
ACME RESOURCES LIMITED

23rd Annual Report 2007 - 2008

BOARD OF DIRECTORS

SRI PRABHAT KUMAR JAIN, *Managing Director*

SRI CHANDRA PRAKASH AGARWAL

SRI KULDEEP SALUJA

SRI SARAD SALUJA

SRI SANDEEP DEY

SRI LAXMI NARAIN KESARWANI

SECRETARY

SRI AMITAVA DAS

AUDITORS

H. R. AGARWAL & ASSOCIATES

Chartered Accountants

BANKERS

CANARA BANK

HDFC BANK LTD.

THE HONGKONG & SHANGHAI BANKING CORPN. LTD.

REGISTERED OFFICE

1, CROOKED LANE

ROOM NO. 107

KOLKATA - 700 069

Phone : (033) 2243-7480

Fax : (91-33) 2243-7481

E-mail : info@acmeresources.net

Website : www.acmeresources.net

NOTICE

NOTICE is hereby given that the Twenty-third Annual General Meeting of the Members of **ACME RESOURCES LIMITED** will be held at the registered office of the Company at 1, Crooked Lane, Room No. 107, Kolkata - 700 069 on Saturday, 27th September, 2008 at 1.00 p.m. to transact the following business :-

GENERAL BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sandeep Dey, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. H. R. Agarwal & Associates, Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification, the following Resolutions as Ordinary Resolution :-

"RESOLVED THAT Sri Sarad Saluja, who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 1st December, 2007 and who holds office in terms of Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Sri Sarad Saluja as a candidate for the office of the Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To consider and if thought fit to pass with or without modification, the following Resolutions as Ordinary Resolution :-

"RESOLVED THAT Sri Laxmi Narain Kesarwani, who was appointed as Additional Director at the meeting of the Board of Directors of the Company held on 1st April 2008 and who holds office in terms of Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Sri Laxmi Narain Kesarwani as a candidate for the office of the Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered Office :

1, Crooked Lane, Room No. 107,
Kolkata - 700 069

Dated : 30th June, 2008

By order of the Board
For Acme Resources Limited

AMITAVA DAS
Company Secretary

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may 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 the Registered Office of the Company at 1, Crooked Lane, Room No. 107, Kolkata - 700 069, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September 2008 to Saturday, 27th September 2008 (both days inclusive).
4. The Register of Directors Shareholding maintained under Section 307 of the Companies Act, 1956 would be available for inspection by the members at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, and Kolkata - 700 001.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. Additional information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed, Members are requested to kindly refer Part - b of Para 8 of the Report on Corporate Governance forming part of this Annual Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 4**

Sri Sarad Saluja was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st December, 2007 under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a notice from members signifying their intention to propose Sri Sarad Saluja as a candidate for the office of Director of the Company under section 257 of the Companies Act, 1956 along with requisite deposit of Rs. 500/-. It is proposed that Sri Sarad Saluja will be liable to retire by rotation.

None of the Directors, except Sri Sarad Saluja is, in any way, concerned or interested in the aforesaid resolutions.

Item No. 5

Sri Laxmi Narain Kesarwani was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st April, 2008 under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a notice from members signifying his intention to propose Sri Laxmi Narain Kesarwani as a candidate for the office of Director of the Company under section 257 of the Companies Act, 1956 along with requisite deposit of Rs. 500/-. It is proposed that Sri Laxmi Narain Kesarwani will be liable to retire by rotation.

None of the Directors, except Sri Laxmi Narain Kesarwani is, in any way, concerned or interested in the aforesaid resolutions.

Registered Office :
1, Crooked Lane, Room No. 107,
Kolkata - 700 069

Dated: 30th June, 2008

By order of the Board
For Acme Resources Limited
AMITAVA DAS
Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

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

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :

Turnover and Other Income	Year ended 31.03.2008 (Rs.)	Year ended 31.03.2007 (Rs.)
Profit/(Loss) Before Tax	2,79,03,752.62	99,21,752.70
Provision for Taxation - Current Tax	95,00,000.00	41,50,000.00
- Fringe Benefit Tax	554.00	1,979.00
- Deferred Tax	—	—
Profit/(Loss) After Tax	1,84,03,198.62	57,69,773.70
Less : Transfer to Statutory Reserve	40,00,000.00	12,47,134.00
Balance brought forward from previous year	(5,05,790.80)	(50,28,430.50)
Balance carried to Balance Sheet	1,38,97,407.82	(5,05,790.80)

2. DIVIDEND

To conserve the resources of the Company for future expansion, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year has shown significant growth in comparison to previous year due to bullishness of Stock Market at the commencement of Financial year under review. Your Directors are making all efforts to further improve the performance of the Company further in future.

4. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules made there under.

5. DIRECTORS

(i) Re-appointment :

As per the provisions of the Article of Association of the Company, Shri Sandeep Dey retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment for consideration of the shareholders.

(ii) Appointment :

Shri Sarad Saluja and Shri Laxmi Narain Kesharwani who were appointed as Additional Directors of the Company by the Board of Directors, with effect from 1st December, 2007 and 1st April 2008 respectively, under Section 260 of the Companies Act, 1956 to hold office until the conclusion of the convened Annual General Meeting are proposed to be regularised as Directors of the Company at the convened Annual General Meeting, if the required consent of shareholders will be obtained thereto.

(iii) Resignation :

Sri Jitendra Tiwari resigned from the Company w.e.f 30th April 2008.

6. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- a. That in the preparation of the accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March 2008 on a going concern basis.

7. AUDITORS' REPORT

The Notes on Accounts as per Part – B of Schedule – "N" referred into Auditor's Report are self-explanatory and hence do not require any further clarifications.

8. AUDITORS

M/s. H. R. Agarwal & Associates, Chartered Accountants., Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

9. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

10. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

11. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

12. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Board members and senior management personnel have confirmed compliance with the Code of Conduct of the Company.

13. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

14. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

Registered Office :

1, Crooked Lane

Room No. 107

Kolkata - 700 069

Dated : 30th June, 2008

On behalf of the Board of Directors

For Acme Resources Limited

Sandeep Dey

Director

Prabhat Kumar Jain

Managing Director

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance :

1. CORPORATE GOVERNANCE

Effective Corporate Governance has always been an integral part of the Company's business philosophy. The Company lays lot of importance to issues of Corporate Governance in order to bring in transparency and to increase the stakeholders' wealth. It is the firm belief of the Company that good corporate governance should be an internally driven need and not only compliance of the statutory requirements.

