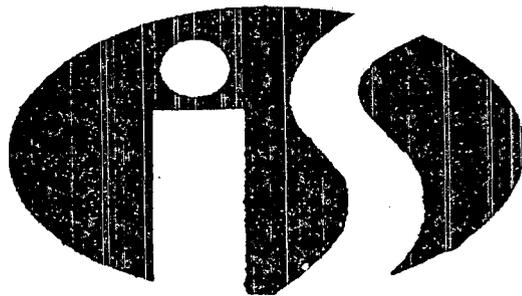


*Inter State Oil Carrier Limited*

*Annual Report*  
**2006-2007**



*The Perfect Blend - of Vision and Growth*



**NOTICE:**

Notice is hereby given that the 23rd Annual General Meeting of the Members of INTER STATE OIL CARRIER LIMITED will be held at Somany Conference Hall, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001, on Friday, the 28th September, 2007 at 11.00 A.M. to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2007 and the Profit & Loss Account for the Year ended on that date and Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Shanti Lal Jain who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Bhag Chand Jain who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolutions as ordinary resolution :  
"Resolved that pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII to the said Act, the approval of the Company be and is hereby accorded to the re-appointment of Shri Rikhab Chand Jain as Wholetime Director of the Company for a period of three years w.e.f. 1st July, 2007 on the terms and conditions specified in the agreement executed between the Company and Shri Rikhab Chand Jain, a copy whereof laid on the table and initialed by the Chairman for the purpose of identification and also specified in the Explanatory statement under section 173(2) of the Companies Act, 1956 annexed to the Notice convening the 23rd Annual General Meeting with liberty to the Board of Directors to modify/amend the above agreement in the manner and to the extent agreed to between the Board of Directors and Shri Rikhab Chand Jain".  
"Further resolved that in the event of inadequacy or absence of profit in any relevant financial year, Shri Rikhab Chand Jain shall be paid the same remuneration as stated in the Explanatory Statement as minimum remuneration but subject to the upper limit if any, prescribed under the Companies Act, 1956 from time to time".  
"Further resolved that the Board of Directors is hereby authorised to do all such acts, things and deeds which are connected there with or incidental thereto".
6. To consider and if thought fit, to pass, with or without modification's, the following resolution as a special resolution:-  
"Resolved that pursuant to the applicable provisions of the Securities & Exchange Board Of India (Delisting of Securities Guidelines, 2003) and all other applicable laws, rules, regulations and guidelines and subject to such other approvals, consents and permissions as may be necessary in this regard, the consent of the Company be and is hereby accorded to voluntarily delist the Equity Shares of the Company from The Calcutta Stock Exchange Association Ltd, at Kolkata and the Stock Exchange - Ahmedabad, at Ahmedabad."  
"Resolved Further that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to the Special Resolution."

Registered Office :  
Poddar Point. South Wing  
5th Floor. 113, Park Street  
Kolkata – 700 016  
Dated 16th August, 2007

By Order of the Board  
For Inter State Oil Carrier Limited

Jitendra Tiwari  
(Company Secretary)



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at least 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 21st day of September, 2007 to Friday, 28th day of September, 2007 (both days inclusive).
3. Members are requested to inform of any change in their address to the Share Transfer Agent of the Company immediately.
4. Members, who are holding shares in identical order of names in more than one account, are requested to intimate to the Company, the ledger folio of such accounts together with the Share Certificate(s) to enable the Company to consolidate all holdings into one account. The Share Certificates will be returned to the members after making the necessary endorsements in due course.
5. Members desiring for any information on the Accounts at the Annual General Meeting are requested to write to the company at least ten days in advance, so as to enable the company to keep the information ready.
6. Members/Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting and also their copies of the Annual Report.
7. Particulars regarding Directors seeking re-appointment to be given as per the Listing Agreement are as under :-

Name of Directors	Age	Qualification	Experience	Other Directorship
Shanti Lal Jain	62	Matric	More than 27 years in Transport Industry	Nil
Bhag Chand Jain	61	F.C.A	More than 29 years in Finance & Taxation	Howrah Mills Co. Ltd. Gopalpur Tea Co. Ltd. Merfyn Consultants Pvt. Ltd

**ANNEXURE TO NOTICE**

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

**ITEM No. 5**

The Board of Directors, of the Company at its meeting held on 16th August 2007 reappointed Shri Rikhab Chand Jain as Wholtime Director of the Company for a period of 3 years w.e.f. 1st July 2007 subject, however, to the approval of the Member of the Company. The brief terms and conditions of re-appointment of Shri Rikhab Chand Jain, Wholtime Director is as under : --

**A. SALARY**

Rs. 38000/- (Rupees Thirty Eight Thousand) per month. Annual increment effective April 1st of each Financial year commencing from April' 2008 will be Rs 8,000/- (Rupees Eight thousand Only).

**B. PERQUISITES**

- I. **Housing** : The expenditure of the company for providing un-furnished Accommodation shall be subject to ceiling of 60% of the Salary of Shri Rikhab Chand Jain over and above 10% payable by him. Alternatively, Shri Rikhab Chand Jain may be allowed to draw house rent allowance of 60% of his Salary.
- II. **Gas, Electricity & Water** : Expenditure incurred by Shri Rikhab Chand Jain on gas, electricity & water shall be reimbursed by the Company.
- III. **Medical Reimbursement** : Medical Expenses incurred by the reappointee for himself and his family shall be reimbursed, subject to a ceiling of one months Salary each year or three months' Salary over a period of three years.
- IV. **Leave Travel Concession** : For the reappointee and his family, once in a year in accordance with Company's rules.
- V. **Club Fees** : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- VI. **Personal Accident Insurance** : Personal accident insurance, the premium of which shall not exceed Rs. 10000 per anum.



VII. **Providend Fund** : Contribution to providend fund, to the extent the same is not taxable under the Income Tax Act.

VIII. **Gratuity** : Gratuity as per the provisions of the payment of Gratuity Act or as per the Gratuity Scheme of the Company, which ever is higher.

IX. **Car & Telephone** : Provision of a car with driver for use on Company's business and a telephone at the residence.

C. **OTHERS**

The Service Agreement is subject to termination by three months' Notice by either side.

The reappointee will perform duties under supervision, control and direction of the Board of Directors.

The above may be treated as abstract under section 302 of the Companies Act, 1956.

Copy of the agreement executed between Shri Rikhab Chand Jain and the Company will be available for inspection by the Members at the Registered Office of the Company between 11.00 AM to 2.00 PM on working days.

The Board of Directors recommends the resolution for approval of the Members.

Save and except Sri Rikhab Chand Jain & Shri Shanti Lal Jain, no Director of the Company is concerned or interested in the Resolution being item No. 5 in the Notice.

**ITEM No. 6**

The Equity Shares of Rs. 10/- each of your Company are presently listed on the following Stock Exchanges, 1. The Calcutta Stock Exchange Association Limited at Kolkata 2. Bombay Stock Exchange Limited at Mumbai 3. Ahmedabad Stock Exchange Limited at Ahmedabad. Data on trading volume indicates that the Company's Shares are not traded in material volumes at Stock Exchanges other than BSE. This Stock Exchange accounts for more than 99% of the traded volumes of the Company's Shares and have extensive networking of trading terminals which facilitate trading by Members / Investors across the Country. The trading volumes in the Company's shares on other Stock Exchanges are either nil or insignificant and continued listing on such Stock Exchanges neither serves the interest of the Members / Investors nor that of the Company's.

The Board of Directors of the Company at its meeting held on 16th August' 2007 accordingly recommended for the approval of the Members, the proposals to voluntarily delist the Company's shares from the Stock Exchanges at Kolkata and Ahmedabad.

In accordance with the Securities and Exchange Board of India (Delisting of Securities Guidelines, 2003), consent of the Members by way of Special Resolution is required for voluntary delisting of the Company's shares from the aforesaid Stock Exchanges. The Special Resolution being Item Number 6 in the Notice is intended for the purpose.

The Board of Directors recomends the special resolution for approval of the Members :-

No Directors of the Company is concerned or interested in the Special Resolution being item No. 6 in the Notice.

Registered Office :

Poddar Point. South Wing

5th Floor. 113, Park Street

Kolkata – 700 016

Dated 16th August,2007

By Order of the Board

For Inter State Oil Carrier Limited

Jitendra Tiwari  
(Company Secretary)



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2007.

**FINANCIAL HIGHLIGHTS**

<u>Particulars</u>	<u>(Rs in Lacs)</u> <u>31st March 2007</u>	<u>(Rs in Lacs)</u> <u>31st March 2006</u>
Turnover	845.65	632.13
Profit Before Interest & Tax	105.52	215.99
Profit on Sale of Investment	36.46	130.18
Profit before Tax	60.78	172.66
Less: Provision for Taxation		
Current Year Tax	5.57	10.00
Deferred Tax	(7.00)	27.72
FBT, NPA & Adj of STT	1.80	3.64
Income Tax Adjusted of earlier year	0.14	0.06
Profit after Tax	60.26	131.35
Less: Transfer to Statutory Reserve Fund	12.10	26.30
Amount available for Appropriation	48.16	105.05
Surplus B/f from the Previous year	282.44	177.40
Balance Carried Forward	330.61	282.45

**KEY INDICATORS**

Share Capital	499.23	499.23
Reserve and Surplus	418.37	358.11
Networth	917.60	857.34
Fixed Assets	581.97	712.11
Book Value per Share (Rs.)	18.38	17.18
EPS	1.20	2.63

**DIVIDEND**

In order to augment the working capital requirement of the company, for future business needs, your Directors do not recommend any Dividend in respect of the year ended 31st March, 2007.

