003	the	A/c.	Upto	31.03.2004	31.03.2003
	01.04.2003	the year	the year	31.03.2004		year	of Sales	31.03.2004		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Office Premises	839,496	—	—	839,496	523,290	15,810	—	539,100	300,396	316,206
Residential Building	253,373	—	—	253,373	83,707	8,483	—	92,190	161,183	169,666
Furniture & Fixtures	398,592	—	—	398,592	306,795	15,706	—	322,501	76,091	91,797
Air Conditioner	79,260	157,800	27,260	209,800	57,918	9,315	25,573	41,660	168,140	21,342
Motor Car	1,255,479	764,879	660,936	1,359,422	616,543	279,899	435,136	461,306	898,116	638,936
Office Equipment	115,272	45,560	—	160,832	87,211	10,978	—	98,189	62,643	28,061
Generators	16,587	—	—	16,587	14,449	297	—	14,746	1,841	2,138
Computers	541,088	101,460	—	642,548	449,041	56,366	—	505,407	137,141	92,047
Telex	19,780	—	—	19,780	15,739	562	—	16,301	3,479	4,041
Motor Cycle	87,443	—	—	87,443	34,596	13,682	—	48,278	39,165	52,847
Fax Machine	48,352	16,000	—	64,352	37,676	2,510	—	40,186	24,166	10,676
Mobile Phone	9,990	14,905	—	24,895	6,415	1,632	—	8,047	16,848	3,575
Television	27,690	—	—	27,690	9,773	2,492	—	12,265	15,425	17,917
<b>Total :</b>	<b>3,692,402</b>	<b>1,100,604</b>	<b>688,196</b>	<b>4,104,810</b>	<b>2,243,153</b>	<b>417,732</b>	<b>460,719</b>	<b>2,200,176</b>	<b>1,904,634</b>	<b>1,449,249</b>
Previous year Figures	(3,571,652)	(129,750)	(9,000)	(3,692,402)	(1,885,030)	(365,501)	(7,378)	(2,243,153)	(1,449,249)	

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## SCHEDULE

### SCHEDULE : F

#### INVESTMENTS (AT COST)

Name of the holdings	Kind of Stock	Face Value	No. of Shares/Debentures	Cost as on 31.03.2004	Cost as on 31.03.2003
<b>(A) Quoted :</b>					
United Diamonds Ltd. *	Equity	10/-	356 (356)	5,938	5,938
Unique Mfg. & Mkt. Ltd. *	-do-	10/-	50 (50)	160	160
Hindusthan Dev. Corp. Ltd. *	Debentures	50/-	3 (3)	120	120
A.C.C. Ltd. *	-do-	10/-	10 (10)	1,750	1,750
Kanoi Paper & Inds. Ltd.	-do-	10/-	1,500 (1,500)	27,200	27,200
<b>TOTAL : A</b>				<u>35,168</u>	<u>35,168</u>
<b>(B) Unquoted :</b>					
P. C. Properties Ltd.	Equity	10/-	1,500 (1,500)	15,000	15,000
Produce & Textile Pvt. Ltd.	-do-	10/-	1,000 (1,000)	66,000	66,000
Buxa Doars Tea Co. Ltd.	-do-	10/-	52,000 (52,000)	674,960	674,960
<b>TOTAL : B</b>				<u>755,960</u>	<u>755,960</u>
<b>TOTAL INVESTMENTS (A+B)</b>				<u>791,128</u>	<u>791,128</u>
<b>Aggregate Market Value of Quoted Investments :</b>				<b>(13,368)</b>	<b>(10,481)</b>

\* In absense of Market Quotation Cost Price have been considered for Calculation of aggregate Market Value.