2. BOARD OF DIRECTORS

(a) Composition of the Board

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive directors. The Board is broad based and comprises of persons who have excelled in their respective areas having good standing.

The composition of the Board of Directors during the financial year ending 31.03.2008 was as follows :

Sr. No.	Name of Director	Executive/ Non Executive	No. of other		
			Directorships*	Committee**	
				Chairman	Member
1	Sri Prabhat Kumar Jain - <i>Managing Director</i>	Executive	3	—	—
2	Sri Sandeep Dey	Non Executive	5	1	1
3	Sri Chandra Prakash Agarwal	Non Executive	—	—	—
4	Sri Jitendra Tiwari	Non Executive	—	—	—
5	Sri Kuldeep Saluja	Non Executive	—	—	—
6	Sri Sarad Saluja +	Non Executive	—	—	—
7	Sri Laxmi Narain Kesarwani ++	Non Executive	—	—	—

+ appointed as additional director on 01.12.2007

++ appointed as additional director on 01.04.2008

+Excluding Directorship held in Private Limited / Foreign Companies and companies incorporated under section 25 of the Companies Act, 1956.

(b) Changes in the composition of the Board of Directors since the last Annual General Meeting.

Sri Jitendra Tiwari resigned from the Company w.e.f 30th April, 2008. The Board recorded the appreciation for the services provided by him.

Sri Laxmi Narain Kesarwani and Sri Sarad Saluja were appointed as Additional Director of the Company with effect from 1st April, 2008 and 1st December, 2007 respectively. Their inclusion in the Board of Directors of the Company will bring in lot of experience along with knowledge, which will enhance the performance of the Company.

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

Mr. Prabhat Kumar Jain, Managing Director was paid total remuneration of Rs. 1,20,000 (Rupees One Lakh And Twenty Thousand Only) during the Financial Year 2007-08. No sitting fee was paid to any director during the year.

(d) Board Meetings held in the Financial Year 2007-2008 and attendance of Directors

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. During the year under review, 9 (Nine) Board Meetings were held on 3rd April, 2007, 12th April, 2007, 30th June, 2007, 12th July, 2007, 31st July, 2007, 8th August, 2007, 31st October, 2007, 1st December, 2007 and 31st January, 2008.

Attendance of each director at the Board of Directors meetings and the last Annual General Meeting:

Directors	No. of Meetings		Attendance at last AGM - Held on 29th Sept., 2007
	Held	Attended	
Sri Prabhat Kumar Jain - Managing Director	9	8	Yes
Sri Sandeep Dey	9	6	Yes
Sri Chandra Prakash Agarwal	9	7	Yes
Sri Jitendra Tiwari *	9	6	Yes
Sri Kuldeep Saluja **	4	3	NA
Sri Sharad Saluja **	2	2	NA
Sri Laxmi Narain Kesarwani **	NA	NA	NA

** Details provided from the date of appointment.

* Details provided upto the effective date of resignation.

3. DIRECTORS INTEREST IN THE COMPANY

No director is related to any other director of the Company.

None of the directors received any loan and advances from the Company during the year.

4. COMMITTEES OF DIRECTORS

In accordance with requirements of the Listing Agreement with the Stock Exchanges on Corporate Governance, following 2 committees were operational during the year :

- (a) Audit Committee
- (b) Share Transfer and Investors' Grievance Committee

a. Audit Committee

The present Audit Committee of the Board of Directors fulfills the requirements of section 292A of the Companies Act, 1956 as well as the Listing Agreement. The Audit Committee of the Company consists of 3 directors. During the Financial Year 2007-2008 the Audit Committee met 4 times on 30th June 2007, 31st July 2007, 31st October 2007 and 31st January 2008.

The composition of the Audit Committee and the attendance of each director at this meeting were as follows :

Sr. No.	Members of Audit Committee	No. of meetings attended
1	Sri Sandeep Dey - Chairman	4
2	Sri Chandra Prakash Agarwal	4
3	Sri Jitendra Tiwari	4

Audit Committee is responsible for reviewing with the management, the annual financial statement before submission to the Board. The main function of Audit Committee is to supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct.

b. Share Transfer and Investors' Grievance Committee

The Company has set up its **Shareholders' / Investors' Grievance Committee** in 2001. The Committee deals with the various matters relating to :

- ★ transfer / transmission of shares / debentures,
- ★ issue of duplicate share certificate,
- ★ review of shares dematerialised and all other related matters,
- ★ monitors expeditious redressal of investors' grievances,
- ★ all other matters related to shares / debentures.

There was no meeting of the Share Transfer and Investors' Grievance Committee in the year under review since all the Share Transfers were in electronic mode and there was no physical share transfer. The composition of the Committee as at 31st March, 2008 is as under :

S. No.	Members of Share Transfer and Investors Grievances Committee
1	Sri Sandeep Dey – Chairman
2	Sri Chandra Prakash Agarwal
3	Sri Jitendra Tiwari

As required by the Listing agreement with the Stock Exchanges, Sri Amitava Das, Company Secretary, has been designated as 'Compliance Officer' to monitor the shares transfer process.

The status of investors' queries/complaints/grievances received during the year is as under :

No. of investors queries / complaints received during the year ended 31st March, 2008	Pending at the end of the year	No. of pending share transfers
NIL	NIL	NIL

REMUNERATION COMMITTEE :

The Company has only one Managing Director on the Board, whose appointment and remuneration has been fixed by the Board and in terms of resolution passed by the members. In view of this, no Remuneration Committee was constituted.

5. ANNUAL GENERAL MEETING

Location and time, where last three AGMs were held :

Year	Date	Place	Time
2007	29-09-2007	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	11.00 A.M.
2006	16-09-2006	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	10.00 A.M.
2005	16-09-2005	1, Crooked Lane, 1st Floor, R. No. 107 Kolkata- 700 069	1.00 P.M.

Whether special resolution was put through postal ballot last year, details of voting pattern :

No special resolution were put through postal ballot last year, as the situation did not arise.