**YEAR IN RETROSPECT**

The Company clocked a turnover of Rs. 845.65 lakhs as against turnover of Rs. 632.13 lakhs in the previous year. However, net profit after tax in respect to year under review stands at Rs. 60.26 lakhs as against Rs. 131.35 lakhs of the previous year. The Net Profit figure for the year under review and the previous year is not comparable because of non existence of extra ordinary Profit from sale of investment in the year under review.

**FUTURE PROSPECTS**

The future of transport sector is absolutely dependent on the revival of the Industrial Sector. Your Directors are confident that the Company would improve upon its financial growth including profitability in the coming year considering the fact that the Indian Economy is growing. Further the Central Governments efforts in building Highways across the country will also be beneficial to the Transport Industry. Your Company is well set to reap the harvest of ongoing boom in the Indian Economy. It has also diversified into the area of infrastructural development by purchasing earth moving equipments and dumpers.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits from the public, during the year under review.

**CAPITAL EXPENDITURE**

As at March 31st 2007 the gross fixed assets stood at Rs. 933.79 lakhs and the net fixed assets at Rs.581.97 lakhs. Addition during the year amounted to Rs. 1.44 lakhs.

**DIRECTORS**

Shri Shanti Lal Jain and Shri Bhag Chand Jain retire by rotation at the forth coming Annual General Meeting but being eligible, have offered themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As per Section 217(2AA) of the Companies Act, 1956 your Directors' state :-

- i. That in the preparation of Annual Accounts, the applicable Accounting Standards had been followed and no material departures have been made for the same.
- ii. That the Directors had selected such accounting policies and applied them consistently and 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 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.

**CORPORATE GOVERNANCE REPORT**

Corporate Governance Report including Management Discussion and Analysis Report has been annexed here to and marked as Annexure – A.

**AUDITORS**

M/S. Patni & Co., Chartered Accountants, the Auditors of the Company shall hold office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has also received a certificate from them under section 224 (1-B) of the Companies Act, 1956.

**AUDITORS' REPORT**

The Auditors' Report to the Share Holders does not contained any qualifications.

**PARTICULARS OF EMPLOYEES**

None of the employees are drawing remuneration executing Rs. 200000.00 per month or Rs. 24,00,000.00 per year. Hence, details required to be furnished in accordance with Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not required.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

Your Company has no activity relating to conservation of energy or technology absorption to be declared pursuant to section 217(1)(e) of the Companies Act, 1956.

There is no earning or outgo of Foreign Exchange during the year under review.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation of the assistance and co-operation extended to the Company by commercial Banks, Government of India, various State Governments, Share Holders and all others whose continued support has been a source of strength to the Company. Your Directors also wish to place on record their sincere appreciation of contribution and high level of commitment of every employee of the Company.

Registered Office :  
Poddar Point. South Wing  
5th Floor. 113, Park Street  
Kolkata – 700 016  
Dated 16th August,2007

By Order of the Board  
For Inter State Oil Carrier Limited

Shanti Lal Jain  
(Chairman)

**Annexure - A**

**CORPORATE GOVERNANCE REPORT**

**Company's Philosophy on the Code of Governance :-**

Corporate Governance primarily involves transparency, full disclosure, independent monitoring the state of affairs and being fair to all Shareholders. The Corporate Governance code introduced by the Securities & Exchange Board of India (SEBI) has been incorporated in Clause No. 49 in the Listing Agreement of the Stock Exchange and in the Companies (Amendment) Act, 2000.

The objective of your Company is not only to meet the statutory requirements of the code but also to go well beyond it by instituting such systems and procedures as are in accordance with the latest Global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing Shareholder value. The Company has professionals on its Board of Director who are actively involved in the deliberation of the Board on all important policy matters.

**Board of Directors :-**

The composition of the Board as on 31st March, 2007 and other information is as follows:

Name	Category	No. of Board Meetings attended during 2006-07	Whether attended AGM held on 18th September 2006	No. of Directorships in other Public Limited Co's	No. of Committee positions held in other Public Limited Co's		No. of Equity Shares held
					Chairman	Member	
Mr Shanti Lal Jain (Chairman)	Promoter Non-Independent Executive	5	Yes	—	—	—	138490
Mr. Sanjay Jain (Managing Director)	Promoter Non-Independent Executive	5	Yes	—	—	—	82800
Mr. Rikhab Chand Jain (Wholetime Director)	Promoter Non-Independent Executive	Nil	No	—	—	—	40000
Mr. Bhag Chand Jain	Independent Non-Executive	5	Yes	2	2	1	8200
Mr. Shankar Lal Khandelwal	Independent Non-Executive	5	Yes	1	—	—	300
Mr Neeraj Jain	Independent Non-Executive	5	Yes	—	—	—	Nil

**The Board of Directors met on the following dates during the financial year 2006-2007:**

29th April, 2006                      31st July 2006                      14th August, 2006  
 31st October, 2006                      31st January 2007.

**Audit Committee :**

The Audit Committee of the Company was constituted in the Board Meeting held on 29.04.2002. The terms of reference of the Audit Committee as stipulated by the Board are in accordance with the entire item listed in Clause 49(II).

1. To review report of the Internal Audit Department and recommend to the Board to decide about the scope of its works including the examination of major items of expenditure.
2. To meet Statutory and Internal Auditors periodically and discuss their findings, suggestions and other related matters.
3. To review the Auditors' Report on the financial statement and to seek clarification thereon, if required, from the Auditors.
4. To review the weaknesses in internal controls, if any, reported by the internal and statutory auditors and report to the

Board the recommendations relating thereto.

5. To act as a link between the statutory and internal auditors and the Board of Directors.
6. To recommend a change in the Auditors if in the opinion of the Committee the Auditors have failed to discharge their duties adequately.
7. And, generally, all items listed in Clause 49(II) (D) of the Listing Agreement.

The Company has complied with the requirements of Clause 49(II)(A) as regards the composition of the Audit Committee.

**The Audit Committee of Inter State Oil Carrier Limited as on 31st March, 2007 comprises of the following three Directors of the Company:**

Shri Bhag Chand Jain	Chairman	Independent Non-Executive Director
Shri Neeraj Jain	Member	Independent Non-Executive Director
Shri Shankar Lal Khandelwal	Member	Independent Non-Executive Director

Shri Bhag Chand Jain & Shri Neeraj Jain are qualified Chartered Accountants. The other one Member of the Committee has wide exposure in the relevant area.

Shri Jitendra Tiwari being the Company Secretary of the Company acts as the Secretary to the Committee.

**The Audit Committee met on the following dates during the financial year 2006-2007 :**

29th April, 2006 • 31st July, 2006 • 12th August, 2006 • 31st October, 2006 • 31st January, 2007

**Attendance at the Audit Committee Meeting:**

Name of Director	No. of Meeting held	No. of Meetings Attended
Shri Bhag Chand Jain	5	5
Shri Shankar Lal Khandelwal	5	5
Shri Neeraj Jain	5	5

Necessary quorum was present at the meetings.

Audit Committee meetings are attended by Company Secretary. Representatives of the Statutory Auditors are being invited to the Meetings as and when required.

**Shareholders'/Investors' Grievance Committee :**

**Terms of Reference :**

The Company has independent Shareholders' Committee which was constituted in the Board Meeting held on 29.04.2002 to look into redressal of investors' complaints and requests like delay in transfer of shares/debentures, non receipt of dividend, annual reports etc.

**The Committee comprises of :**

Shri Neeraj Jain	Chairman	Independent Non-Executive Director
Shri Shanti Lal Jain	Member	Promoter-Non Independent-Executive Director
Shri Sanjay Jain	Member	Promoter-Non Independent-Executive Director

Shri Jitendra Tiwari being the Company Secretary of the Company acts as the Secretary to the Committee.

**The Shareholders' Grievance Committee met on the following dates during the financial year 2006-07 :**

29th April, 2006 • 31st July, 2006 • 31st October, 2006 • 31st January, 2007.

**Attendance at the Shareholders Grievance Committee Meeting :**

Name of Director	No. of Meeting held	No. of Meetings Attended
Shri Shanti Lal Jain	4	4
Shri Sanjay Jain	4	4
Shri Neeraj Jain	4	4

Necessary quorum was present at the meetings.

**INTER STATE OIL CARRIER LIMITED**



Reports and Correspondence/Communication received from the Investors during the period 1st April, 2006 to 31st March, 2007. (Based on information received from the Company's Registrar).

Nature of Queries (Correspondence)	Total Received	Total Replied	Pending Queries Days			Remarks
			0-7	7-15	Above 15	
(1) Non-receipt of Interest/ Dividend Warrant	—	—		—		—
A. Warrant Already Paid	—	—		—		—
B. Fresh Cheques issued against requests for duplicate warrants	—	—		—		—
C. Reply sent giving warrant details (Reconciliation in Process)	—	—		—		—
D. Miscellaneous queries in connection with payments	—	—		—		—
(2) Inquiry pertaining to non-receipt of shares sent for transfer	1	1		—		—
(3) Inquiry on Dematerialisation of shares	—	—		—		—
(4) Name Correction	—	—		—		—
(5) Letters received from SEBI and other statutory bodies	—	—		—		—
Other Correspondence/Request received: (6) Change of Address	—	—		—		—
(7) ECS/Mandate Registration	—	—		—		—
(8) Loss of Shares	3	3		—		—
(9) Split/Consolidation/Remat/Replace Duplicate issue of Certificates	11	11		—		—
(10) Request for Nominations	—	—		—		—
(11) Tax exemption Forms	—	—		—		—
(12) Transmission of Securities	—	—		—		—
(13) Exchange/Sub-division of old Shares	1	1		—		—
(14) Dividend/Interest queries Including request for changes on live warrants (Death Certificates, Change in Bank Mandate details Name Correction, etc.)	—	—		—		—
(15) Fresh Cheques issued against Time barred instruments	—	—		—		—
(16) Document Registration	—	—		—		—
(17) Others (Miscellaneous)	—	—		—		—





**CEO's Certification**

A certificate duly signed by the Managing Director relating to Financial Statements and Internals Controls and Internal Control Systems for financial reporting as per the format provided in amended clause 49 of the Listing Agreement was placed before the Board, who took the same on record.