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## SCHEDULE

	AS AT 31.03.2004		AS AT 31.03.2003	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE : G</b>				
<b>CURRENT ASSETS, LOANS AND ADVANCES :</b>				
<b>Current Assets :</b>				
Accrued Interest		97,125		363,333
<b>INVENTORIES :</b>				
Shares (At cost)	47,855		47,855	
Stock-in-Transit	<u>—</u>		<u>—</u>	
		47,855		47,855
<b>SUNDRY DEBTORS :</b>				
Debts Outstanding for a Period Exceeding Six Months				
Considered Good	20,882,220		16,684,998	
Considered Doubtful	1,255,698		955,698	
Others Debts				
(Unsecured considered good)	80,032,731		64,684,301	
		<u>102,170,649</u>		<u>82,324,997</u>
<b>CASH &amp; BANK BALANCES :</b>				
Cash-in-Hand (As per Books & Certified)	142,335		63,216	
With Scheduled Banks :				
In Current A/c.	23,535		596,605	
In Fixed Deposit A/c.	1,510,000		1,360,000	
(Pledged with Bank against Bank Guarantee)				
In Unpaid Dividend A/c. (O.B.C. Ltd.)	<u>3,931</u>		<u>2,614</u>	
		1,679,801		2,022,435
<b>LOANS &amp; ADVANCES :</b>				
(Unsecured considered Good)				
Security Deposits	87,865		91,865	
Advance Income Tax	2,136,247		1,563,240	
Income Tax Refundable	30,371		30,371	
Tax Deducted at Source	766,986		602,478	
Advance to Suppliers	728,609		7,342,436	
Advance to Staff	30,000		46,500	
Advance to Others	221,885		201,000	
Insurance claim	228,820		464,583	
prepaid Expenses	273,005		144,561	
Hire Purchase Charge payable	42,088		5,673	
Discount receivable	<u>99,058</u>		<u>286,342</u>	
		4,644,934		10,779,049
		<u>108,640,364</u>		<u>95,537,669</u>

# **PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

## **SCHEDULE**

	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2004</b>	<b>31.03.2003</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>SCHEDULE : H</b>		
<b>CURRENT LIABILITIES :</b>		
<b>Sundry Creditors</b>		
For Goods (Due to S. S. I. Units Rs. NIL)	15,125,537	10,588,556
For Expenses	7,962,162	1,279,573
Advance From Customer	736,496	3,217,332
Tax deducted at source	2,162,060	1,573,562
Unclaimed Dividend*	, 3,930	2,614
Defferred Tax Liability	9,956	—
	<u>26,000,141</u>	<u>16,661,637</u>

\* There are no amounts due and outstanding to be credited to the investors Education and protection fund. The previous year figures have not been disclosed as the disclosure requirement came into effect from 13.11.2002.

## **SCHEDULE : I**

### **PROVISIONS :**

For Taxation	2,863,000	2,133,000
Proposed Dividend	360,000	360,000
Dividend Tax	46,125	46,125
	<u>3,269,125</u>	<u>2,539,125</u>

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## SCHEDULE : J

### NOTES ON ACCOUNTS :

1. Contingent Liabilities not provided for in respect of :
 

(a) Letter of Credit discounted with Bank.	Rs. 60.84 Lakhs	(Rs. 27.64 Lakhs)
(b) Bill Discounted with Bank.	Rs. 76.69 Lakhs	(Rs. 79.18 Lakhs)
(c) Sales Tax Demand under Appeal.	Rs. NIL	(Rs. 30,000/-)
(d) Claims against the company pending in court, not acknowledged as debts, amount unascertainable.		
2. Other Advances includes Rs. 101,000/- against which the Company has filed a suit for recovery.
3. Fixed Deposit Rs. 15.00 Lakhs (13.50 Lakhs) pledged with Oriental Bank of Commerce, Park Street Branch against Bank guarantee of Rs.9,000,000/- (Rs. 9,000,000/-) and Rs. 10,000/- (Rs. 10,000/-) with the commissioner of Sales Tax as security for the issue of blank 'C' forms and Form '14'.
4. Motor Car includes Rs. 764,879/- (Rs. 594,543/-) under Hire Purchase Scheme. Future Interest Payable in car Purchased under said scheme amounting to Rs. 42,088/- (Rs. 5,673/-)
5. Managerial Remuneration (Included under Salary & Allowances) :
 

Salary	Rs. 420,000/-	(Rs. 399,000/-)
Other Benefits	Rs. 6,300/-	(Rs. 17,064/-)
6. Additional Information pursuant to the provisions of Paragraph 3 & 4 of part-II of Schedule VI of the Companies Act, 1956.

#### i) Quantitative Information : Trading Goods

Class of Goods	Unit	Opening Stock Qty.	Value Rs.	Purchases @ Qty.	Value Rs.	Sales @ Qty.	Value Rs.	Closing Stock Qty.	Value Rs.
Phenol	MT	—	—	9,474.181	468,999,762	9,474.181	500,957,880	—	—
		(—)	(—)	(9,217.417)	(436,354,557)	(921.747)	(464,020,593)	(—)	(—)
Formal Dehyde	MT	—	—	—	—	—	—	—	—
		(9.87)	(94,593)	(9.14)	(88,000)	(19.01)	(174,000)	(—)	(—)
* Shares	Nos.	—	47,855	1,800	90,000	1,800	90,506	—	47,855
		(—)	(47,855)	(—)	(—)	(—)	(—)	(—)	(47,855)
<b>Total</b>			47,855		469,089,762		501,048,186		47,855
			(142,448)		(436,442,557)		(464,194,593)		(47,855)

\* Net of Discount

\* Details of Shares Stock-in-Trade as on 31st March, 2004

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## SCHEDULE : J

### NOTES ON ACCOUNTS :

Details of Shares Stock-In-Trade As on 31st March, 2004

Name of the Company	Opening Stock			Purchases			Sales			Closing Stock		
	Face Value	Nos.	Value	Nos.	Value	Nos.	Value	Nos.	Value	Nos.	Value	
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.	
M.P.U. Poly Propines Ltd.	10/-	18	180	—	—	—	—	—	18	180		
	(10/-)	(18)	(180)	(—)	(—)	(—)	(—)	(—)	(18)	(180)		
Brownia Business Ltd.	10/-	50	255	—	—	—	—	—	50	255		
	(10/-)	(50)	(255)	(—)	(—)	(—)	(—)	(—)	(50)	(255)		
Unit Trust of India	10/-	100	920	—	—	—	—	—	100	920		
(Master Share)	(10/-)	(100)	(920)	(—)	(—)	(—)	(—)	(—)	(100)	(920)		
Kanoi Paper & Inds. Ltd.	10/-	1,860	46,500	—	—	—	—	—	1,860	46,500		
	(10/-)	(1,860)	(46,500)	(—)	(—)	(—)	(—)	(—)	(1,860)	(46,500)		
<b>TOTAL :</b>			<u>47,855</u>		<u>NIL</u>		<u>NIL</u>			<u>47,855</u>		
			<u>(47,855)</u>		<u>(NIL)</u>		<u>(NIL)</u>			<u>(47,855)</u>		

(ii) Expenditure / Earnings in Foreign Currency

(NIL) (NIL)

#### 7. Related Party Disclosure

Information relating to Related Party Transaction as per Accounting Standard-18 issued by the Institute of Chartered Accountants of India is given below :

A)	Name of the related party	Relationship
(a)	Abhishek Chemicals Pvt. Ltd.	Associate Company
	Himatsingka Chemicals Pvt. Ltd.	Associate Company
	Swan Silvers Wares Pvt. Ltd.	Associate Company
	Variable Plaza Pvt. Ltd.	Associate Company
	Intel Sales Pvt. Ltd.	Associate Company
	Larsen Chemicals Pvt. Ltd.	Associate Company
	Larsen Arcbuilt Pvt. Ltd.	Associate Company
	Madhuri Properties Pvt. Ltd.	Associate Company
	P. C. Properties Pvt. Ltd.	Associate Company
	Avismi Properties Pvt. Ltd.	Associate Company
	Pramadh Properties Pvt. Ltd.	Associate Company
	Vikranu Properties Pvt. Ltd.	Associate Company
(b)	Prakash Himatsingka	Key Managerial Personnel
	Abhishek Himatsingka	Relative of Key Managerial Personnel
	Vikram Himatsingka	Relative of Key Managerial Personnel
	Ashok Kr. Jhawar	Key Managerial Personnel
	Prakash Chandra Vikram Kumar	Relative of Key Managerial Personnel
	Binayak Prasad Prakash Chandra	Relative of Key Managerial Personnel
	K. Kumar & Co.	Relative of Key Managerial Personnel
	Nimal Himatsingka Rice & Sugar Mills	Relative of Key Managerial Personnel
	Amjey Chemicals Pvt. Ltd.	Common Key Management Personnel

Note : Related Party Relationship is as identified by the Company and relied by Auditors.

## PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

B)	Transactions during the year	With (a)	With (b)
	i) Sales	4,436,401	—
	ii) service Charges	800,000	720,000
	iii) Director's Remuneration	—	426,300
	iv) Salaries and HRA	—	23,500
	v) Rent Paid	137,775	—
	vi) Rent Received	18,000	9,600
	vii) Intercompany Deposits Received	125,728,128	3,884,000
	viii) Intercompany Deposits Paid	122,539,021	5,664,746
	ix) Interest Paid	5,324,395	865,004
	x) Outstanding balances as at 31.03.2003		
	a) Intercompany Deposit accepted	24,641,235	5,670,854
	xi) Car Hire Charges	10,000	—

8. Since company is having single activity i.e. Trading so segment reporting in accordance with Accounting Standard 17 issued by ICAI is not applicable.

9. As a matter of prudence no deferred tax assets in accordance with Accounting Standard 22 has been created for the current year.

10.	<u>Earning per Share</u>	<u>31.03.2004</u>	<u>31.03.2003</u>
	a) Net Profit available to the Equity Shareholders	1,251,436	949,872
	b) No. of Equity Shares	480,000	480,000
	c) Basic/Diluted earning per share	2.61	1.98

11. No provision have been considered necessary for diminution in value of permanent investment being temporary in nature.

12. Provision has not been made for doubtful debts amounting to Rs. 1,255,698/- (Previous Year Rs. 955,698/-)

13. Figures of the last year have recasted & regrouped wherever found necessary.

### ACCOUNTING POLICIES :

#### INCOME / EXPENDITURES

1. **All income & expenditures are accounted for on Accrual basis except :**

Dividend, debenture interest, which are accounted for on cash basis.

2. **Investments :**

All investments are valued at cost.

3. **Depreciation :**

Depreciation has been provided on all assets on W.D.V. basis as per rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on Fixed Asset at Branch has been provided under W.D.V. Method at the rates prescribed under the Income Tax Act, 1961, and the rules made there under.

4. Inventories are valued at cost.

5. **Gratuity :**

Gratuity has been deposited partly into LIC fund & partly into the bank account jointly held in the name of companies and the nominees of the company. Such Liability being calculated by the Management.

6. **Leave Salary :**

No provision for leave encashment has been made in the accounts (amount unascertained) Leave Salary accrued and payable to the employees are being encashed by the employees during the accounting year.

7. Sales on purchases are stated in accounts at net of discount thereon.

**PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

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	AS AT 31.03.2004 Rs.	AS AT 31.03.2003 Rs.
<b>SCHEDULE : K</b>		
<b>OTHER INCOME :</b>		
Rent Received	27,600	27,600
Profit on Sale of Fixed Assets	4,515	138
Interest Received [ TDS. Rs. 167,408 (Rs. 208,426) ]	816,625	867,741
Dividend Received [ TDS. Rs. NIL (Rs. 47) ]	520	539
Miscellaneous Income [ TDS. Rs. NIL (Rs. 1,060) ]	107,137	182,307
B.S.T. Set Off	—	4,319
	<u>956,397</u>	<u>1,082,644</u>

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

	AS AT 31.03.2004 Rs.	AS AT 31.03.2003 Rs.
<b>SCHEDULE : L</b>		
<b>ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES :</b>		
Salary and Allowances	614,694	543,864
Staff Welfare Expenses	51,502	27,916
Rates & Taxes	62,232	78,771
Insurance Premium	191,642	115,681
Legal & Professional Charges	258,211	151,804
Repair & Maintenance (Others)	187,888	177,741
Electric Charges	156,081	163,508
Telephone Expenses	400,414	406,269
Director's Meeting Fees	2,750	2,750
Printing & Stationery	58,382	82,678
Computer Expenses	56,896	65,737
Service Charges	1,592,000	1,220,000
<b>Auditors' Remuneration :</b>		
Internal Audit Fees	2,000	2,201
As Audit Fees (Including Branch Auditor)	36,187	31,575
As Tax Audit Fees	4,500	4,500
Out of Pocket Expenses	<u>880</u>	<u>880</u>
	43,567	39,156
Travelling & Conveyance	449,484	375,461
Vehicle Expenses	99,250	102,353
Advertisement	20,005	42,152
Bank Charges	626,947	764,401
Donation	135,000	98,000
Commission & Brokerage	4,811,275	3,463,806
Sales Promotion Expenses	116,593	272,497
Miscellaneous Expenses	459,213	264,184
Rent	155,883	166,664
Postage and Telegram	45,178	43,816
Sundry Balance Written off	55,651	—
	<u>10,650,738</u>	<u>8,669,209</u>
<b>SCHEDULE : M</b>		
<b>INTEREST : (Net)</b>		
To Bank	1,754,766	1,695,200
To Others	9,729,707	7,804,556
To Director	865,004	491,169
	<u>12,349,477</u>	<u>9,990,925</u>

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

(In terms of amendment of Schedule VI Part IV)

### I. Registration Details

Registration No.	35011/82	State Code	21
Balance Sheet Date	31.03.2004		

### II. Capital raised during the Year (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

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

Total Liabilities	82,067	Total Assets	82,067
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#### Sources of Funds

Paid up Capital	4,800	Reserve & Surplus	4,827
Secured Loans	10,338	Unsecured Loans	62,102

#### Application of Funds :

Net Fixed Assets	1,905	Investments	791
Net Current Assets	79,371	Misc. Expenditure	NIL
Accumulated Loss	NIL		

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

Total Income	502,472	Total Expenditure	500,481
Profit before tax	1,991	Profit after tax	1,251
Earning Per Share	Rs. 2.61	Dividend Rate	% 7.50

### V. Generic names of Three Principal Products/Services of Company (As per Monetary term)

Item Code No. (I.T. C. Code) —	<u>N. A.</u>
Product Description —	<u>N. A.</u>

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2004

	AS AT 31.03.2004 Rs.	AS AT 31.03.2003 Rs.
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit before tax and extraordinary items		
Adjustments For	1,991,392	1,539,872
Depreciation	417,732	365,501
Profit on Sale of Fixed Assets	(4,515)	(138)
Profit/(Loss) on Sale of Investment	(306)	—
Interest / Dividend (Income)	(817,145)	(868,280)
Interest Paid	12,349,477	9,990,925
<b>Operating Profit before Working Capital Changes</b>	<u>13,936,635</u>	<u>11,027,880</u>
Adjustments For		
Trade and Other receivables.	(12,974,021)	(28,166,675)
Inventories	—	94,593
Trade Payable	9,328,549	958,421
Change in short term borrowing	5,294,053	20,764,071
Cash generated from operations	15,585,216	4,678,290
Interest Paid	(12,349,477)	(9,990,925)
Interest Received on Trade Deposits	—	—
Direct taxes paid	(737,515)	(629,926)
Cash Flow before Extra Ordinary Items	<u>2,498,224</u>	<u>(5,942,561)</u>
<b>Net Cash from operating activities</b>	<u>2,498,224</u>	<u>(5,942,561)</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,100,604)	(129,750)
Sale of Fixed Assets	232,000	1,760
Purchase of Investments	(90,000)	—
Sale of Investments	90,306	—
Interest Received	816,625	867,741
Dividend Received	520	539
<b>Net Cash used in investing activities</b>	<u>(51,153)</u>	<u>740,290</u>

Contd. .... Next page

# PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2004

	AS AT 31.03.2004 Rs.	AS AT 31.03.2003 Rs.
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital :	—	—
Proceeds from Long Term Borrowings :	(2,649,788)	6,617,285
Repayment for Finance Lease Liabilities :	—	—
Dividend Tax Paid :	(46,125)	—
Dividends Paid :	(360,000)	(360,000)
<b>Net Cash used in Financing Activities :</b>	<b><u>(3,055,913)</u></b>	<b><u>6,257,285</u></b>
Net increase in Cash and Cash Equivalents (A+B+C) :	(608,842)	1,055,014
Cash and Cash Equivalents as at (Opening Balance) :	2,385,768	1,330,754
Cash and Cash Equivalents as at (Closing Balance) :	1,776,926	2,385,768

P. HIMATSINGKA | Directors  
A. K. BHUWALKA

**Notes :**

<b>1.</b>	<b><u>Cash &amp; Cash Equivalent</u></b>	<b><u>Current Year</u></b>	<b><u>Prev. Year</u></b>
	Cash in hand :	142,335	63,216
	with schedule bank		
	In Current A/c :	23,535	596,605
	In Fixed Deposit :	1,510,000	1,360,000
	In unpaid Divident A/c :	3,931	2,614
	Accrued Interest :	97,125	363,333
		<b><u>1,776,926</u></b>	<b><u>2,385,768</u></b>

2. The cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting standard 3 on cash flow statements issued by the Institute of Chartered Accountants of India.

7, Chittaranjan Avenue  
Kolkata-700 072  
The 18th day of June, 2004

**FOR SALARPURIA & PARTNERS**  
Chartered Accountants  
**ARVIND GHOSH**  
Partner

**PH TRADING LTD. (FORMERLY LARSEN SERVICES & TRADING CO. LTD.)**

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Registered Office : Poddar Point, 'B' Block, 10th Floor  
113, Park Street, Kolkata-700 016

**PROXY FORM**

Reg. Folio No. : \_\_\_\_\_

I / We, \_\_\_\_\_

of \_\_\_\_\_

being a member / members of PH TRADING LTD. (Formely LARSEN SERVICES & TRADING CO. LTD.),  
here by appoint

of \_\_\_\_\_

or failing him / her \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

as my / our proxy to vote for me / us and on my/our behalf at the 22nd Annual General Meeting of the  
Company to be held on Tuesday, the 31st of August, 2004 and any adjournment thereof.

Signed this \_\_\_\_\_, \_\_\_\_\_ day of \_\_\_\_\_ 2004

Signed by the Said \_\_\_\_\_

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**NOTE :**

This form, in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting .

**Under Certificate of Posting**

**Printed Matter**

*If undelivered, Please return to :*

**PH TRADING LTD.**

**(Formerly Larsen Services & Trading Co. Ltd.)**

**Poddar Point, 'B' Block, 10th Floor**

**113, Park Street, Kolkata-700 016**