6. DISCLOSURES

(a) Disclosures on materially significant related party transactions :

There were no materially significant related party transactions during the year having conflict with the interests of the Company.

(b) Details of Non-Compliance by the Company, penalties and stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets :

The Company has complied with all requirements of the listing agreement with the stock exchanges as well as regulations and guidelines of SEBI.

7. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record un-audited financial results in the proforma prescribed by the stock exchange, within one month of the close of every quarter and announces forthwith the results to all the stock exchanges where the shares of the Company are listed. Shareholders are intimated through print media of quarterly financial results and performance besides significant matters, within time period stipulated from time to time by stock exchanges. The quarterly Un-Audited Financial Results and Audited Financial Results are published in a leading national newspaper and a vernacular language newspaper.

The Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto.

8. GENERAL SHAREHOLDER'S INFORMATION

a. Annual General Meeting :

Date & Time	27th September, 2008 at 1.00 P.M.
Venue	1, Crooked Lane, Room No. 107, Kolkata - 700 069

b. Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement :

Name of the Director	Shri Sandeep Dey	Shri Sarad Saluja	Shri Laxmi Kesarwani
Date of Birth	04/07/1964	02/10/1985	19/07/1949
Date of Appointment	15/02/2001	01/12/2007	01/04/2008
Qualification	B. Com	M. Com	B. Com
Expertise in specific functional area	15 years of experience in Account.	35 years of experience in dairy industry	30 years of experience in dairy industry
Directorship of other Companies (*)	Bhairav Tradelink Ltd. CMS Infotech Ltd. Rangabarshi Projects Ltd. Divya Dealers Ltd. Saltlake Merchants Ltd. Star Point Management Pvt. Ltd.	Sterling Agro Industries Ltd.	Sterling Agro Industries Ltd. Kesar Builders Pvt. Ltd. VRS Estates Pvt. Ltd.
Chairman/Membership in the Committees	—	—	—
Shareholding in Equity Shares of the Company and % of holding	—	—	—

c. Financial Calendar (Tentative)

Financial reporting for the quarter ending June 30, 2008	End of July 2008
Financial reporting for the quarter ending September 30, 2008	End of October 2008
Financial reporting for the quarter ending December 31, 2008	End of January 2009
Financial reporting for the quarter/year ending March 31, 2009	End of June 2009
Annual General Meeting for the year ending March 31, 2009	Last Week of September 2009

d. Date of Book closure	23-09-2008 to 27-09-2008 (both days inclusive)
e. Dividend Payment Date	No dividend has been recommended by the Board
f. Listing on Stock Exchanges at	The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkata - 700 001
	The Delhi Stock Exchange Association Ltd. "DSE House", 3/1, Asaf Ali Road, New Delhi-110 002.
g. Listing fees paid	Listing Fees outstanding with CSE and DSE.

h. Stock Code :

Name of the Exchange	Code
The Calcutta Stock Exchange Association Ltd.	10029964
The Delhi Stock Exchange Association Ltd.	19152
ISIN No.	INE636B01011

i. Stock Market Data

★ Market Price Data : High/Low during each month in last financial year :

	Calcutta Stock Exchange (CSE) (in Rs.)		Delhi Stock Exchange (DSE) (in Rs.)	
	High	Low	High	Low
Apr-07	—	—	—	—
May-07	—	—	—	—
Jun-07	—	—	—	—
Jul-07	—	—	—	—
Aug-07	—	—	—	—
Sep-07	—	—	—	—
Oct-07	—	—	—	—
Nov-07	—	—	—	—
Dec-07	—	—	—	—
Jan-08	—	—	—	—
Feb-08	—	—	—	—
Mar-08	—	—	—	—

j. Registrar and Transfer Agents :

For Physical and Dematerialised Form	Maheswari Datamatics (P) Limited 6, Mangoe Lane, Kolkata - 700 001
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k. Share Transfer System :

The Company's shares being tradable in compulsory dematerialised form and are transferable through the depository system. Further as per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, Maheswari Datamatics (P) Limited, 6, Mangoe Lane, Kolkata - 700 001 has been appointed as Registrar for Shares held in physical as well as in Electronic Mode. The Share Transfer Committee of the Company meets as and when required.

l. Investor Services - Complaints received during the year 2007-2008 :

No Investor Complaint was received during the year. There were no outstanding complaints as on 31st March, 2008.

m. Distribution of shareholding as on 31st March, 2008 :

No. of Equity Shares held	No. of shareholders	% age of shareholders	No. of shares	% age of equity capital
1-500	829	60.4227	121428	0.4717
501-1,000	88	6.4140	79095	0.3072
1,001-2,000	92	6.7055	164318	0.6383
2,001-3,000	92	6.7055	252400	0.9804
3,001-4,000	47	3.4257	179100	0.6957
4,001-5,000	82	5.9767	401917	1.5612
5001-10,000	89	6.4869	683650	2.6556
10,001 & above	53	3.8630	23862092	92.6899
Total	1372	100	25744000	100

n. Categories of shareholding as on 31st March, 2008 :

Category	No. of share Holders	% of Share Holders	No. of Shares held	% share holding
Individuals	1296	94.46	8049494	31.27
Corporates	75	5.47	17693606	68.73
Promoters	1	0.07	900	0.00
Total	1389	100	25744000	100

o. Dematerialisation of Shares and Liquidity :

Trading in the securities of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI).

p. Details of use of public funds obtained in the last three years :

No funds have been raised from the public in the last 3 years.

q. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data likely impact on equity :

N. A.

r. Plant Locations :

N. A.

s. Investors Correspondence :

For Investors' correspondence and queries, investors can write to the Company's Registered Office.	The Company Secretary Acme Resources Limited 1, Crooked Lane, Room No. 107 Kolkata - 700 069
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t. E-mail ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors : info@acmeresources.net

ANNUAL DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT PURSUANT TO CLAUSE 49(I)(D) OF THE LISTING AGREEMENT

I, **PRABHAT KUMAR JAIN**, Managing Director of ACME RESOURCES LIMITED having its registered office at 1, Crooked Lane, Room No. 107, Kolkata - 700 069 hereby declare that the Company has formulated a Code of Conduct for its Directors and Senior Management Personnel and that all Board Members and Senior Management Personnel have affirmed the compliance of the Code for the financial year 2007-08.