**Details of General Meetings:**

Location, date and time of General Meetings held during the last 3 years:

Year	Location	AGM/EGM	Date	Day	Time	No. of Special Resolutions passed
2003-2004	Somany Conference Hall 15B, Hemanta Basu Sarani 2nd Floor, Kolkata - 700001	AGM	25th September 2004	Saturday	3.30 p.m.	Nil
2004-2005	As above	AGM	24th September 2005	Saturday	3.30 p.m.	Nil
2005-2006	As above	AGM	23rd September 2006	Saturday	3.30 p.m.	Nil

**Disclosures/ Related Party Transactions :**

- I. Related party Transactions are defined as the transactions of the Company of material nature, with its promoters, the directors of the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large. Among the related-party transactions are contracts or arrangements, made by the Company from time to time with Companies in which the Directors are interested. All these contracts or arrangements are entered in a Register of Contracts under Section 301 of the Companies Act, 1956 and the register is placed before every Board Meeting. All transactions covered under the related party transactions are regularly ratified and/or approved by the Board. There were no material transactions during the year 2006-2007 that are prejudicial to the interest of the Company.
- II. All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- III. Risk assessment and its minimisation procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management control risk through means of a properly defined framework.
- IV. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provision of clause 49 of the Listing Agreement with Stock Exchange.
- V. There were no material financial & commercial transactions by Senior Management as defined in Clause 49 of the listing agreement where they have personal interest that may have a potential conflict with the interest of the Company at large requiring disclosure by them to the Board of Directors of the Company.

**Statutory Compliance, Penalties and Strictures :**

The Company has complied with the requirements of the Stock Exchange/SEBI/and Statutory Authority on all matters related to capital markets during the last three years. There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.

**Statutory Compliance :**

The Managing Director of the Company acts as a Compliance Officer who advises the Company on compliance issues with respect to the laws of various jurisdictions in which the Company has its business activities and ensures that the Company is not in violation of laws of any jurisdiction where the Company operates. All Business Heads/Unit In-charges give Compliance Certificate to Board of Director of the Company through Compliance Officer. The Compliance Officer ensures that the business operations of the Company are not in contravention of any laws.



**Dematerialisation of Shares and Liquidity :**

86.0859 % Of the Company's share capital has been dematerialised as on 31.03.2007.

**Distribution of Shareholding as on 31st March, 2007.**

Category	No. Of Shareholders	Percentage	No. of Shares	Percentage
1-500	1926	74.3629	365007	7.3114
501-1000	254	9.8069	222575	4.4584
1001-2000	138	5.3282	224911	4.5052
2001-3000	84	3.2432	215177	4.3102
3001-4000	45	1.7375	165651	3.3181
4001-5000	33	1.2741	156450	3.1338
5001-10000	38	1.4672	299183	5.9929
Above 10000	72	2.7799	3343346	66.9701
<b>Total</b>	<b>2590</b>	<b>100.0000</b>	<b>4992300</b>	<b>100.0000</b>

**Categories of Shareholders as on 31st March, 2007**

Category	No. of Shareholdings	Voting Strength (%)	No. of Ordinary Shares
Promoters	1380800	27.6586	1380800
Institutional Investors	Nil	Nil	Nil
Private Corporate Bodies	1146236	22.9601	1146236
Indian Public	2455963	49.1950	2455963
NRI's / OCB's	9301	0.1863	9301

**Market Price Data :**

	Calcutta Stock Exchange ( in Rs.)		Bombay Stock Exchange ( in Rs.)	
	High	Low	High	Low
April-2006	————	————	10.95	8.20
May-2006	————	————	12.85	9.30
June-2006	————	————	10.00	5.85
July-2006	————	————	8.40	6.70
August-2006	————	————	8.50	6.50
September-2006	————	————	6.75	5.13
October-2006	————	————	6.99	5.36
November-2006	————	————	6.54	5.10
December-2006	————	————	7.25	5.48
January-2007	————	————	13.80	7.10
February-2007	————	————	14.96	10.21
March-2007	————	————	10.05	7.00

**General Shareholder information:**

**Address of Regd Office:** Inter State Oil Carrier Limited  
113, Park Street. Poddar Point  
South Wing, 5th Floor  
Kolkata - 700 016

**Share Registrar and Transfer Agents :**

Maheshwari Datamatics Pvt Ltd	Tel	:	22482248
6, Mangoe Lane	Fax	:	22484787
Kolkata - 700 001	E-mail	:	mdpl@cal.vsnl.net.in
	Business Hours	:	10.00 - 3.30 P.M (Monday to Friday)

**Share Transfer System :** Share Transfer in physical form can be lodged with Maheshwari Datamatics Pvt Ltd at the above mentioned address.

The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects.

**Means of Communication :**

- ❖ The quarterly results are published in the leading English Daily (Financial Express / Economic Times) and Bengali Newspaper (Dainik Lipi).
- ❖ Management, Discussion and Analysis is a part of the Annual Report.

**Compliance Officer:**

Mr. Sanjay Jain  
(Managing Director)  
Inter State Oil Carrier Limited  
113, Park Street. Poddar Point  
South Wing, 5th Floor, Kolkata - 700 016

**Annual General Meeting :**

**Date and Time** : 28th September, 2007 at 11.00 A.M

**Venue** : Somany Conference Hall  
15B Hemanta Basu Sarani  
Kolkata - 700 001

**Financial Calender** : Year ending - March 31

**Date of Book Closure** : 21st September, 2007 - 28th September, 2007  
(Both days inclusive)

**Dividend payment date** : Not Applicable

**Listing on Stock Exchanges** : The Company's securities are listed on the following 3 Stock Exchanges

<b>The Calcutta Stock Exchange Association Limited</b>	<b>Ahmedabad Stock Exchange Limited</b>	<b>Bombay Stock Exchange Limited</b>
7, Lyons Range Kolkata - 700 001	Kamdenu Complex Opp. Sahajanand College Panjarapole Ahmedabad - 380 015	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001.

The company has paid the Annual Listing fees of the above Stock Exchanges for the financial year 2007-2008.

<b>Stock Code</b>	:	The Calcutta Stock Exchange	19050
		The Stock Exchange, Mumbai	30259
		The Stock Exchange, Ahmedabad	26734

**Demat ISIN in NSDL and CDSL for Equity Shares :** INE003B01014

Declaration by CEO pursuant to Clause 49 (C) of the Listing Agreement with Stock Exchange(s)

To  
The Members of  
Inter State Oil Carrier Limited

In compliance with the requirements of clause 49(D) of the Listing Agreement with the Stock Exchanges relating to Corporate Governance, I confirm that, on the basis of confirmations / declaration received, all the Directors and Senior Management Personnel of the Company have complied with the Code of Conduct framed by the company.

Place : Kolkata

Date : 16th day of August 2007

For Inter State Oil Carrier Ltd.

Sanjay Jain  
(Managing Director)

To  
The Members of  
Inter State Oil Carrier Limited

AUDITORS CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by Inter State Oil Carrier Ltd., for the year ended March 31, 2007, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Investors' / Grievance Committee.

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.

Place : Kolkata

Date : 16th day of August 2007

For PATNI & CO.  
CHARTERED ACCOUNTANTS

S. SUREKA  
(Partner)



Annexure - B

**MANAGEMENT DISCUSSION & ANALYSIS****OVERVIEW**

Inter State Oil Carrier Limited is a leading player in Transport Industry in India. The Company operates a total of 24 numbers of fleets through out India. Further the company also operates 50 numbers of fleets on rental basis. The company also owns 23 Tippers and 4 Construction Equipment Machine. The company has its camp offices at Chennai, Cochin, Guwahati, Bongaigaon, Namrup, Haldia from where loading and unloading takes place.

**OPERATIONAL REVIEW**

The Company clocked a turnover of Rs. 845.65 lakhs as against turnover of Rs. 632.13 lakhs in the previous year. However, net profit after tax in respect to year under review stand at Rs. 60.26 lakhs as against Rs. 131.35 lakhs of the previous year. The Net Profit figure for the year under review and the previous year is not comparable because of non existence of extra ordinary Profit from sale of investment in the year under review.

**OPPORTUNITIES AND THREATS**

India's GDP growth at 9.4% will definitely impact the transport sector which is the main vehicle of economy. It is expected that Inter State Oil Carrier Limited will benefit financially from the upsurge in transport sector. However the main point of concern is the increasing oil prices which will have deep impact on the bottomline of the Company. It has also been noticed that the maintenance cost of vehicle has been progressively increasing over the years, a sign not healthy for the Company.

**OUTLOOK FOR INTER STATE OIL CARRIER LIMITED**

Your Directors are hopeful for better performance in the coming years.

**ADEQUACY OF INTERNAL CONTROL**

The Company has proper, strong, independent and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from un-authorized use or disposition, and that transactions are authorized, recorded and reported correctly.

The internal control system is supplemented by an extensive program of internal audits, review by management of documented policies, guidelines and procedures.

Your Directors are of the firm view that the company's internal control system is efficient and effective and is designed to ensure that the financial and other records are reliable for preparing financial statements and other Data and for maintaining accountability of asset.

**HUMAN RESOURCE DEVELOPMENT**

Your company has an inbuilt system of developing and nourishing the potential of its staff at all levels. Some time outside agencies are also engaged to review the performance of the member of the staff and suggest measure for effective growth of the staff's quality of work.

**CAUTIONARY STATEMENT**

Statement in the management discussion and analysis report including the future expectation or prediction and the company growth potential may be forward looking statements within the meaning of Applicable securities clause and regulations.

Forward Looking Statements as based on certain assumption and expectation of future events. The company can guarantee that these assumptions and expectations are accurate or will be realized by the company. Actual results could differ materially from those expressed or implied. Important factor that would make difference to the company's operation include the health of Indian Economy and its effect on transport sector.

The company assumes no responsibility to publicly amend, modify or revive any forward looking statements on the basis of any subsequent developments, information's or events.

**AUDITORS REPORT**

To  
The Members Of  
Inter State Oil Carrier Limited

1. We have audited the attached Balance Sheet of M/s. Inter State Oil Carrier Ltd. as at 31st March, 2007 and also the annexed Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence to support the financial statement, amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used in the preparation of financial statements, assessing significant estimates made by Management in the preparation of financial statements and evaluating overall financial statements preparation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in term of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to in paragraph (3) 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 purposes of our audit.
- b) In our opinion, proper books of accounts as required by law, have been kept by the company so far as appears from our examination of the books.
- c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.
- d) In our opinion, the Profit & Loss Account and Balance Sheet comply with the Accounting Standard referred to in sub-section 3(C) of section 211 of Companies Act, 1956.
- e) On the basis of written representations received from the Directors, as on March 31, 2007 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on March 31, 2007 from being appointed as a Director in terms of section 274(1) (g) of Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us and subject to notes given there on, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
  - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2007.

And

- b) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.

And

- c) In the case of Cash Flow Statements of the Cash Flow for the year ended on that date.

9, India Exchange Place  
Kolkata - 700 001

For P A T N I & C O .  
CHARTERD ACCOUNTANTS

Dated : The 16th August, 2007.

S. SUREKA  
(Partner)  
Membership No. 57918

**ANNEXURE TO THE AUDITORS' REPORT**

In term of the information and explanations given to us and books of account examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under :-

- i) The company has maintained proper records showing full particulars including quatitative details and situtation of fixed assets. These fixed assets were physically verified by the Managment during the year. We have been informed that no discrepancies were noticed on such physical verification. Substantial part of fixed assets has not been disposed of during the year, which will affect its status as going concern.
- ii) Physical verification of inventories has been conducted by the Management during the year at reasonable intervals. In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its busines. The Company is maintaining proper records of inventory. As informed to us, no discrepancies found on physical verification of inventories as compared to book records were recorded in the books of accounts.
- iii) The Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the register required to be maintained under section 301 of the Companies Act, 1956. Hence question of reporting whether the terms and conditions of such loans are prejudicial to the interest of the Company, whether reasonable steps for recovery of over dues of such loans are taken does not arise. The Company has not taken any loan, secured or unsecured from Companie's, Firm's or other Parties covered in the register required to be maintained under section 301 of the Companies Act, 1956. Hence question of reporting whether the terms and conditions of such loans are prejudicial to the interest of the Company does not arise.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
- v) According to the information and explanations given to us, in our opinion that there were no contracts or arrangements during the year that need to be entered in the register required to be maintained u/s 301 of the Companies Act, 1956.
- vi) According to information and explanations given to us, the Company has not accepted any deposits from the public upto 31.03.2007
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) The Company is not engaged in production, processing, manufacturing or minning activities. Hence, the provisions of secion 209(1) (d) do not apply to the Company. Hence, no comment on maintenance of cost records u/s 209(1) (d) is required.

contd.....



- ix) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty & Cess and any other statutory dues with appropriate authorities applicable to it. According to information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess were outstanding as at the last date of the accounting year for a period of more than six months from the date they became payable. According to records of the Company, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- x) The Company has no accumulated losses. The Company has not incurred cash losses in the financial year under report and in the financial year immediately preceding financial year.
- xi) The Company has not defaulted in repayment of dues to financial institution or banks.
- xii) As informed to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other similar securities.
- xiii) The company is not a chit fund, nidhi or mutual benefit fund / society.
- xiv) The Company has maintained proper records of the transactions and contracts of dealing in shares, securites, debentures and other investment and we have been informed that timely entries have been made therein. As explained to us, all the shares have been held by the company in its own name except to the extent of exemption granted u/s 49 of Companies Act, 1956.
- xv) The Company has not given any granrantee for loans taken by others from bank or financial institutions.
- xvi) The Company has not taken any term loans. Hence comments under the clause are not called for.
- xvii) According to the information and explanations given to us, we report that no funds raised on short-term basis have been used for long term investment by the Company.
- xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register required to be maintained under section 301 of the Act.
- xix) The Company has not issued any debenture.
- xx) The Company has not raised any money by public issues during the period covered by our audit report.
- xxi) During the checks carried out by us, no fraud on or by the Company has been noticed or reported during the year under report.

9, India Exchange Place  
Kolkata - 700 001

For PATNI & CO.  
CHARTERD ACCOUNTANTS

Dated : The 16th August,2007.

S. SUREKA  
(Partner)  
Membership No. 57918



**Balance Sheet As At 31.03.2007**

			As at <u>31.03.2007</u>		As at <u>31.03.2006</u>
	SCHEDULE	Rs	Rs	Rs	Rs
<b>I SOURCES OF FUNDS :</b>					
SHAREHOLDER'S FUND					
Share Capital	A	49923000		49923000	
Reserve & Surplus	B	41837259	91760259	35810872	85733872
LOAN FUNDS					
Secured Loans	C	27709995		58329781	
Unsecured Loans	D	8659059	36369054	18356082	76685863
Deferred Tax Liability (Net)			4701147		5400737
			<u>132830460</u>		<u>167820472</u>
<b>II APPLICATION OF FUNDS :</b>					
FIXED ASSETS					
Gross Block	E	93379229		93234887	
Less: Accumulated Depreciation		35182125		22023945	
Net Block			58197104		71210942
INVESTMENTS					
	F		46500314		64298265
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories		2371181		3277313	
Sundry Debtors	G	22000249		23412481	
Cash & Bank Balances	H	4191107		3391603	
Loans & Advances	I	6095692		5590026	
	{I}	34658229		35671423	
Less: CURRENT LIABILITIES & PROVISION					
Current Liabilities	J	4707039		1659483	
Provisions	K	1818148		1700675	
	{II}	6525187		3360158	
NET CURRENT ASSETS	{I-II}		28133042		32311265
			<u>132830460</u>		<u>167820472</u>

ACCOUNTING POLICIES & NOTES  
ON THE ACCOUNTS

Schedule A to K and **R** referred to above form an integral part of Balance Sheet.

As per our report of even date attached  
For PATNI & CO.  
*Chartered Accountants.*

For & on Behalf of the Board

S. Sureka  
Partner  
Place: Kolkata  
Dated: 16th day of August, 2007

SHANTI LAL JAIN  
Chairman

SANJAY JAIN  
Managing Director

JITENDRA TIWARI  
Company Secretary



**Profit & Loss Account For The Year Ended 31.03.2007**

	SCHEDULE	For the year ended	For the year ended
		31.03.2007	31.03.2006
		Rs	Rs
<b>A INCOME</b>			
Sales		1478800	8762385
Operating Incomes	L	82928316	54450675
Profit on Sale of Investment		3645648	13018118
Profit on Sale of Fixed Assets		—	79630
Share Profit		158571	99773
Other Income	M	1953864	1674104
		<u>90165199</u>	<u>78084685</u>
<b>B EXPENDITURE</b>			
Decrease in Stock	N	906133	5467388
Operating Expenses	O	60754374	35581249
Administrative & Other Expenses	P	4794529	5535839
Depreciation	E	13158180	9901167
		<u>79613216</u>	<u>56485643</u>
<b>Profit Before Interest &amp; Tax</b>		<u>10551983</u>	<u>21599042</u>
Interest & Finance Charge	Q	4473666	4333500
<b>Profit Before Tax</b>		<u>6078317</u>	<u>17265542</u>
Less: Provision for Taxation		557000	1000000
Provision for F.B.T.		75000	119000
Securities Trans Tax		119487	199344
Income Tax Adjusted of Previous Year		14560	5666
Add : Deferred Tax Liability		699590	(2772118)
Provision for N.P.A .		14527	(45571)
<b>PROFIT AFTER TAX</b>		<u>6026387</u>	<u>13135175</u>
Surplus Available before Appropriation		6026387	13135175
Appropriations :			
Transferred to Statutory Reserve		1210000	2630000
Surplus Available after Appropriation		4816387	10505175
Balance Brought forward		28244895	17739720
Surplus Carried Forward		33061282	28244895
Basic/Diluted Earning Per Share		1.20	2.63

**ACCOUNTING POLICIES & NOTES ON THE ACCOUNT R**

Schedule E & L to R referred to above form an integral part of the Profit & Loss Account.

As per our report of even date attached  
For PATNI & CO.  
Chartered Accountants.

For & on Behalf of the Board  
SHANTI LAL JAIN  
Chairman

SANJAY JAIN  
Managing Director

S. Sureka  
Partner  
Place: Kolkata  
Dated: 16th day of August, 2007

JITENDRA TIWARI  
Company Secretary



**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS  
ON 31ST MARCH, 2007 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ~~ON THAT DATE~~**

	Rs	As at <u>31.03.2007</u> Rs	Rs	As at <u>31.03.2006</u> Rs
<b>SCHEDULE A : SHARE CAPITAL</b>				
AUTHORISED				
5300000 Equity Shares of Rs 10 each		<u>53000000</u>		<u>53000000</u>
ISSUED & SUBSCRIBED				
5000000 Equity Shares of Rs 10 each		<u>50000000</u>		<u>50000000</u>
PAID-UP				
4992300 Equity Shares of Rs 10 each fully paid up.		<u>49923000</u>		<u>49923000</u>
		<u><u>49923000</u></u>		<u><u>49923000</u></u>
 <b>SCHEDULE B : RESERVES &amp; SURPLUS</b>				
Statutory Reserve	7530000		4900000	
Add: Transferred from Profit & Loss Account	<u>1210000</u>	8740000	<u>2630000</u>	7530000
Capital Reserve (On Forfeiture of Shares)		35977		35977
Profit & Loss Account b/f	28244895		17739720	
Add : Profit for the year	<u>4816387</u>	<u>33061282</u>	<u>10505175</u>	28244895
		<u><u>41837259</u></u>		<u><u>35810872</u></u>
 <b>SCHEDULE C : SECURED LOANS</b>				
Loan from ICICI Bank Ltd.		24572022		42697479
Loan from G.E. Capital		532424		2201729
Loan from Citi Bank (Secured by Hypothecation of Hire Purchase Vehicles & Machines)		2583097		5688462
Loan against Pledge of Shares		22452		7742111
		<u>27709995</u>		<u>58329781</u>
 <b>SCHEDULE D : UNSECURED LOANS</b>				
Loan from Bodies Corporates		8659059		18356082
		<u>8659059</u>		<u>18356082</u>

**SCHEDULE E : FIXED ASSETS**

Particulars	GROSS BOLCK				GROSS BOLCK				NET BLOCK	
	As at 01.04.06	Additions	Sales/ Adjustments	As at 31.03.07	As at 01.04.06	For the year	Adjust ments	As at 31.03.07	As at 31.03.07	As at 31.03.06
Car	1795379	—	—	1795379	234574	170561	—	405135	1390244	1560805
Plant & Machinery	1068718	20696	—	1089414	683070	52818	—	735888	353526	385648
Office Premises	2927070	—	—	2927070	484251	47711	—	531962	2395108	2442819
Machines	26642171	—	—	26642171	2790908	4318694	—	7109602	19532569	23851263
Dumpers	32317556	—	—	32317556	3212301	5238676	—	8450977	23866579	29105255
Trucks / Tankers	26896499	114180	—	27010679	13774349	3228984	—	17003333	10007346	13122150
Furniture & Fixtures	1587494	9466	—	1596960	844492	100736	—	945228	651732	743002
<b>TOTAL</b>	93234887	144342	—	93379229	22023945	13158180	—	35182125	58197104	71210942
Previous Year	38691505	56464525	1921143	93234887	13638589	9901167	1515811	22023945	71210942	25052916

**INTER STATE OIL CARRIER LIMITED**



**SCHEDULE F : INVESTMENTS (Non Trade) (Taken at Cost)**

<u>Shares(Quoted)</u>	<u>Nos.</u> <u>As at</u> <u>31.3.2007</u>	<u>Rs</u> <u>As at</u> <u>31.3.2007</u>	<u>Nos.</u> <u>As at</u> <u>31.3.2006</u>	<u>Rs</u> <u>As at</u> <u>31.3.2006</u>
3I Infotech Ltd.	—	—	2000	354421
Abhishek Industries	4792	157235	4792	157235
Acon Construction	1500	468584	—	—
Aditya Birla Nuv	678	373483	600	311628
AFT Industries	8118	992945	8118	992959
Ajanta Pharma	3000	298020	3000	298020
Akruti Nirman	500	294397	—	—
Allahabad Bank	—	—	1000	93142
Amtek India Ltd.	10000	899646	13100	1147740
Amtrex Appl lance	—	—	1000	91903
Andhra Paper	—	—	3550	354619
Andhra Sugars	1500	204650	4000	579025
Andrew Yule	2000	58300	2000	58300
Apollo Hospital	400	218106	400	218106
Arrow Coated	2560	228733	2560	228733
Arvind International Ltd.	200	600	200	600
Asian Electric	2100	738204	2100	738202
Assam Company	2000	54480	2000	54480
Aztec Software	1700	311151	1700	311150
Baid Mercantile	—	—	75000	792500
Bajaj Hindustan	—	—	2300	378822
Balrampur Chini	8700	1104254	7700	1000036
Bank of india	2700	119234	2700	119234
Bank of Rajasthan	2000	128500	2000	128500
BASF	700	172001	—	—
Bharat Forge	400	144256	200	78168
BPCL	222	103889	—	—
BIOCON	—	—	900	406149
BSEL Information System	—	—	2000	102210
Cambridge Solution	700	152160	—	—
Cañdila Health	—	—	500	281678
Castrol India Ltd.	1000	270850	1000	270850
Ceat Limited	—	—	4000	356980
Celebrity Fashion	500	114520	500	114518
Century Enka	300	81060	300	81059
Century Textiles	400	127416	1200	302466
Chennai Petro	700	163208	—	—
Colgate	500	185366	700	256501
Clariant Chemical	—	—	1100	324672
Continental Fiscal Mgm	—	—	7000	1702750
Crest Animation	600	107978	600	107978
Crew Bros Product	—	—	500	96961
Cummins India	6000	904560	6000	904576
DCM Shriram Industries	5000	691875	5000	691874



<b>Shares(Quoted)</b>	<b>Nos. As at 31.3.2007</b>	<b>Rs As at 31.3.2007</b>	<b>Nos. As at 31.3.2006</b>	<b>Rs As at 31.3.2006</b>
Deepak Fertilizers	—	—	700	63770
Dena Bank	—	—	4000	136978
Dewan Housing	2500	178400	4000	284667
DGP Windsor Machine	4000	108200	6000	162320
Dhampur Sugar	—	—	900	216719
Dr. Reddy's Lab	430	234496	115	105353
Dwarkesh Sugar	1700	309446	900	210991
Educomp Solution	—	—	1000	295175
Eicher Limited	—	—	1200	242901
Eicher Motors	—	—	400	134068
East India Hotels	—	—	500	286662
Electro Steel	—	—	190	88641
Empee Sugars	1000	24120	1000	24120
ERA Construction	—	—	1500	416216
Escorts India Ltd	—	—	3000	297178
FDC Limited	3500	204925	3500	204925
Federal Bank	—	—	500	99879
Finolex Pipes	500	41185	5000	415348
Flex Industries	—	—	1000	106847
Gujarat Ambuja Exports Ltd	2000	68690	—	—
Gsa Authority Of India Ltd	2300	435937	2300	435937
Gateway Distributors Ltd	1800	513193	1800	513198
Gayatri Sugars	4000	100880	4000	100880
GESCO Mahindra	200	171856	—	—
Gitanjalil	800	187432	—	—
Greaves Cotton	300	121736	—	—
GHCL Limited	—	—	3800	422895
Godavari Fertilizer	—	—	1300	107878
Goetze India	—	—	300	71487
Global Tele Ltd	—	—	400	44724
Gufic Biocon	4000	159440	4000	159454
Gujarat Nre Coke	93000	1533578	46500	1533577
Harrison Malayalam	2500	327905	1500	248508
Havells	500	251755	—	—
HDFC Bank Ltd	1000	39050	1000	39050
Hero Honda	—	—	100	76159
Hindusthan Oil Exploration	1300	215617	1300	215617
Hindusthan Zinc	200	183916	—	—
Hindalco	3600	524054	3600	524054
Hindalco (Partly Paid)	1125	27000	1125	27000
Hindusthan Construction	1300	218662	1300	218662
HT Media Limited	—	—	300	176147

**INTER STATE OIL CARRIER LIMITED**



<b>Shares(Quoted)</b>	<b>Nos. As at 31.3.2007</b>	<b>Rs As at 31.3.2007</b>	<b>Nos. As at 31.3.2006</b>	<b>Rs As at 31.3.2006</b>
Hyderabad Industries	200	115274	200	115274
I-Flex Solution Limited	—	—	200	215044
IDBI Limited	3500	384145	3500	384154
IDFC Limited	—	—	1600	109560
India Resort Hotel	—	—	1200	398930
Ind-Swift Laboratories	800	140774	800	140773
Indian Overseas Bank	1000	121830	1000	121835
Indian Petrochemical	—	—	1700	393329
Indraparastha Gas	6400	678226	6400	678236
Indraparastha Med	3000	152430	3000	152426
Indusind Bank	7200	481176	7200	481171
ING Vysya Bank	—	—	2100	367414
International Travel House	900	173304	1500	288840
IT & T Limited	20956	749082	20956	749060
Jaiprakash Association	—	—	900	406013
Jaiprakash Hydro	1000	29900	1000	29900
Jay Shree Tea	—	—	1000	219330
Jaypee Hotels	4000	271695	5800	394586
JBF Industries	—	—	2500	209305
JK Paper Limited	1500	99945	1500	99945
Kaveri Telecoms	2500	324290	2500	324290
Kohinoor Foods	4000	389350	4000	389343
Kochi Refinery	—	—	500	103890
Kothari Sugars	5000	182230	5000	182215
KPIT	1200	211854	—	—
Larsen & Toubro	1100	146619	550	146619
Lloyd Electric Engineering	600	105366	1000	167303
Maharashtra Seamless	—	—	100	54974
Maharashtra Bank	7902	270322	8902	301522
Mahindra & Mahindra	1000	304447	1500	304447
Mangalore Chemical	—	—	20000	353395
Mangalore Refinery Petroleum Ltd	3000	179600	3000	179600
Marksans Pharma	700	203375	700	203375
Mawana Sugars	2000	189437	1000	121089
McLeod Russel	15600	1686064	7500	757698
MLL	1000	51260	—	—
MP Investment	8050	209461	8050	209461
Mysore Cements	—	—	6000	205213
Nagarjuna Construction	1000	155910	500	155911
ND Ventures	1000	131050	—	—
NOBL Express	4000	72605	—	—
Noida Toll	2000	93281	1000	36830
Nucleus Software	—	—	200	81726
OCL India	—	—	900	150714

**INTER STATE OIL CARRIER LIMITED**



<b>Shares(Quoted)</b>	<b>Nos.</b>	<b>Rs</b>	<b>Nos.</b>	<b>Rs</b>
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31.3.2007</b>	<b>31.3.2007</b>	<b>31.3.2006</b>	<b>31.3.2006</b>
ONGC	568	284250	379	284250
Opto Circuits	2100	423481	1000	284315
Orchid Chemicals	2250	520994	2250	520994
Orient Info Tech	1000	45630	1000	45630
Oudh Sugar Mill	3612	442643	3612	431300
Petronet Lng Limited	8500	223539	8500	223539
Pyramid Retail Limited	500	117654	500	117654
Polaris Software	-----	-----	300	32503
Poonam Pharma Limited	-----	-----	13000	3279250
Praj Industries	4500	447030	6500	715009
Prativha	1000	241760	-----	-----
Prism Cement	-----	-----	9000	233175
Power Trading Company India	6000	308610	6000	308608
Pinjab Lloyd Limited	200	220684	200	220683
Rajshree Sugars	9651	856094	10500	904644
Rana Sugar Ltd	1500	71860	1500	71860
Rasandik Engineering	500	150625	500	150625
Raymond Limited	500	275863	-----	-----
Repro India	500	103952	-----	-----
Rishi Laser	2000	165460	-----	-----
Rohan Finance	-----	-----	20000	4304400
Sai Televisions	6000	37540	6000	37540
SAIL	6000	364660	6000	364660
Sakthi Sugars	-----	-----	6400	712322
Sandesh	1000	242380	1000	242381
Sasken Communication Technology	-----	-----	500	200357
Sangam India	4000	387840	-----	-----
Scandent Solution	-----	-----	700	152161
Shreyas Shipping	-----	-----	2200	261950
Shringar Cinemas	4500	342810	4500	342804
Shimboli Sugar	2700	296965	2700	296964
Sole Electric	500	148240	1000	293565
South Asian	2000	35120	2000	35120
South Indian Bank	8500	466685	8500	466685
SRF Limited	1000	203163	700	152166
Surat Textiles	10000	119694	10000	119676
Suzlon Energy Limited	500	457583	500	457584
Syndicate Bank	1000	71660	1000	71660
Tata Coffee	-----	-----	1000	329089
Tata Power	5000	1659334	5000	1659334
Tata Steel Limited	-----	-----	16250	938247
Tata Tea	6535	1877762	6535	1877762
Tata Teleserve	16000	429410	16000	429410
TISCO	15750	825320	-----	-----
Tech Mahindra	500	738966	-----	-----
Tera Software	1000	112560	-----	-----

**INTER STATE OIL CARRIER LIMITED**



	Nos. As at <u>31.3.2007</u>	Rs As at <u>31.3.2007</u>	Nos. As at <u>31.3.2006</u>	Rs As at <u>31.3.2006</u>
<b>Shares(Quoted)</b>				
Triveni	2000	204049	—	—
TV Today Network	—	—	800	83315
UCO Bank	12000	388560	12000	388560
Ugar Sugar	17600	388970	17600	388963
United Spirits	1900	287590	1900	287590
Usha Martin	500	108470	500	108469
Uttam Steel	4000	205770	4000	205775
Vikram Software	1000	258290	—	—
Valencha Engineering	500	171440	500	171439
Varun Shipping	—	—	2000	153799
Viceroy Hotels	—	—	1000	114570
Visual Soft	1300	312181	1300	312185
Voltas	4000	106841	—	—
VST Tiller Ltd	1000	166830	—	—
Vyapar Industries	—	—	2000	216888
Wanbury	—	—	1000	151770
Warren Tea	3322	312152	3322	312154
Williamson Tea	—	—	2200	730730
Wockhardt Hospital	300	155664	300	155664
Zensar Technology	—	—	1000	215048
XLTL	1000	210250	—	—
<b>Total A</b>	<b>501921</b>	<b>41350314</b>	654956	59148265
Aggregate Market Value of Quoted Shares		<b>52676909</b>		<b>78340368</b>
<b>Shares(Un-Quoted)</b>				
Aparna Poly Products Ltd	95000	950000	95000	950000
Fast Projects Ltd	200000	2000000	200000	2000000
Kaizen Organics Pvt. Ltd	12000	1200000	12000	1200000
Kirtivardhan Finvest Services Ltd	100	0	100	0
Vedika Corporate Services Pvt. Ltd	100000	1000000	100000	1000000
<b>Total B</b>	<b>407100</b>	<b>5150000</b>	407100	5150000
<b>Grand Total A+B</b>	<b>909021</b>	<b>46500314</b>	1062056	64298265

	As at <u>31.03.2007</u>		As at <u>31.03.2006</u>
	Rs		Rs

**SCHEDULE G : SUNDRY DEBTORS**

Over six month				
Unsecured & Considered goods	2089023			
Considered doubtful	671485	2760508	1045154	
Other Debts		19239741	22367327	23412481
			22000249	23412481

**SCHEDULE H : CASH & BANK BALANCES**

Cash in Hand (as certified by the management)		605830	285331
Balances with Scheduled Bank			
in current Account		3482893	2637012
in Fixed Deposit Account (Refer Note No. 13 Of Schedule R)		100000	402190
Accrued Interest thereon		2384	67070
		4191107	3391603

	Rs	As at 31.03.2007 Rs	Rs	As at 31.03.2006 Rs
<b>SCHEDULE I : LOANS &amp; ADVANCES</b>				
Loans (Unsecured & Considered Good)				
Bodies Corporate		<b>420193</b>		460193
Advances				
Advances recoverable in cash or in kind or for the value to be received )	<b>3012333</b>		2217244	
Security Deposit	<b>118838</b>		1243180	
Tax Deducted at Source	<b>2544328</b>	<b>5675499</b>	1669409	5129833
		<u><b>6095692</b></u>		<u>5590026</u>
<b>SCHEDULE J : CURRENT LIABILITIES</b>				
Sundry Creditors for Services	<b>3669189</b>		1132033	
Sundry Creditors for Expenses	<b>1037850</b>	<b>4707039</b>	527450	1659483
		<u><b>4707039</b></u>		<u>1659483</u>
<b>SCHEDULE K : PROVISIONS</b>				
Provision for Income Tax B/f	<b>1500000</b>		1210000	
Current year Provision	<b>557000</b>		1000000	
	<u><b>2057000</b></u>		<u>2210000</u>	
Less : Income Tax adjusted	<b>500000</b>	<b>1557000</b>	710000	1500000
Provision for N.P.A B/f	<b>81675</b>		36104	
Current year Provision	<b>(14527)</b>	<b>67148</b>	45571	81675
Provision for F.B.T B/f	<b>119000</b>			
Current year provision	<b>75000</b>	<b>194000</b>	119000	119000
		<u><b>1818148</b></u>		<u>1700675</u>
<b>SCHEDULE L : OPERATING INCOMES</b>				
		Tax Deducted At Source		
		Current year	Last Year	
Freight Received (Tankers)	<b>766603</b>	582171	<b>45070388</b>	37001902
Operating Income (Equipments)	<b>837085</b>	299080	<b>37820202</b>	17330955
Lease Finance Income			<b>37726</b>	117818
			<u><b>82928316</b></u>	<u>54450675</u>
<b>SCHEDULE M : OTHER INCOMES</b>				
		Tax Deducted At Source		
		Current Year	Last Year	
Interest	<b>5584</b>	78203	<b>80013</b>	427375
Dividend			<b>1119206</b>	1188698
Miscellaneous Income			<b>11645</b>	58031
Profit on Derivative Trading			<b>743000</b>	—
			<u><b>1953864</b></u>	<u>1674104</u>



	Rs	For the year ended 31.03.2007 Rs	Rs	For the year ended 31.03.2006 Rs
<b>SCHEDULE N : INCREASE/DECREASE IN STOCK</b>				
Closing Stock		2371181		3277313
Less: Opening Stock		3277314		8744701
		<u>(906133)</u>		<u>(5467388)</u>
<b>SCHEDULE O : OPERATING EXPENSES</b>				
Freight Paid		20221943		11604730
Operational Expenses		39560950		23702242
Other Expenses		—		78107
Bill Discounting		8884		—
Demat Expenses		6289		28824
Garage Rent		96000		—
Bad Debt		423967		—
Office Rent		164500		—
Service Tax & Transaction Charges		111202		119932
Stamp Duty		90936		41540
Tender Fees		3030		—
Trade Discount		66673		5874
		<u>60754374</u>		<u>35581249</u>
<b>SCHEDULE P : ADMINISTRATIVE &amp; OTHER EXP.</b>				
Auditor's Remuneration :				
Statutory Audit Fees		22448		22448
In other capacity		7234		3857
Tax Audit Fees		5612		5612
Bank Charges		32979		29492
Car Expenses		440151		502847
Consultancy Fees		18299		15710
Directors' Remuneration		2496917		2236884
Donation		—		35000
Insurance		60048		58773
Listing & Filing Fees		48832		38316
Miscellaneous Expenditure		407254		872054
Printing & Stationery		81512		118700
Rent, Rates & Taxes		14580		184726
Salary & Bonus		774189		874156
Share Dept. Expenses		32000		32000
Telephone Expenses		219603		260266
Travelling & Conveyance		132871		244998
		<u>4794529</u>		<u>5535839</u>
<b>SCHEDULE Q : Interest &amp; Finance Charge</b>				
Interest Paid		2072175		1907469
Hire Purchase Charge		2401491		2426031
		<u>4473666</u>		<u>433500</u>

**SCHEDULE R : ACCOUNTING POLICIES & NOTES ON THE ACCOUNTS****A. Significant Accounting Policies :**

1. **Basis of Preparation of Financial Statement :** The Financial Statements of the Company have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Accounting Principles Generally Accepted in India (GAAP) and comply with the mandatory Accounting Standard (AS) issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956
2. **Valuation of Inventories :** Stock in Trade: All Stock shown in the Balance Sheet are shares & securities. Quoted share are valued at cost or market price whichever is lower.
3. **Revenue Recognition:** i) The Revenue Recognized for transport as and when the service has been rendered and for shares when transfer take place.  
ii) Dividend Income is accounted for as and when received.
4. **Material Events :** Material events occurring after the Balance Sheet date are taken into cognizance.
5. **Prior Period Item :** Prior period expenses / income is accounted under the respective heads, material item if any, are disclosed separately by way on notes.
6. **Investments :** Investments: Investment of Shares are stated at cost, less permanent diminution in value, if any.
7. **Fixed Assets:** i) Fixed assets are stated at cost of acquisition inclusive of all direct expenses related to such assets upto the date the assets are put to use.  
ii) Depreciation is provided on pro-rata basis under Straight Line Method as per Schedule XIV of the Companies Act, 1956.
8. **Foreign Exchange Transaction :** No Foreign Exchange earning or out go occurs during the year.
9. **Retirement Benefit** As informed to us, no employee has completed five years of service as on the balance sheet date, so provision of gratuity has not been made in the book.
10. **Provision for Taxation :** Provision for current tax is made after taking into consideration benefit admissible under provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between taxable profits is accounted for using the tax rate and law have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognized and carry forward only to the extent that there is responsible certainty that the asset will be realized in future.
11. **Related Party disclosure :** Disclosure of transaction with related party as required by Accounting Standard 18 has been set out in a separate statement annexed to the Notes on Accounts. Related party define under clause 3 of Accounting Standard have been identified on the basis of representation made by key managerial personnel and information available with the company.
12. **Impairments of Assets :** At each Balance Sheet date an assesment is made whether any indication exists that an assets has been impaired. If any such indication exists, an impairment loss i.e the amount by which the carrying amount of an asset exceeds its recoverable amount, is provided in the books of account.

**B. Notes On the Accounts:**

1. The figures of the previous year has been re-grouped and re-arranged wherever found necessary.
2. The Company has followed prudential norms issued by the Reserve Bank of India for Non Banking Financial Companies. 20% of profit after tax has been transferred to Reserve Fund as per section 45(1C) of the RBI Act, 1934.
3. The balances of Debtors and Creditors are subject to confirmations by the respective parties.
4. There is no outstanding amount payable to Small Scale Industries as on the balance sheet date.
5. The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act' 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interests paid / payable as required under the said Act have not been given.



6. The deferred payment liabilities amounting Rs. 2,22,67,520/- shown under secured loan in Balance Sheet represent installment of truck / machine purchased on hire purchase which is due within twelve months.

7. Particulars in respect of Opening Stock, Purchases, Sales and Closing Stock are as follows:

Particulars	QUANTITY	AMOUNT	QUANTITY	AMOUNT
	31.03.07	31.03.07	31.03.06	31.03.06
Opening Stock Shares	186200	3277314	281557	8744701
Shares Purchases	450	—	14050	—
Shares Sales	7075	1478800	109407	8762385
Closing Stock Shares	179575	2371181	186200	3277313

8. Compliance of Accounting Standards issued by the Institute of Chartered Accountants of India.

**8.1. Segment Reporting**

The Company's operations predominantly consist of Transportation, Hiring of Construction Equipments, Share Dealings.

S.No	Particulars	2006-2007	2005-2006
		Amount (Rs. in lakhs)	Amount (Rs. in lakhs)
1.	Segment Revenue (Sales/Income of each Segment)		
	i) Transportation (Tankers)	450.70	372.44
	ii) Transportation (Equipments)	378.20	173.31
	iii) Lease Finance	0.38	1.18
	iv) Share Dealings	16.37	88.62
	Total	845.65	635.55
	Less : Inter Segment Revenue	Nil	Nil
	Net Sales/Income from Operations	845.65	635.55
2.	Segment Results (Profit and Loss before Tax & Interest from each segment)		
	i) Transportation (Tankers)	57.42	48.61
	ii) Transportation (Equipments)	14.21	20.55
	iii) Lease Finance	0.38	1.18
	iv) Share Dealings	5.23	32.03
	Total	77.24	102.37
	Add : Profit on Sale of Investment	36.46	130.18
		113.70	232.55
	Less : Interest	20.72	19.07
	Other Unallocable Expenditure net	32.20	40.82
	Net of Unallocable income	60.78	172.66
	Total Profit/Loss before Tax	60.78	172.66
3.	Capital Employed (Segment Assets Less Segments Liabilities)		
	i) Transportation	140.49	139.14
	ii) Equipments / Machines	248.03	164.93
	iii) Lease Finance	3.50	10.79
	iv) Share Dealings	99.93	53.84
	v) Investment in Shares	465.00	524.98
	Total	956.95	1011.68

**8.2. Related Party disclosure**

Information given in accordance with Accounting Standard 18

**i) Related Party Relationship**

**a) Key Management Personnel**

1. Shri Shanti Lal Jain
2. Shri Sanjay Jain
3. Shri Rikhab Chand Jain
4. Shri Neeraj Jain
5. Shri Shankar Lal Khandelwal
6. Shri Bhag Chand Jain

**b) Relatives of Key Management Personnel**

1. Smt Gunmala Devi Jain
2. Shri Rajesh Jain
3. Shri Virendra Jain

**ii) Transactions with related parties**

Nature of Transactions	Firms	Key Management Personnel	Relatives of Key Management Personnel	Firms	Key Management Personnel	Relatives of Management
	<b>31.03.2007</b>			<b>31.03.2006</b>		
Garage Rent	—	—	<b>96000</b>	—	—	72000
Director Remuneration	—	<b>2496917</b>	—	—	2236884	—
Salary	—	—	<b>193500</b>	—	—	186000
Interest Received	—	—	—	160210	—	—

**8.3. Deferred Tax**

In accordance to Accounting Standard (AS-22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. An amount of Rs. 699590.00 has been provided as deferred tax liabilities for the year as follows:

	<u>Deferred Tax Assets / (Liabilities)</u>	
	<u>As on 31.03.2007</u>	<u>As on 31.03.2006</u>
Unabsorbed Depreciation	(4716794)	(5417379)
Loss C/f	15647	16642
	<u>(4701147)</u>	<u>(5400737)</u>

**9. MANAGERIAL REMUNERATION Under Section 198 of the Companies Act, 1956**

NAME	DESIGNATION	<b>31.03.07</b>			<b>31.03.06</b>		
		BASIC	PERQUISITES	TOTAL	BASIC	PERQUISITES	TOTAL
Sri Shanti Lal Jain	Chairman	888000	—	888000	768000	41204	809204
Sri Sanjay Jain	Managing Director	888000	175602	1063602	768000	178910	946910
Sri Rikhab Chand Jain	Whole Time Director	456000	89315	545315	396000	84770	480770
		<u>2232000</u>	<u>304884</u>	<u>2496917</u>	<u>1932000</u>	<u>304884</u>	<u>2236884</u>

10. Details of Closing Stock of Shares has been given in Annexure I.
11. Information pursuant to part IV of Schedule VI to the Companies Act, 1956 has been given in Annexure II.
12. Debtors amounting to Rs. 423967/- is due since more then three years and is not recoverable as such same has been taken as bad debts.

13) Contingent Liability :

B.G. taken from	Sec. deposit	Amount	In favour of	Amount of B.G.
S.B. of Hyderabad	Fixed Deposit	100000.00	Balmer & Lawrie	100000.00

- 14) The company has pledged the following shares with ICICI Bank, Standard Chartered Bank and ABN Amro Bank towards loan against securities. The outstanding balance as on 31.03.2007 is Rs. 22,452/- where as the following pledged shares were released after 31<sup>st</sup> March 07.

<u>Name of the Company</u>	<u>No. of Shares</u>	<u>Book Value</u> <u>Rs.</u>
Amttek India Ltd.	10000	899646
Cummins India	6000	904560
Dr's Reddy Lab	1000	579088
Gall	2000	368176
Glaxo Smith Pharma Ltd	1000	435440
Gujarat NRE Coke Ltd.	72000	1533578
HDFC Bank Ltd.	1000	39050
Hindalco Ltd.	4500	<u>309015</u>
Mahindra & Mahindra	1000	304447
ONGC	600	367132
Orchid Chemical	2250	520994
Petronet LNG Limited	7000	184090
Power Trading Company	5000	257173
Reliance Industries Ltd.	1000	193940
Reliance Capital Ltd.	50	4840
Reliance Comm Venture Ltd.	1000	144320
Reliance Energy Ltd.	75	27220
South Indian Bank	7000	384328
Tata Power	4500	1493400
TISCO	12500	655016
Tata Tea	6000	1724035
Book Value		<u>11329488</u>

- 15) Provision for NPA of Rs. 67148/- has been made @ 10% P.A. on Rs. 671485/- as per RBI Prudential Norm and balance b/f from previous year of Rs. 14527/- has been written back.
- 16) Computation of Earning per share are as follows : Profit for appropriation is Rs. 6026387/- and No. of Shares is 4992300 and EPS is Rs. 1.20.

As per our report of even date attached  
For PATNI & CO.  
CHARTERED ACCOUNTANTS

For & on Behalf of the Board

S. Sureka  
Partner

Shanti Lal Jain  
Chairman

Sanjay Jain  
Managing  
Director

Jitendra Tiwari  
Company Secretary

Place : Kolkata  
Dated : 16<sup>th</sup> day of August, 2007

**Annexure - I**

**ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPH 3 OF PART-II OF SCHEDULE VI OF THE COMPANIES ACT, 1956**

**INVENTORIES (cost or market price whichever is lower)**

NAME OF THE COMPANY	31.03.2007		31.03.2006	
	QTY	AMOUNT(Rs.)	QTY	AMOUNT(Rs.)
<b>A. QUOTED SHARES</b>				
BHEL	300	174921	300	174921
BIOCON	—	—	300	133635
CAUVERY SOFTWARE LTD	1000	1000	1000	1000
CIFCO FINANCE INDIA LTD	300	675	300	675
CMI LTD	1000	1200	1000	1200
DENA BANK LTD	—	—	2000	69540
DR REDDY LAB LTD	800	358500	400	358500
GLAXOSMITH PHARMA LTD	1000	435440	1000	435440
GRAPCO MINING LTD	1500	1650	1500	1650
GSAL INDIA LTD	4000	1000	4000	1000
HEXAWARE LTD	4500	83880	5000	93200
HINDALCO LTD	4500	309015	4500	309019
I-FLEX SOLUTIONS	—	—	300	153861
INDO BRITAIN LTD	4000	4000	4000	4000
KHAITAN HOSTOMBE LTD	2000	1000	2000	1000
MOSER-BEAR(I) LTD	—	—	1600	365840
NAKAMICHI SECURITIES LTD	41500	68475	41500	68475
OIL & NATURAL GAS CORPORATION LTD	150	82882	100	82882
PASHUPATI SEOHUNG LTD	2000	8000	2000	8000
PENTAMEDIA DRAPHICS LTD	7000	34370	7000	31500
POLARIS SOFTWARE LTD	600	94878	1100	128810
PRINCIPAL PHARMACEUTICAL & CHEM	1000	2710	1000	2710
RAJASTHAN GASES LTD	31600	36340	31600	36340
RELIANCE INDUSTRIES LTD	1000	193940	1000	193940
RELIANCE CAPITAL LTD	50	4840	1000	4840
RELIANCE COMMUNICATION VENTURE LTD	1000	20350	1000	144320
RELIANCE ENERGY LTD	75	27220	1000	27220
RELIANCE NATURAL RESOURCES LTD	1000	2610	1000	2610
STEPTWO CORP LTD	5800	23490	5800	23490
SUN GRANITE LTD	20000	19400	20000	19400
SUNDARBAN AQUA LTD	400	520	400	520
SURAJ PRODUCTS LTD	1000	5700	1000	5700
SWAN INDUSTRIES LTD	25000	158750	25000	158750
TATA TELESERVE LTD	5000	102500	5000	102500
UCO BANK LTD	5000	107500	5000	126400
UNI WORTH TEXTILE LTD	500	425	500	425
VITARA CHEM LTD	5000	4000	5000	4000
<b>TOTAL</b>	<b>179575</b>	<b>2371181</b>	<b>186200</b>	<b>3277313</b>

## Annexure - II

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

I.	Registration Details	:			
	Registration No.	:	037472	State Code	: 21
	Balance Sheet Date	:	31.03.2007		
II.	Capital raised during the year (Amount Rs. in Lakhs)				
	Public Issue	Rs.	Nil	Right Issue	Rs. Nil
	Bonus Issue	Rs.	Nil	Private Placement	Rs. Nil
III.	Position of Mobilisation and Development of Funds(Amount Rs.in lakh)				
	Total Liabilities	Rs.	1393.55	Total Assets	Rs. 1393.55
	Source of Funds				
	Paid-up Capital	Rs.	499.23	Reserves & Surplus	Rs. 418.37
	Secured Loan	Rs.	277.10	Unsecured Loans	Rs. 86.59
	Deferred Tax Liability	Rs.	47.01	Current Liability	Rs. 65.25
	Application of Funds (Amount Rs. in Lakhs)				
	Net Fixed Assets	Rs.	581.97	Investments	Rs. 465.00
	Current Assets	Rs.	346.58	Miscellaneous	
	Accumulated Losses	Rs.	Nil	Expenditure	Rs. Nil
IV.	Performance of Company (Amount Rs. in Lakhs)				
	Turnover incl. other Income	Rs.	901.65	Total Expenditure	Rs. 840.87
	Profit/(Loss) before Tax	Rs.	60.78	Profit after Tax(+)	Rs. 60.26
	Earning per Share	Rs.	1.20/-	Dividend Rate	NIL

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

<u>Product Description</u>	<u>Item code</u>
Transportation	Not Applicable
Equipment Hiring	Not Applicable
Leasing & Hire Purchase	Not Applicable
Dealings in Shares & Securities	Not Applicable

As per our report of even date attached  
For PATNI & CO.  
CHARTERED ACCOUNTANTS

For & on Behalf of the Board

S. Sureka  
Partner

Shanti Lal Jain  
Chairman

Sanjay Jain  
Managing  
Director

Jitendra Tiwari  
Company Secretary

Place L Kolkata  
Dated : 16<sup>th</sup> day of August, 2007

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007**

(Rs. in lakhs)

	<b>For the year ended 31st March, 2007</b>	<b>For the year ended 31st March, 2006</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	60.78	172.66
ADJUSTMENT FOR:		
Depreciation	131.58	99.01
Profit /Loss on Sale of Investment	(36.46)	(130.18)
Profit on sale of fixed assets	0.00	(0.80)
Advances written off	0.00	(0.14)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	155.90	140.55
ADJUSTMENT FOR :		
Trade and Other Receivables	9.07	(62.91)
Inventories	9.06	54.67
Trade Payable	30.48	(0.66)
Income Tax	(6.34)	(9.03)
Cash Generated from Operations	198.17	122.62
Cash Flow before Extra - ordinary items	198.17	122.62
Net Cash flow from Operating Activities	198.17	122.62
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1.44)	(564.65)
Purchase of Investment	(128.19)	(864.23)
Sale of Fixed Assets	0.00	4.98
Sale of Investments	342.62	881.98
Net Cash used in Investing Activities	212.99	(541.92)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Body Corporate	(96.97)	8.33
Proceeds from Secured Loan	(306.20)	407.21
Net Cash used in Financing Activities	(403.17)	415.54
Net Increase in Cash & Cash Equivalents	7.99	(3.76)
Cash & Cash Equivalents as at(Opening)	33.92	37.68
Cash & Cash Equivalents as at(Closing)	41.91	33.92

N.B : Negative figure are shown in bracket

As per our report of even date  
for PATNI & CO  
Chartered Accountants

S.Sureka  
Partner  
Place:Kolkata  
Dated: 16th August,2007

**INTER STATE OIL CARRIER LIMITED**

Regd. Office  
PODDAR POINT, SOUTH WING, 5TH FLOOR  
113, PARK STREET, CALCUTTA - 700 016

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_

in the district of \_\_\_\_\_ being a member(s) of INTER STATE OIL

CARRIER LIMITED, hereby appoint of \_\_\_\_\_

\_\_\_\_\_ in the district of \_\_\_\_\_

Failing him/her \_\_\_\_\_ of \_\_\_\_\_

in the District of \_\_\_\_\_

as my/our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, the 28th September, 2007 at 11.00 A.M. and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

Signed by the said \_\_\_\_\_

Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: The proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding of the aforesaid meeting.

**INTER STATE OIL CARRIER LIMITED**

Regd. Office  
PODDAR POINT, SOUTH WING, 5TH FLOOR  
113, PARK STREET, CALCUTTA - 700 016

**ATTENDANCE SLIP**

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting hall)

I hereby record my presence at the 23rd Annual General Meeting of the Company to be held at the Somany Conference Hall, 15B Hemant Basu Sarani, 2nd Floor, Kolkata - 700 001, on Friday, the 28th September, 2007 at 11.00 A.M.

Name of the Shareholder \_\_\_\_\_  
(in block letters)

Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

\_\_\_\_\_  
Signature of the Shareholder/Proxy.

# BOOK POST

*If undelivered please return to :*  
**Inter State Oil Carrier Ltd.**

Regd. Office :  
113, Park Street, Poddar Point,  
South Wing, 5th Floor,  
KOLKATA - 700 016