Place : Kolkata

Date : 30th June, 2008

Sd/-
Prabhat Kumar Jain
Managing Director

**CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF ACCOUNTS OFFICER**

We hereby certify that for the financial year ending 31st March 2008, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations ;
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2007-08 which are fraudulent, illegal or violative of the Company's code of conduct ;
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies ;
5. We further certify that :
 - (a) there have been no significant changes in internal control system during this year.
 - (b) there have been no significant changes in accounting policies during this year.
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Sd/-
Prabhat Kumar Jain
Managing Director

Sd/-
Vishal Sonthalia
Chief Financial Officer

Place : Kolkata

Date : 30th June, 2008

AUDITORS' CERTIFICATE

To
The Members of **Acme Resources Limited**

We have examined the compliance of conditions of Corporate Governance procedures implemented by **Acme Resources Limited** for the year ended on March 31, 2008 as stipulated in Clause 49 of the listing agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of 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.

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.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchange have been complied with in all material respect by the Company and that no investor grievance(s) is/ are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

Place : Kolkata
Date : 30th June, 2008

For **H. R. AGARWAL & ASSOCIATES**
Chartered Accountants

Shyam Sundar Agarwal
Partner
Membership No. FCA 060033

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development - Overview

The NBFC sector in India comprises of a combination of few large companies that have a nation wide presence and a large number of small and medium sized companies catering to the regional, urban semi-urban needs. In recent years the NBFC sector is facing stiff competition from the Banks and Financial Institutions. Banks have an advantage of lower cost of funds, taking a big share in retail financing and providing a strong competition to NBFC's.

The GDP is growing at a rate of about 9.5% and with this high growth, it is expected that your company will also grow in future. With this growth, your company is expected to see a bright future.

Opportunities, threats, risks and concerns

Your company sees opportunities in the market with existing and new customers. Your company has dedicated accounts team to focus on each customer. Rising input costs and volatility in material, energy are some of the key challenges that your company is addressing by specific initiatives for each.

There is a major threat coming from Banks. Banks have reduced the rate of interest; this has reduced the spread, thereby reducing the margin. The volatile nature of market also poses another threat. Your company also faces stiff competition from Nationalized, Foreign and Private Sector Banks as they provide loans at a very low rate of interest.

Your company is exposed to external and internal risks associated with the business. It is exposed to strong competitive pressures and financial risks from changes in interest rate, economic cycles etc.

Your company is taking steps to ensure the effective risk management by maintaining a prudent and commercial business practices and a comprehensive risk management policy.

Future Outlook

Your Company intends to invest in businesses related to infrastructure, telecommunication etc. in the coming years since it sees growth in it. This will definitely help the Company to establish itself and remain as a strong player in the finance industry. With the Capital market expected to be in a buoyant mood than the previous few years and with our efforts we can look forward to a rewarding year for the company.

Internal Control systems and their adequacy

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. These procedures are designed to ensure:

- That all assets and resources are used efficiently and are adequately protected;
- That all internal policies and statutory guidelines are complied within letter & spirit;
- The accuracy and timing of financial reports and management information.

Material Development in Human Resources / industrial relations/ number of people employed.

The Company believes that people are the key ingredient to the success of an organization. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The Company recognizes the importance and contribution of its Human resources towards its growth and development and is committed to the development of its people.

Financial and Operational Performance:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

Cautionary statement

Statement in the Management's Discussion and Analysis describing the Company's projections estimates, expectations or predictions may be forward looking predictions within the meaning of applicable securities laws and regulations. These forward-looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from such estimates, projections, etc. whether expressed or implied.

AUDITORS' REPORT

TO THE MEMBERS OF
M/S. ACME RESOURCES LIMITED

We have audited the attached Balance Sheet of M/S. ACME RESOURCES LIMITED as at 31st March, 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with 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 misstatements. 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 Companies (Auditor's Report) Order, 2003 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 :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books ;
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
4. 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 ;
5. On the basis of written representations received from the directors, as on 31st March, 2007, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;
6. 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 :
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2008 ;
 - (b) in the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date ; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **H. R. AGARWAL & ASSOCIATES**

Chartered Accountants

Shyam Sundar Agarwal

Partner

M. No. FCA 060033

Place : Kolkata

Date : 30.06.2008

ANNEXURE TO THE AUDITORS REPORT

- i)
 - (a) The Company has purchased a building during the financial year 2007-2008 and the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) There was no substantial disposal of fixed assets during the year
- ii)
 - (a) The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
 - (b) The procedure of physical 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.
- iii)
 - (a) The Company has not granted any loans secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clauses (b), (c) and (d) of clause (iii) of this order are not applicable.
 - (b) The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clauses (f) and (g) of clause (iii) of this order are not applicable.
- 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 with regard to purchases of inventory, fixed assets and with regard to the 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 system.
- v) According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clause (b) of clause (v) of this order is not applicable to the company for the current year.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit under the provisions of Sections 58A, 58AA of the Companies Act, 1956 and the Company's (Acceptance of Deposits) Rules, 1975 framed there under with regard to the deposits accepted from the public and as such the provisions of clause (vi) of this order are not applicable to the Company.
- vii) In our opinion and as per provisions of the clause, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) Pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956, we are of the opinion that the prescribed accounts and records are not required to be made and maintained.
- ix)
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education & protection fund, Income Tax, Cess and any other statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess were in arrears as at 31.03.2008 for a period of more than six months from the date they became payable except deposit of TDS payable relevant to Financial Year 2006-2007 amounting to Rs. 5,787/-.
- (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has no dues to financial institution or banks or debenture holders.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) The Company has maintained proper records of transactions & contracts in respect of dealing & trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, debentures, and other investments have been held by the Company in its own name except to the extent exemption granted u/sec. 49 of the Act.
- xv) In our opinion and according to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) During the year covered by our audit report, the Company has not obtained any term loans.
- xvii) According to the information and explanations given to us and on an overall examinations of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act.
- xix) During the year covered by our audit report, the company has not issued any debentures.
- xx) The Company has not raised any money by public issues.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For H. R. AGARWAL & ASSOCIATES
Chartered Accountants

Shyam Sundar Agarwal
Partner

M. No. FCA 060033

Place : Kolkata

Date : 30.06.2008

BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	As at 31st March, 2008		As at 31st March, 2007	
		Rs.	P.	Rs.	P.
SOURCES OF FUNDS					
SHAREHOLDERS FUND					
(a) Share Capital	A	25,74,40,000.00		25,74,40,000.00	
(b) Reserve & Surplus	B	7,55,97,407.82		5,77,00,000.00	
TOTAL		33,30,37,407.82		31,51,40,000.00	
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	C	8,48,000.00		—	
Less : Depreciation		11,152.00		—	
Net Block		<u>8,36,848.00</u>		—	
INVESTMENTS	D	30,00,000.00		—	
CURRENT ASSETS, LOANS AND ADVANCES					
(a) Inventories	E	2,73,37,950.32		4,26,02,158.07	
(b) Sundry Debtors	F	—		—	
(c) Cash & Bank Balances	G	2,72,62,236.95		30,88,623.55	
(d) Other Current Assets	H	1,89,68,981.23		1,78,38,456.08	
(e) Loans & Advances	I	26,93,47,652.62		26,18,70,814.62	
		<u>34,29,16,821.12</u>		<u>32,54,00,052.32</u>	
Less : CURRENT LIABILITIES AND PROVISIONS					
(a) Current Liabilities	J	4,49,308.30		5,45,838.12	
(b) Provisions	K	1,32,66,953.00		1,02,20,005.00	
		<u>1,37,16,261.30</u>		<u>1,07,65,843.12</u>	
NET CURRENT ASSETS		32,92,00,559.82		31,46,34,209.20	
PROFIT & LOSS ACCOUNT		—		5,05,790.80	
(As per annexed Account)					
TOTAL		33,30,37,407.82		31,51,40,000.00	

Significant Accounting Policies & Notes on Accounts

N

As per our Report of even date

For **H. R. AGARWAL & ASSOCIATES**
Chartered Accountants**Shyam Sundar Agarwal**
Partner

Membership No. FCA 060033

Amitava Das
Company Secretary**Vishal Sonthalia**
Chief Financial Officer**Prabhat Kumar Jain**
Managing Director**Sandeep Dey**
Director

Place : Kolkata

Dated : 30th June, 2008

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

	Schedule	For the year ended 31st March, 2008		For the year ended 31st March, 2007	
		Rs.	P.	Rs.	P.
INCOME					
Sales		91,60,000.00		24,22,810.00	
Dividend Income		86,155.84		—	
Interest Received (TDS Rs. 84,37,133/-, previous year Rs. 32,99,951/-)		3,79,67,952.00		1,52,71,957.79	
Increase/(Decrease) in Stock	L	(1,52,64,207.75)		(24,12,940.00)	
		<u>3,19,49,900.09</u>		<u>1,52,81,827.79</u>	
EXPENDITURE					
Purchases		30,00,000.00		24,22,810.00	
Administrative & Other Expenses	M	10,34,995.47		7,79,951.09	
Depreciation		11,152.00		—	
Provision for NP Assets		—		21,57,314.00	
		<u>40,46,147.47</u>		<u>53,60,075.09</u>	
Profit before Taxation		2,79,03,752.62		99,21,752.70	
Less : Provision for Taxation - Current Tax		95,00,000.00		41,50,000.00	
- Deferred Tax		—		—	
- Fringe Benefit Tax		554.00		1,979.00	
Profit after Taxation		1,84,03,198.62		57,69,773.70	
Less : Transfer to Statutory Reserve Fund		40,00,000.00		12,47,134.00	
		<u>1,44,03,198.62</u>		<u>45,22,639.70</u>	
Balance brought forward		(5,05,790.80)		(50,28,430.50)	
Balance Carried to Balance Sheet		1,38,97,407.82		(5,05,790.80)	
Basic Earning per share		0.71		0.22	
Diluted Earning per share		0.71		0.22	
Face value per share		10.00		10.00	
Significant Accounting Policies & Notes on Accounts	N				

As per our Report of even date

For H. R. AGARWAL & ASSOCIATES
Chartered AccountantsShyam Sundar Agarwal
Partner

Place : Kolkata

Dated : 30th June, 2008

Membership No. FCA 060033

Amitava Das
Company SecretaryVishal Sonthalia
Chief Financial OfficerPrabhat Kumar Jain
Managing DirectorSandeep Dey
Director

CASH FLOW STATEMENT for the year ended 31st March, 2008

<u>DESCRIPTION</u>	<u>Year ended 31st March, 2008 (Rs.)</u>	<u>Year ended 31st March, 2007 (Rs.)</u>
(A) Cash Flow from Operating Activities		
Net Profit before Tax as per Profit and Loss Account	2,79,03,752.62	99,21,752.70
Adjusted for :		
Depreciation	11,152.00	—
Provision for NPA	—	21,57,314.00
Operating Profit before Working Capital Changes	2,79,14,904.62	1,20,79,066.70
Adjusted for :		
Inventories	1,52,64,207.75	24,12,940.00
Sundry Debtors	—	—
Other Current Assets	17,28,336.85	—
Loans & Advances	(74,76,838.00)	(93,08,328.79)
Trade & Other Payables	(96,529.82)	3,27,047.12
	94,19,176.78	(65,68,341.67)
Cash Flow From Operating Activities before tax	3,73,34,081.40	55,10,725.03
Taxes Paid	(93,12,468.00)	(32,99,951.00)
Cash Flow From Operating Activities (A)	2,80,21,613.40	22,10,774.03
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets	(8,48,000.00)	—
Purchase of Investment	(30,00,000.00)	—
Cash Flow From Investing Activities (B)	(38,48,000.00)	—
(C) Cash Flow From Financing Activities		
	—	—
Cash Flow From Financing Activities (C)	—	—
Net Increase in Cash and Cash Equivalents (A+B+C)	2,41,73,613.40	22,10,774.03
Opening Balance of Cash and Cash Equivalents	30,88,623.55	8,77,849.52
Closing Balance of Cash and Cash Equivalents	2,72,62,236.95	30,88,623.55

Notes :

- All figures in brackets are outflow.
- Cash and Cash Equivalent is Cash and Bank balances as per Balance Sheet.

	<i>As per our Report of even date</i>		
	For H. R. AGARWAL & ASSOCIATES		
	<i>Chartered Accountants</i>		
	Shyam Sundar Agarwal	Amitava Das	Prabhat Kumar Jain
	<i>Partner</i>	<i>Company Secretary</i>	<i>Managing Director</i>
Place : Kolkata		Vishal Sonthalia	Sandeep Dey
Dated : 30th June, 2008	<i>Membership No. FCA 060033</i>	<i>Chief Financial Officer</i>	<i>Director</i>

**Schedules 'A' to 'N' attached to and forming part of the Balance Sheet
as at 31st March, 2008**

	As at 31st March, 2008		As at 31st March, 2007	
	Rs.	P.	Rs.	P.
SCHEDULE - A				
SHARE CAPITAL				
AUTHORISED				
2,60,00,000 Equity Shares of Rs. 10/- each	26,00,00,000.00		26,00,00,000.00	
ISSUED, SUBSCRIBED & PAID UP				
2,57,44,000 Equity Shares of Rs. 10/- each fully paid up in cash	25,74,40,000.00		25,74,40,000.00	
	25,74,40,000.00		25,74,40,000.00	

SCHEDULE - B**RESERVES & SURPLUS**

Securities Premium	5,00,00,000.00	5,00,00,000.00
Statutory Reserve Fund (U/s 451C of RBI Act, 1934)	1,17,00,000.00	77,00,000.00
Profit & Loss Account	1,38,97,407.82	—
	7,55,97,407.82	5,77,00,000.00

SCHEDULE - C**FIXED ASSETS**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 31/03/07	Addition	Up To 31/03/08	Up To 31/03/07	During the year	As on 31/03/08	As on 31/03/08	As on 31/03/07	
	Rs. P.	Rs. P.	Rs. P.	Rs. P.		Rs. P.	Rs. P.	Rs. P.	
Building	—	8,48,000.00	8,48,000.00	—	11,152.00	11,152.00	8,36,848.00	—	
Total	—	8,48,000.00	8,48,000.00	—	11,152.00	11,152.00	8,36,848.00	—	
Previous Year	—	—	—	—	—	—	—	—	

SCHEDULE - D**INVESTMENTS - Non Trade****CURRENT INVESTMENTS****Unquoted Mutual Fund Units (Fully Paid)**

HDFC Real Estate Fund	30,00,000.00	—
	30,00,000.00	—
Net Asset Value of Mutual Fund Units	30,00,000.00	—

SCHEDULE - E**INVENTORIES - Non Trade****(As Taken, valued & certified by the management)**

Name of the Company	As on 31st March, 2008		As on 31st March, 2007	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
QUOTED EQUITY SHARES :				
21st Century (India) Ltd.	1,88,900	20,43,038.32	1,88,900	20,43,038.32
ATN International Ltd.	1,08,400	25,79,920.00	1,08,400	1,89,700.00
Avon Mercantile Ltd.	79,500	1,59,000.00	79,500	1,59,000.00
Blue Chip India Ltd. (F.V. Rs. 2/-)	—	—	8,58,200	9,01,110.00
CESC Ltd.	760	37,000.00	760	37,000.00
Chemox Securities Ltd.	3,000	10,950.00	3,000	10,950.00
Aastha Broad. Network Ltd. (F.V. Re. 1/-)	—	—	48,372	1,15,448.67
CMS Infotech Ltd.	—	—	20,01,500	47,03,525.00
Ellora International Ltd.	70,000	7,00,000.00	70,000	7,00,000.00
Herald Commerce Ltd.	—	—	4,600	16,100.00
Marson's Limited	—	—	1,56,215	1,38,436.08
Mather & Platt (I) Ltd.	1,000	36,000.00	1,000	36,000.00
Meenakshi Tea Co. Ltd.	7,400	68,450.00	7,400	68,450.00
Niharika India Ltd.	—	—	100	250.00
Orissa synthetics Ltd.	—	—	1,500	8,850.00
Oswal Agro Mills Ltd.	600	870.00	600	870.00
Purvanchal Leasing Ltd.	6,250	12,500.00	6,250	12,500.00
Silicon Valley Infotech Ltd. (F.V. Re. 1/-)	45,78,000	58,59,840.00	48,34,000	44,95,620.00
Tezapore Tea Co. Ltd.	—	—	500	15,000.00
Unisys Software & Hold Ind. Ltd.	—	—	2,40,000	14,40,000.00
Universal Media Network Ltd. (F.V. Rs. 2/-)	4,00,000	1,00,000.00	4,00,000	1,00,000.00
	54,43,810	92,85,640.32	90,10,797	1,51,91,848.07

UNQUOTED EQUITY SHARES :

Accord Tracon Ltd.	39,000	12,90,000.00	39,000	12,90,000.00
Abe Infocom Pvt. Ltd.	1,400	70,000.00	1,400	70,000.00
Aminex Projects Pvt. Ltd.	—	—	1500	1,50,000.00
Aristro Projects Ltd.	400	40,000.00	400	40,000.00
Bullpower Vyapar Ltd.	3,000	3,00,000.00	3,000	3,00,000.00
Bhairav Tradelink Ltd.	25,600	25,60,000.00	25,600	25,60,000.00
Cascade Dealcom Pvt. Ltd.	5,000	50,000.00	5,000	50,000.00
Concourse Info. Tech. Intl. Ltd.	26,000	52,000.00	26,000	52,000.00
Deepmala Dealer Pvt. Ltd.	—	—	1,000	1,00,000.00
Destiny Infotec Pvt. Ltd.	2,500	25,000.00	2,500	25,000.00
Dhansafal Vyapaar Pvt. Ltd.	6,600	66,000.00	6,600	66,000.00
Gurupath Merchandise Ltd.	59,160	11,46,000.00	59,160	11,46,000.00
Hanurang Projects Pvt. Ltd.	—	—	2,000	2,00,000.00

SCHEDULE - E (Continued)

Name of the Company	As on 31st March, 2008		As on 31st March, 2007	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Indo Invest Vision Pvt. Ltd. (Formerly : Pratima Commodities Ltd.)	23,800	2,38,000.00	23,800	2,38,000.00
Jeet Vanijya Ltd.	—	—	48,000	48,00,000.00
JMD Sounds Ltd.	86,700	8,67,000.00	86,700	8,67,000.00
Mangalmayee Garments Pvt. Ltd.	4,500	4,50,810.00	4,500	4,50,810.00
Network Power Pvt. Ltd.	6,400	6,40,000.00	6,400	6,40,000.00
Nihal Fiscal Services Pvt. Ltd.	1,000	50,000.00	1,000	50,000.00
Noble Power Pvt. Ltd.	18,000	18,00,000.00	18,000	18,00,000.00
Prashant Impex (P) Ltd.	19,000	1,90,000.00	19,000	1,90,000.00
Radico Trading Ltd.	3,550	35,500.00	3,550	35,500.00
Sabera Tradelink Pvt. Ltd.	—	—	39,000	39,00,000.00
Sapience Commodities Ltd.	—	—	13,800	1,38,000.00
Sargam Tradelink Ltd.	13,000	13,00,000.00	13,000	13,00,000.00
Savera Traders Ltd.	5,000	50,000.00	5,000	50,000.00
Sheetal Farms Ltd.	10,750	10,75,000.00	10,750	10,75,000.00
Snapshot Tradelink Pvt. Ltd.	54,100	54,10,000.00	54,100	54,10,000.00
Thunder Traders Ltd.	3,000	30,000.00	3,000	30,000.00
Turnkey Commodities Ltd.	—	—	700	70,000.00
Weldorf Tradelink Ltd.	4,700	3,17,000.00	4,700	3,17,000.00
	<u>4,22,160</u>	<u>1,80,52,310.00</u>	<u>5,28,160</u>	<u>2,74,10,310.00</u>
Aggregate Book Value of Quoted & Unquoted Shares		<u>2,73,37,950.32</u>		<u>4,26,02,158.07</u>
Aggregate Market Value of Quoted Shares		<u>6,23,97,033.00</u>		<u>6,87,66,148.78</u>

SCHEDULE - F**SUNDRY DEBTORS****Unsecured Considered Good**

	As at 31st March, 2008		As at 31st March, 2009	
	Rs.	P.	Rs.	P.
Exceeding Six Months	11,27,314.00		11,27,314.00	
Others	—		—	
	<u>11,27,314.00</u>		<u>11,27,314.00</u>	
Less: Provision for NPA	<u>11,27,314.00</u>		<u>11,27,314.00</u>	
	—		—	

	As at 31st March, 2008		As at 31st March, 2007	
	Rs.	P.	Rs.	P.
SCHEDULE - G				
CASH & BANK BALANCES				
Cash on Hand (As Certified by the Management)	54,630.30		90,369.80	
Balance with Scheduled Banks				
- On Current Account	12,31,432.65		29,98,253.75	
- On Fixed Deposit	2,35,50,000.00		—	
Cheque in Hand	24,26,174.00		—	
	<u>2,72,62,236.95</u>		<u>30,88,623.55</u>	

SCHEDULE - H**OTHER CURRENT ASSETS**

Security Deposit	1,000.00		—	
Tax Deducted at Source	1,88,41,235.08		1,68,30,996.08	
Advance Income Tax	—		10,07,460.00	
Other Receivables	1,26,746.15		—	
	<u>1,89,68,981.23</u>		<u>1,78,38,456.08</u>	

SCHEDULE - I**LOANS & ADVANCES****Loans**

(Unsecured Considered Good)

To Bodies Corporate	25,88,47,622.62		25,47,26,983.62	
To Others	1,05,00,030.00		71,43,831.00	

Advances(Recoverable in Cash or in Kind
or for Value to be received)

	10,30,000.00		10,30,000.00	
Less : Provision for NPA	10,30,000.00		10,30,000.00	
	<u>—</u>		<u>—</u>	
	<u>26,93,47,652.62</u>		<u>26,18,70,814.62</u>	

SCHEDULE - J**CURRENT LIABILITIES**

TDS Payable	27,094.00		13,206.00	
Other Liabilities	4,22,214.30		5,32,632.12	
	<u>4,49,308.30</u>		<u>5,45,838.12</u>	

	As at 31st March, 2008		As at 31st March, 2007	
	Rs.	P.	Rs.	P.
SCHEDULE - K				
Provision for Taxation	1,32,65,717.00		1,02,17,344.00	
Provision for FBT	1,236.00		2,661.00	
	<u>1,32,66,953.00</u>		<u>1,02,20,005.00</u>	

SCHEDULE - L**INCREASE/(DECREASE) IN STOCK**

Closing Stock	2,73,37,950.32	4,26,02,158.07
Less : Opening Stock	4,26,02,158.07	4,50,15,098.07
	<u>(1,52,64,207.75)</u>	<u>(24,12,940.00)</u>

SCHEDULE - M**ADMINISTRATIVE & OTHER EXPENSES**

Advertising Expenses	3,058.00	3,266.00
Auditors Remuneration	12,318.00	17,946.00
Bank Charges	1,76,612.79	6,967.85
Custodian Charges	3,099.68	562.24
Electricity Expenses	1,940.00	—
Filing Fees	3,000.00	1,500.00
Listing Fees	62,500.00	62,500.00
Miscellaneous Expenses	7,410.50	16,015.00
Postage & Telegram	2,190.00	8,850.00
Printing & Stationery	3,389.00	3,580.00
Professional Fees	1,93,100.00	2,35,402.00
Salaries	2,10,220.00	1,92,400.00
Registrar & Depository Fees	80,899.00	80,812.00
Rates & Taxes	—	750.00
Retainership Fees	1,34,832.00	—
Staff Welfare Expenses	3,190.00	14,450.00
Telephone Expenses	1,596.50	—
Travelling & Conveyance	13,790.00	14,950.00
Director Remuneration	1,20,000.00	1,20,000.00
Water Expenses	1,850.00	—
	<u>10,34,995.47</u>	<u>7,79,951.09</u>

SCHEDULE - N**Significant Accounting Policies and Notes on Accounts forming part of accounts for the year ended 31st March, 2008****A. SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF ACCOUNTING :**

- a) **General** : The Financial Statements have been prepared under the Historical Cost convention on the basis of going concern concept in accordance with generally accepted accounting principles and the provisions of Companies Act, 1956 as adopted consistently.
- b) **Revenue Recognition** : Items of income & expenditure are accounted for on accrual basis.

2. FIXED ASSETS AND DEPRECIATION :

Fixed Assets have been valued at cost less accumulated depreciation. Depreciation has been charged on written down value basis at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

3. INVESTMENTS :

Investments in Mutual Fund being current investments carried at lower of cost or NAV as at balance sheet date. Cost is calculated in FIFO basis.

4. INVENTORIES :

In case of quoted shares, inventories have been valued at lower of cost (on first-in first-out) basis and market value. Unquoted shares have been valued at lower of cost and break up value.

5. TAXATION :

Provision for current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with provision of the Income Tax Act, 1961. The deferred tax for timing difference between the accounting and tax profit for the year is accounted using tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets arising from the timing difference are recognised to the extent that there is reasonable certainty that sufficient future taxable income will be available.

B. NOTES ON ACCOUNTS

1. Provisions for retirement benefits has not been made as there being no employees having served for minimum qualifying period of service for entitlement of the benefits.

2. Quantitative details of goods traded :

	S H A R E S			S H A R E S		
	As at 31st March, 2008			As at 31st March, 2007		
	Quantity (Nos.)	Amount Rs. P.		Quantity (Nos.)	Amount Rs. P.	
Opening Stock	95,38,957	4,26,02,158.07		96,47,597	4,50,15,098.07	
Purchases	30,000	30,00,000.00		33,760	24,22,810.00	
Sales	37,02,987	91,60,000.00		1,42,400	24,22,810.00	
Closing Stock	58,65,970	2,73,37,950.32		95,38,957	4,26,02,158.07	

3. Auditors Remuneration :

	<u>31.03.2008</u>	<u>31.03.2007</u>
For Audit Fees	8,989.20	8,979.20
For Tax Audit Fees	2,247.80	2,244.80
In Other Capacities	1,082.00	6,722.00
	<u>12,318.00</u>	<u>17,946.00</u>

4. In terms of Accounting Standard-17 issued by the Institute of Chartered Accountant of India, Segment information has not been given as the entire business constitutes one reportable segment of fund based financial activities.
5. In terms of AS-18 "Related Party Disclosure's" issued by the ICAI are not given as the Company does not have any transaction with related parties and their relatives during the year except as given below :
- Remuneration to Mr. Prabhat Kumar Jain - Managing Director : Rs. 1,20,000 (Previous Year : Rs. 1,20,000)
6. Information pursuant to Part IV of Schedule VI to the Companies Act, 1956 has been given in Annexure - I.
7. Information pursuant to Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is given in Annexure - II.
8. Contingent Liabilities not provided for Rs. NIL.
9. There being no outstanding Sundry Creditors the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are not applicable to the Company. Based on the information available the parties included under Sundry Creditors due to Small Scale Industrial is NIL.
10. Earning and Expenditure in Foreign Currency : Rs. NIL.
11. Previous Year's figures have been regrouped, rearranged and recasted wherever considered necessary.

As per our Report of even date

For **H. R. AGARWAL & ASSOCIATES**

Chartered Accountants

Shyam Sundar Agarwal

Partner

Membership No. FCA 060033

Amitava Das
Company Secretary

Vishal Sonthalia
Chief Financial Officer

Prabhat Kumar Jain
Managing Director

Sandeep Dey
Director

Place : Kolkata

Dated : 30th June, 2008

ANNEXURE - I

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE VI OF
COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No. 8 2 1 9 7 State Code 2 1
Balance Sheet Date 3 1 0 3 2 0 0 8

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

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

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

Total Liabilities 3 3 3 0 3 7 Total Assets 3 3 3 0 3 7
Sources of Funds
Paid-up Capital 2 5 7 4 4 0 Reserve & Surplus 7 5 5 9 7
Secured Loans NIL Unsecured Loans NIL
Application of Funds
Net Fixed Assets 8 3 7 Investments 3 0 0 0
Net Current Assets 3 2 9 2 0 0 Miscellaneous Expenditure NIL
Accumulated Losses NIL

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

Turnover 4 7 2 1 4 Total Expenditure 1 9 3 1 0
Profit/(Loss) Before Tax 2 7 9 0 4 Profit/(Loss) After Tax 1 8 4 0 3
Earning Per Share (in Rs.) 0 . 7 1 Dividend Rate (%) NIL

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY
(As Per Monetary Terms)

Item Code No. (ITC Code)

NOT APPLICABLE

Product Description

FUND BASED
FINANCIAL ACTIVITIES

For: H. R. AGARWAL & ASSOCIATES

Chartered Accountants

Shyam Sundar Agarwal

Partner

Membership No. FCA 060033

Amitava Das
Company SecretaryVishal Sonthalia
Chief Financial OfficerPrabhat Kumar Jain
Managing DirectorSandeep Dey
Director

Place: Kolkata

Dated: 30th June, 2008

ANNEXURE - II to the
Balance Sheet of a Non Deposit taking Non-Banking Financial Company
[as required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding)
Companies Prudential Norms (Reserve Bank) Directions, 2007]

(Rs. in lakhs)

Particulars	Amount Outstanding	Amount Overdue
<u>Liabilities Side :</u>		
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	NIL	NIL
Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate Loans and Borrowings	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans	NIL	NIL
Amount Outstanding		
<u>Assets Side :</u>		
(2) Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :		
(a) Secured	NIL	
(b) Unsecured	2,693.48	
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease	NIL	
(b) Operating Lease	NIL	
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	NIL	
(b) Repossessed Assets	NIL	
(iii) Other loans counting towards AFC activities :		
(a) Loans where assets have been repossessed	NIL	
(b) Loans other than (a) above	NIL	

Particulars	Amount Outstanding
(4) Break-up of Investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	92.86
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL
2. Un-Quoted :	
(i) Shares : (a) Equity	180.52
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL
Long Term Investments :	
1. Quoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL
2. Un-Quoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others	NIL

(5) Borrower group-wise classification of assets, stock-on-hire and loans and advances :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	2,693.48	2,693.48
Total	NIL	2,693.48	2,693.48

(6) Investor group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) :

Category	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	804.49	273.38
Total	804.49	273.38

(7) Other Information :

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	21.57
(ii) Net Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL