

27th
ANNUAL REPORT
2008 -2009

PH TRADING LTD.

PH TRADING LTD.

BOARD OF DIRECTORS

MR. P. HIMATSINGKA
MR. A. K. BHUWALKA
MR. A. JHANWAR
MR. R. JHANWAR
MR. AVISHEK HIMATSINGKA

AUDITORS

M/S. SALARPURIA & PARTNERS (Statutory Auditors)
7, CHITTARANJAN AVENUE
KOLKATA-700 072

M. B. AGARWAL & CO. (Branch Auditors)
204, MHATRE PEN BLDG. SENAPATI BAPAT MARG
DADAR (WEST), MUMBAI-400028

M/S. KATARUKA & CO. (Internal Auditors)
P-44, RABINDRASARANI, KOLKATA-700001

BANKERS

ORIENTAL BANK OF COMMERCE, KOLKATA
ORIENTAL BANK OF COMMERCE, MUMBAI
TAMILNADU MERCANTILE BANK, MUMBAI

REGISTERED OFFICE :

PODDAR POINT
'B' BLOCK, 10TH FLOOR
113, PARK STREET
KOLKATA-700 016

PH TRADING LTD.

NOTICE

Notice is hereby given that the Twenty-Seventh Annual General Meeting of PH Trading Limited will be held at its Regd. Office at 113, Park Street, 10th floor, B-Block, Kolkata-700 016, on Monday, the 31st August, 2009 at 3.30 p.m. to transact the following Business :-

ORDINARY BUSINESS

- 1) To consider and adopt the Auditors & Directors report as well as audited Balance Sheet and Profit & Loss Account of Company for the year ended 31st March, 2009.
- 2) To declare dividend.
- 3) To appoint director in place of Mr. Ajit Kumar Bhuwarka who retires by rotation & being eligible offer himself for re-appointment.
- 4) To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next annual general meeting and fix their remuneration.

Regd. Office :
Poddar Point, 10th Floor, 'B' Block
113, Park Street, Kolkata-700 016
Date : The 30th of June 2009

By order of the Board
Prakash Himatsingka
Managing Director

PH TRADING LTD.

NOTES :-

1. A member entitled to attend & vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not to be a member of the Company. Proxies, in order to be effective, must reach the Registered office of the Company at least 48 hours before the meeting.
2. The Registers of members & transfer book of the Company will remain closed from 26/08/09 to 31/08/09 (both days inclusive).
3. Members are requested to notify any change in address immediately to the Companies registered office.
4. As per the provisions of the Company Act, 1956 (as amended), the facility for making nomination is now available to individuals holding shares in the Company. Those who desires to avail this facility may send their request for nomination in the prescribed form 2B duly filled in and signed to the Company's registered office.
5. (a) As per provisions of Section 205A of the Companies Act, 1956, the Company has already transferred to the General Revenue Account of the Central Government the amount of all unclaimed dividends declared upto and including the financial year ended 31st March, 2001. Hence to claim dividend upto the said period, the members are advised to approach the Registrar of Companies, West Bengal 234/4, Acharya Jagadish Chandra Bose Road, Kolkata-700 020
(b) Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 dividend, for the financial year ended 31st March, 2002, and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the investor Education and Protection Fund established by the Central Government.
Members who have not encashed the dividend warrant (s) for the financial year ended 31st March, 2002 or any subsequent financial years are requested to make claim to the share department of the Company. It may also be noted that once the unclaimed dividend is transferred to the Fund, as above, no claims shall lie in respect of such dividend.
6. The Dividend on Equity Shares as recommended for the year ended 31st March, 2009, if approved at this meeting will be payable on or after 31st August, 2009 to those members whose names appear on the Register of members of the Company as on 31st August, 2009.

Place : Kolkata
Dated : The 30th day of June, 2009

By order of the Board
PRAKASH HIMATSINGKA
Managing Director

PH TRADING LTD.

DIRECTOR'S REPORT

To

The Members,

Your Directors have pleasure in placing before you the 27th Annual Report of the Company together with the audited statement of account of the year ended March 31, 2009

FINANCIAL RESULTS :

Profit during the year		Rs.	42,02,348
Add :	Previous year balance	Rs.	1,06,05,196
	Deffered Tax	Rs.	23,075
	Depriciation written back	Rs.	38,745
		Rs.	<u>1,48,69,364</u>
Less :	Provision for taxation	Rs.	15,59,000
	Provision for FBT	Rs.	1,12,551
	Proposed dividend	Rs.	4,80,000
	Dividend Tax	Rs.	<u>81,576</u>
		Rs.	<u>22,33,127</u>
	Balance transferred to Balance Sheet:	Rs.	<u>126,36,237</u>

DIVIDEND:

Your Directors are pleased to recommend a dividend @ Re. 1 per fully paid up equity share of Rs. 10/- each for the year ended 31st March, 2009

DIRECTORS :

Sri Ajit Kumar Bhuwaka, Director of the Company retire by rotation but being eligible offers himself for **re-appointment**.

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

The Directors hereby confirm.

- I) That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure.
- II) That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- III) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iy) That the directors had prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. Salarpuria & Partners, Chartered Accountants of 7, Chittaranjan Avenue, K6lkata-72, the auditors of the Company and M/s M. B. Agarwal & Co. chartered Accountants of 204, Mhatre Pen Building Senapati Bapat Marg, Mumbai-28 branch auditors M/s Kataruka & Co, Chartered Accountants of P-44, Rabindra Sarani, Kolkata-1, internal Auditors retire and are eligible and agreeable for **reappointment**.

DEPOSITS :

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

PERSONNEL:

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

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

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

113, Park Street

10th Floor, Kolkata-700 016

Dated : Tuesday, the 30th June. 2009

By order of the Board

P. HIMATSINGKA | Directors
AVISHEK HIMATSINGKA |

PH TRADING LTD.

AUDITOR'S REPORT :

TO THE MEMBERS :

We have Audited the attached Balance Sheet of PH TRADING LTD. as at 31st March, 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a **reasonable** basis for our opinion.

As required by the 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 :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us. The Branch Auditor's Reports have been forwarded to us and have been appropriately dealt with.
- (iii) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the Directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the **manner** so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date and;
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

7, Chittaranjan Avenue
Kolkata-700 072
The 30th day of June, 2009

FORSALARPURIA & PARTNERS

Chartered Accountants

ARABINDA GHOSH

Partner

PH TRADING LTD.

ANNEXURE TO THE AUDITOR'S REPORT

- i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) These fixed assets are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) Substantial part of fixed assets has not been disposed off during the year and the going concern status of the company is not affected;
- ii) a) Physical verification of inventory has been conducted at reasonable intervals by the Management **In our opinion, the frequency of verification is reasonable.**
- b) The procedures for verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company has maintained proper records of inventory and no material discrepancies were noticed on physical verification of the same.
- iii) a) The company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s. 301 of the Act and as such clauses iii(a) to iii(d) of the order are not applicable.
- e) The company has taken unsecured loans from Companies, Firms or other Parties covered under the register maintained under Section 301 of the Act viz.

Name of the Party	Opening Balance as at 1.4.08	Amt taken together with Interest	Amount paid	Closing Balance as at 31.03.09	Balance during the year
Abhishek Chemicals Pvt. Ltd.	23,664,453	134,813,062	139,456,306	19,021,209	31,429,453
Abishek Himatsingka	1,428,885	5,274,163	2,936,794	3,766,254	3,766,254
Davesh Developers Pvt. Ltd.	345,214	490,242	353,865	481,591	590,000
Himatsingka Chemicals Pvt. Ltd.	16,354,088	92,112,242	107,360,711	1,105,619	32,171,000
Prakash Himatsingka	4,337,538	7,075,057	8,614,859	2,797,736	6,285,000
Swan Silverwares Pvt. Ltd.	15,824,442	37,952,634	38,940,335	14,836,741	19,029,442
Variable Plaza Pvt. Ltd.	18,975,536	41,332,650	51,624,391	8,683,795	23,845,536
AH Chemicals Pvt. Ltd.	3,005,682	82,910,835	85,012,644	903,873	3,005,682
Welcome Suppliers PVL Ltd.	—	49,068,372	31,906,623	17,161,749	30,175,000
	83,935,838	451,029,257	466,206,528	68,758,567	150,297,367

- f) In our opinion, the rates of interest and Terms & Conditions on which loan have been taken are not prima facie prejudicial to the interest of the Company.
- g) The Company is regular in the payment of Principal and interest as stipulated and there is no overdue amounts of loans taken from parties listed in the registers maintained under Section 301 of the Companies Act.
- iv) There is an adequate internal control system commensurate with the size and the nature of its business or the purchase of inventory and fixed assets and for the sale of goods and service.
- v) a) The contract or arrangement that need to be entered into a register in pursuance of sec. 301 have been so entered.

PH TRADING LTD.

- b) Transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted deposits from the public.
- vii) The company has an internal audit system commensurate with its size and nature of business.
- viii) The maintenance of cost records has not been prescribed by the Central Government U/s 209 (1)(d) of the Companies Act, 1956 (1 of 1956). Therefore the Clause (viii) of paragraphs 4 of the aforesaid order is not applicable;
- ix) a) The Company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other Statutory dues.
b) No undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.03.2009 for a period of more than six months.
c) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x) The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi) The company has not defaulted in repayment of dues to any financial institution or banks during the year.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence the question of maintenance of adequate documents and records does not arise.
- xiii) The company is not Chit Fund, Nidhi / Mutual Benefit Fund or Societies. Therefore, the provisions of Clause (xiii) of Paragraph 4 of the order are not applicable to the company.
- xiv) The company is dealing in shares, securities, debentures and other investments and proper records have been maintained of the transactions and timely entries have been made therein and the company in its own name has held such shares, securities debentures and other investments.
- xv) As per management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The company has not taken any term loan, so the question about its applicability for the required purpose does not arise.
- xvii) There are no funds raised on Short Term basis that have been used for Long Term investment.
- xviii) The Company has not made any-preferential allotment of shares to parties covered in the Register maintained U/s. 301 of the Act.
- xix) The company did not have any outstanding Debentures during the Year.
- xx) The company has not raised any money by public issue during the year.
- xxi) No fraud on or by the company has been noticed or reported during the year.

7, Chittaranjan Avenue
Kolkata-700 072
The 30th day of June, 2009

FORSALARPURIA & PARTNERS
Chartered Accountants
ARABINDAGHOSH
Partner

PH TRADING LTD.

BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
I. SOURCES OF FUNDS :		
1. Shareholders' Funds		
a) Share Capital	1 4,800,000	4,800,000
b) Reserves & Surplus	2 12,636,237	17,436,237 10,605,196 15,405,196
2. Loan Fund		
a) Secured Loans	3 4,391,583	55,552,694
b) Unsecured Loans	4 77,713,755	82,105,338 103,584,835 159,137,529
		99,541,575 174,542,725
II. APPLICATION OF FUNDS :		
1. Fixed Assets		
a) Gross Block	5 5,373,184	5,295,137
b) Less : Depreciation	2,802,444	2,522,474
c) Net Block		2,570,740 2,772,663
2. Investments :		
	6 723,378	723,378
3. Deferred Tax Assets		
	7 76,401	53,326
4. Current Assets, Loans & Advances		
a) Inventories	8 47,855	47,855
b) Sundry Debtors	9 108,611,362	190,918,523
c) Cash & Bank Balances	10 2,790,611	2,956,716
d) Loans & Advances	11 9,354,162	7,936,851
	120,803,990	201,859,945
Less :		
5. Current Liabilities And Provisions :		
a) Current Liabilities	12 15,915,102	23,820,306
b) Provisions	13 8,717,832	7,046,281
	24,632,934	30,866,587
Net Current Assets	96,171,056	170,993,358
Total	99,541,575	174,542,725
Significant Accounting Policies	17	
Notes on Accounts	18	

The Schedule referred to above form an integral part of the Balance Sheet
As per our separate report of even date attached hereto

FOR SALARPURIA & PARTNERS

Chartered Accountants

ARABINDA GHOSH

Partner

7, Chittaranjan Avenue, Kolkata-700 072

The 30th day of June, 2009

P. HIMATSINGKA

AVISHEK HIMATSINGKA

Directors

PH TRADING LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	YEAR ENDED 31.03.2009 Rs.	YEAR ENDED 31.03.2008 Rs.
I. INCOME :			
Sales (Net)		912,710,384	1,008,073,022
Other Income	14	974,418	542,558
Closing Stock of Shares		<u>47,855</u>	<u>47,855</u>
TOTAL - A		<u>913,732,657</u>	<u>1,008,663,435</u>
II. EXPENDITURE :			
Opening Stock of Shares		47,855	47,855
Purchases (Net)		860,203,518	956,975,829
Freight & Octroi Charges		14,796,988	14,364,870
Administrative Selling & Others	15	13,733,144	11,223,823
Interest	16	19,236,476	18,950,445
Depreciation		334,290	378,684
Bad Debts		25,000	1,833,960
Directors Remuneration		<u>1,153,038</u>	<u>942,135</u>
TOTAL - B		<u>909,530,309</u>	<u>1,004,717,601</u>
III. PROFIT			
Profit Before Taxation ('A' - 'B')		4,202,348	3,945,834
Provision for Taxation Current Tax		(1,559,000)	(1,420,000)
Deferred Tax		23,075	1,431
Fringe Benefit Tax		(112,551)	(96,500)
Profit After Taxation		2,553,872	2,430,765
Profit brought forward		10,605,196	8,767,359
Depreciation Written back (ref. Note No. 2 of Schedule '18')		38,745	—
Transactional provision of AS-15 on employees benefit (Net of Tax)		—	(33,872)
Excess Provision of Tax for Earlier Year		—	2,520
Available for Appropriation		<u>13,197,813</u>	<u>11,166,772</u>
IV. APPROPRIATIONS :			
Proposed Dividend		480,000	480,000
Income Tax on proposed Dividend Tax		81,576	81,576
Balance Carried to Balance Sheet		<u>12,636,237</u>	<u>10,605,196</u>
		<u>13,197,813</u>	<u>11,166,772</u>
Basic / Diluted Earning Per Share of Rs. 10/- Each		5.32	5.07
Significant Accounting Policies	17		
Notes to the Accounts	18		

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

As per our separate report of even date attached hereto

FORSALARPURIA & PARTNERS

Chartered Accountants

ARABINDA GHOSH

Partner

7, Chittaranjan Avenue, Kolkata-700 072

The 30th day of June, 2009

P. HIMATSINGKA
AVISHEK HIMATSINGKA

Directors

PH TRADING LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
A. Cash Flow from Operating Activities :		
Net Profit before tax and extraordinary items		
Adjustments For	4,202,348	3,945,834
Add. : Depreciation	334,290	378,684
Profit on Sale of Fixed Assets	(2,988)	(58,700)
Interest received	(750,276)	(367,063)
Dividend received	(540)	(540)
Interest Paid	19,236,476	18,950,445
Operating Profit before Working Capital Changes	23,019,310	22,848,660
Adjustments For		
Trade and Other receivables.	82,617.903	(46,500,717)
Trade Payable	<u>(7,905,204)</u>	<u>6,833,261</u>
Cash generated from operations	97,732,009	(16,818,796)
Direct taxes paid (Includes Fringe Benefit Tax)	(1,728,053)	(1,498,361)
Income Tax Refund	—	94,608
Cash Flow before Extra Ordinary Items	—	(18,222,549)
Net Cash from operating activities	<u>96,003,956</u>	<u>(18,222,549)</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(94,634)	(1,611,794)
Sale of Fixed Assets	4,000	184,000
Interest Received	750,276	367,063
Dividend Received	540	540
Net Cash from in investing activities	<u>660,182</u>	<u>(1,060,191)</u>

Contd.....Next page

PH TRADING LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	ASAT 31.03.2009 - Rs.	ASAT 31.03.2008 Rs.
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	: (77,032,191)	39,379,358
Interest Paid	: (19,236,476)	(18,950,445)
Dividend Tax Paid	: (81,576)	(81,576)
Dividends Paid	: (480,000)	(480,000)
Net Cash used in Financing Activities	: <u>(96,830,243)</u>	<u>19,867,337</u>
Net increase in Cash and Cash Equivalents (A+B+C)	: (166,105)	584,597
Cash and Cash Equivalents as at 01.04.2008	: 2,956,716	2,372,119
Cash and Cash Equivalents as at 31.03.2009	: 2,790,611	2,956,716

FOR SALARPURIA & PARTNERS

Chartered Accountants

ARABINDA GHOSH

Partner

7, Chittaranjan Avenue, Kolkata-700 072

The 30th day of June, 2009

P. HIMATSINGKA
AVISHEK HIMATSINGKA

Directors

PH TRADING LTD.

Schedules to the Accounts

	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
1. SHARE CAPITAL :		
Authorised		
5,00,000 Equity Shares of Rs. 10/- Each.	<u>5,000,000</u>	<u>5,000,000</u>
Issued, Subscribed & Paid Up :		
4,80,000 Equity Shares of Rs. 10/- each fully paid up in cash	<u>4,800,000</u>	<u>4,800,000</u>
	<u>4,800,000</u>	<u>4,800,000</u>
2. RESERVES & SURPLUS :		
Profit & Loss Account		
As per Account Annexed	<u>12,636,237</u>	<u>10,605,196</u>
	<u>12,636,237</u>	<u>10,605,196</u>
3. SECURED LOANS :		
ICICI Car Loan against Hypothecation of Motor Car	163,432	408,580
Oriental Bank of Commerce C.C. A/c. (Kolkata)	4,228,151	31,556,065
(Secured against hypothecation of book debt)		
Bills discounted with Bank	—	23,588,049
	<u>4,391,583</u>	<u>55,552,694</u>
4. UNSECURED LOANS :		
From Companies	71,149,773	97,818,412
From Directors	6,563,982	5,766,423
	<u>77,713,755</u>	<u>103,584,835</u>

PH TRADING LTD.

Schedules to the Accounts

5. FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost	Additions	Sold	Cost	Upto	During	Adjustment	Total	As At	As At
	as on 01.04.08 Rs.	during the year Rs.	during the year Rs.	as on 31.03.09 Rs.	01.04.08 Rs.	the year Rs.	on A/c of Sales Rs.	upto 31.03.09 Rs.	31.03.09 Rs.	31.03.08 Rs.
Office Premises	839,496	—	—	839,496	594,822	12,234	—	607,056	232,440	244,674
Residential Building	1,749,480	—	—	1,749,480	162,872	79,330	—	242,202	1,507,278	1,586,608
Furniture & Fixtures	398,592	—	—	398,592	362,641	5,999	(2,807)	371,448	27,145	35,951
Air Conditioner	209,800	—	—	209,800	-118,732	13,791	8,076	124,447	85,353	91,068
Motor Car	762,953	—	—	762,953	248,521	133,186	—	381,707	381,246	514,432
Office Equipment	195,782	—	—	195,782	135,930	8,993	4,801	140,122	55,660	59,852
Generator	16,587	48,000	16,587	48,000	15,575	6,677	15,575	6,677	41,323	1,012
Computers	793,703	42,000	—	835,703	710,232	43,625	21,564	732,293	103,410	83,471
Fax Machine	162,872	—	—	162,872	88,776	11,296	7,111	92,961	69,911	74,096
Mobile Phone	24,895	4,634	—	29,529	15,641	1,469	—	17,110	12,419	9,254
Television	27,690	—	—	27,690	19,217	1,179	—	20,396	7,294	8,473
Motor Cycle	113,287	—	—	113,287	49,515	16,511	—	66,026	47,261	63,772
Total :	5,295,137	94,634	16,587	5,373,184	2,522,474	334,290	54,320	2,802,444	2,570,740	2,772,663
Previous year Figures	4,105,063	14,611,794	421,720	5,295,137	2,440,210	378,684	296,420	2,522,474	2,772,663	1,664,853

* Refer note 2 of Schedule 18

PH TRADING LTD.

Schedules to the Accounts

6. INVESTMENTS

LONG TERM INVESTMENTS-NONTRADE

Name of the holdings	Kind of Stock	Face Value	No. of Shares/Debentures		Cost as on 31.03.2009	Cost as on 31.03.2008
(A) Quoted :					Rs.	Rs.
United Diamonds Ltd. *	Equity	10/-	356	(356)	5,938	5,938
Unique Mfg. & Mkt. Ltd. *	-do-	10/-	50	(50)	160	160
Hindusthan Dev. Corp. Ltd. *	Debentures	507-	3	(3)	120	120
A.C.C. Ltd. *	-do-	107-	—	(10)	—	—
Kanoi Paper & Inds. Ltd.	-do-	10/-	1,500	(1,500)	27,200	27,200
TOTAL : A					<u>33,418</u>	<u>33,418</u>
(B) Unquoted :						
P. C. Properties Ltd.	Equity	10/-	1,500	(1,500)	15,000	15,000
Buxa Doars Tea Co. Ltd.	-do-	10/-	52,000	(52,000)	674,960	674,960
TOTAL : B					<u>689,960</u>	<u>689,960</u>
TOTAL INVESTMENTS (A+B)					<u>723,378</u>	<u>723,378</u>
Aggregate Market Value of Quoted Investments :					NA	NA

* In absense of Market Quotation no Market Value mentioned.

PH TRADING LTD.

Schedules to the Accounts

	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
7. DEFERRED TAXASSETS:		
a) Related to Fixed Assets	25,956	29,699
b) Disallowance under the Income Tax Act, 1961	50,445	23,627
	<u>76,401</u>	<u>53,326</u>
8. INVENTORIES:		
Shares	47,855	47,855
	<u>47,855</u>	<u>47,855</u>
9. SUNDRY DEBTORS (Unsecured) (Considered Good) :		
Debts Outstanding for a Period Exceeding 6 Months	15,099,858	101,683,603
Others Debts	93,511,504	89,234,920
	<u>108,611,362</u>	<u>190,918,523</u>
10. CASH & BANK BALANCES :		
Cash-in-Hand (As per Books & Certified)	74,468	81,974
With Scheduled Banks :		
In Current A/c.	904,984	903,392
In Fixed Deposit A/c. (Pledged with Bank against Bank Guarantee)	1,807,902	1,968,370
In Unpaid Dividend A/c.	3,257	2,980
	<u>2,790,611</u>	<u>2,956,716</u>
11. LOANS & ADVANCES : (Unsecured considered Good)		
Security Deposits	104,385	104,385
Advance Income Tax	8,299,263	6,571,210
Advance to Others	659,106	339,696
Prepaid Expenses	256,108	404,966
Hire Purchase Charge payable	4,781	27,173
Discount receivable	30,519	489,421
	<u>9,354,162</u>	<u>7,936,851</u>

PH TRADING LTD.

Schedules to the Accounts

	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
12. CURRENT LIABILITIES :		
Sundry Creditors		
Due to Micro and Small Enterprises	—	—
Due to Others	11,501,257	19,474,737
Advance From Customer	347,597	471,108
Tax deducted at source	3,563,579	3,450,966
Unclaimed Dividend	3,258	2,980
Advance against Sale of Flat	351,000	351,000
Gratuity Payable	148,411	69,515
	<u>15,915,102</u>	<u>23,820,306</u>
13. PROVISIONS :		
For Taxation	7,788,158	6,229,158
Proposed Dividend	480,000	480,000
Tax on Proposed Dividend	81,576	81,576
Fringe Benefit Tax	368,098	255,547
	<u>8,717,832</u>	<u>7,046,281</u>
14. OTHER INCOME		
Rent Received	—	26,400
Profit on Sale of Fixed Assets (Net)	2,988	58,700
Interest Received [TDS Rs. 105,370/- (Rs. 29,106/-)]	750,276	367,063
Dividend received	540	540
Sundry Balances Written Back (Net)	70,614	89,855
Bad Debt Recovered	150,000	—
	<u>974,418</u>	<u>542,558</u>

PH TRADING LTD.

Schedules to the Accounts

	ASAT 31.03.2009 Rs.	ASAT 31.03.2008 Rs.
15. ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Salary and Allowances	1,150,788	934,290
Staff Welfare Expenses	120,008	45,538
Rates & Taxes	75,214	56,312
Insurance Premium	338,029	533,230
Legal & Professional Charges	240,361	94,177
Repair & Maintenance (Others)	416,547	230,129
Electric Charges	380,712	363,224
Telephone Expenses	520,563	559,952
Director Meeting Fees	5,000	7,000
Printing & Stationery	69,655	71,098
Computer Expenses	116,355	59,859,
Certification Fees	1,751	2,247
Internal Audit Fees	3,000	2,998
Auditors' Remuneration :		
As Audit Fees (Incl. Branch Auditor)	41,914	41,573
As Tax Audit Fees	6,618	6,742
Out of Pocket Expenses	1,500	2,082
Traveling & Conveyance	858,126	454,781
Advertisement	69,807	45,977
Bank Charges	129,424	584,794
Donation	429,100	410,000
Commission & Brokerage	6,547,475	4,906,450
Miscellaneous Expenses	1,133,690	670,959
Rent	129,600	336,000
Postage & Telegram	76,557	84,982
Sales Promotion	469,787	254,642
Service Tax on Freight	401,563	464,787
	<u>13,733,144</u>	<u>11,223,823</u>
16. INTEREST		
To Bank	3,476,424	4,686,900
To Others	14,864,615	13,799,305
To Director	895,437	464,240
	<u>19,236,476</u>	<u>18,950,445</u>

PH TRADING LTD.

Schedules to the Accounts

Schedule - 17

SIGNIFICANT ACCOUNTING POLICIES

1. All income & expenditures are accounted for an Accrual basis except Dividend, debenture interest, which are accounted for on cash basis.
2. **Investments :**
Long term investments are valued at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary. Current investments are valued at cost or Market value whichever is lower.
3. **Fixed Assets**
Fixed Assets are stated at cost less **accumulated** depreciation.
4. **Depreciation :**
Depreciation has been provided on all assets on written down value basis as per rates prescribed in Schedule XIV of the Companies Act, 1956.
5. **Inventories :**
Inventories are valued at cost or Net realizable value whichever is lower. The cost is determined on the FIFO basis.
6. **Employees Benefits :**
 - i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.
 - ii) Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable **determined** using actuarial valuation techniques. Actuarial Gain or Losses in respect of post employment and **other** long term benefits are charged to Profit and Loss Account.
7. Sales and Purchases are stated in accounts at net of discount thereon.
8. **Impairment of Assets :**
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
9. **Taxation :**
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.
10. **Provision, Contingent Liabilities and Contingent Assets :**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed on the financial statements.

PH TRADING LTD.

Schedule to the Accounts

18. NOTES ON ACCOUNTS :

1. Contingent Liabilities not provided for in respect of :
Claims against the company pending in court not acknowledged as **debts**, amount **unascertainable**.
2. The Company has changed the rate of depreciation from rates prescribed under the Income Tax Act, 1961 to rates prescribed under Sec. XIV of the Companies Act, 1956 retrospectively. Due to this change the figures of net Fixed Assets and reserves and Surplus as at 31.03.09 has increased by Rs. 38,745. Had the Company continued charging depreciation as per IT depreciation would be higher by Rs. 7,461/- consequently profit for the year would be lower by Rs. 7,461/-.
3. Other Advances includes Rs. 101,000/- against which the Company has filed a suit for recovery.
4. Fixed Deposit Rs. 1,750,000/- (Rs. 1,968,370/-) pledged with Oriental Bank of Commerce Park Street Branch against Bank Guarantee of Rs. 175 Lacs (Rs. 200 Lakhs) and Rs. 5,000/- (Rs. 5,000/-) with the Commissioner of Sales Tax as security for the issue for blank 'C' Forms and Form '14'.
5. Motor Car includes Rs. 762,953/- (Rs. 762,953/-) under Hire Purchase Scheme. Future Interest Payable on car purchased under said scheme amounting to Rs. 4,781/- (Rs. 27,173/-)

6. Managerial Remuneration (Included)

	31.3.2009	31.3.2008
	Rs.	Rs.
Salary	1,145,838	934,935
Other benefits	7,200	7,200

7. Earnings per Share

Profit / (Loss) after taxation as per Profit & Loss Account	2,553,872	2,430,765
Weighted average number of equity shares outstanding (Face value - Rs. 100 per Share)	480,000	480,000
Basic / Diluted Earnings per share	5.32	5.06

8. Defined Benefit Plan

The present value of **obligation** is determined based on **actuarial** valuation using the Projected Unit Credit Method, which recognises each period service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity :

I. Expenses recognised during the year under the head "Salary and Allowances"

	31.3.2009	31.3.2008
	Rs.	Rs.
a) Current Service Cost	28,850.00	13,000
b) Interest Cost	15,141.44	11,000
c) Actuarial (Gain) / Loss	44,366.65	3,000
d) Net Cost	88,358.00	27,000

PH TRADING LTD.

Schedule to the Accounts

II. Net Assets / Liabilities recognised in the Balance Sheet as on 31st March, 2009

a) Present value of the defined benefit obligation	233,358	145,000
b) Fair value of plan assets (Funds)	84,947	75,485
c) Net Assets / Liabilities recognised in the Balance Sheet	147,411	69,515

*Having Rs. 84,947/- in Joint Saving Account and LIC premium for individual policy.

III. Reconciliation of opening and closing balance of Defined Benefit Obligation.

a) Opening defined benefit obligation	145,000.00	118,000
b) Current service cost	28,850.00	13,000
c) Interest Cost	15,141.44	11,000
d) Actuarial (Gain) / Loss	44,366.65	3,000
e) Closing defined benefit obligation	233,358.00	145,000

IV. Principal Actuarial assumptions used :

Discount rates	...	8%	7.5%
Expected salary increase rates		5%	5.0%
Mortality rates		LIC (1994-96) mortality tables	
Retirement Age		58 years	58 years

9. As the Company is engaged in Trading Business only, disclosures as required by Accounting Standard - 17 (Segment Reporting) are not applicable.
10. There is no amount outstanding & payable to Investor Education & Protection Fund as on 31.03.2009.
11. Previous Year figures have been regrouped wherever necessary.
12. No Provision have been considered necessary for diminution in value of Long Term Investment being temporary in nature.
13. Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the company regarding the status of the suppliers as defined under the "Micro, small and medium Enterprises on account of principal amount together with interest, aggregate to Rs. NIL (Previous Year Rs. NIL)

14.A) Name of the related party	Relationship
(a) Abhishek Chemicals Pvt. Ltd.	Associate Company
Davesh Developers Pvt. Ltd.	Associate Company
P. C. Properties Pvt. Ltd.	Associate Company
Swan Silver Wares Pvt. Ltd.	Associate Company
Variable Plaza Pvt. Ltd.	Associate Company
AH Chemicals Pvt. Ltd.	Associate Company
Welcome Suppliers Pvt. Ltd.	Associate Company
Himatsingka Chemicals Pvt. Ltd.	Associate Company

PH TRADING LTD.

Schedule to the Accounts

(b) Prakash Himatsingka	Key Managerial Personnel
Ajit Kr Bhuwalka	Key Managerial Personnel
Ashok Kr. Jhanwar	Key Managerial Personnel
Abhishek Himatsingka	Key Managerial Personnel
Prakash Chandra Vikram Kumar (HUF)	Enterprise over which KMP having influence
Binayak Prasad Prakash Chandra (HUF)	Enterprise over which KMP having influence
K. Kumar & Co.	Enterprise over which KMP having influence
Nirmal Himatsingka Rice & Saw Mills	Enterprise over which KMP having influence
Sumit Kumar Jhanwar	Relative of Director

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

B) Transactions during the year	With (a)	With (b)
i) Sales	88,949,494	—
	(78,338,078)	(—)
ii) Director's Remuneration	—	1,153,038
	(—)	(942,135)
iii) Salaries	—	330,000
	(—)	(192,000)
iv) Rent Received	18,000	8,400
	(18,000)	(8,400)
v) Repair & maintainance	160,000	—
	(60,000)	(—)
vi) Intercorporate Deposits Received	425,255,000	11,453,783
	(317,041,850)	(15,435,000)
vii) Intercorporate Deposits Paid	454,654,875	11,551,653
	(291,960,348)	(—)
viii) Interest Paid (Provision)	13,425,037	895,437
	(11,098,051)	(464,240)
ix) Outstanding balances as at 31.03.09		
a) Intercorporate Deposit accepted	62,194,577	6,563,990
	(78,169,415)	(5,766,433)
x) Electric Charges	141,367	—
	(125,342)	(—)
xi) Rent Paid	120,000	—
	(300,000)	(—)
xii) Meeting Fees	—	5,000
	(—)	(7,000)
C) There is no outstanding amount written off on the above during the year.		

PH TRADING LTD.

- Schedules to the Accounts

15. Additional Information pursuant to the provisions of Paragraph 3 & 4 of part-II of Schedule VI of the Companies Act, 1956.

i) Quantitative Information : Trading Goods

Class of Goods	Unit	Opening Stock Qty.	Value Rs.	Purchase Qty.	Value Rs.	Sales Qty.	Value Rs.	Closing Stock Qty.	Value Rs.
Phenol*	MT	—	—	11,809	856,459,518	11,809	910,838,384	—	—
		—	—	(11,505,524)	(955,801,201)	(11,505,524)	(1,006,678,522)	—	—
Citric Acid	MT	—	—	62,400	3,744,000	62,400	1,872,000	—	—
		—	—	—	—	—	—	—	—
MDF	Mr	—	—	—	—	—	—	—	—
		—	—	(9,013,750)	(1,174,628)	(9,013,750)	(1,394,500)	—	—
* Shares	Nos.	—	47,855	—	—	—	—	—	47,855
		—	(47,855)	—	—	—	—	—	(47,855)
Total			47,855		860,203,518		912,710,384		47,855
			(47,855)		(956,975,829)		(1,008,073,022)		(47,855)

* Net of Discount

16. DETAILS OF SHARES STOCK-IN-TRADE AS ON 31ST MARCH, 2009

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

ii) Expenditure / Earnings in Foreign Currency

(NIL) (NIL)

Hi) Foreign Travelling

Rs. 456,065/- (NIL)

PH TRADING LTD.

BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

(As per Schedule VI of the Companies Act, 1956)

I. Registration Details			
Registration No.	<u>35011/82</u>	State Code	<u>21</u>
Balance Sheet Date	<u>31.03.2009</u>		
II. Capital raised during the Year (Amount in Rs. Thousands)			
Public Issue	<u>NIL</u>	Right Issue	<u>NIL</u>
Bonus Issue	<u>NIL</u>	Private Placement	<u>NIL</u>
III. Position of Mobilisation and Deployment of Funds (Amounts in Rs. Thousands)			
Total Liabilities	<u>124,175</u>	Total Assets	<u>124,175</u>
Sources of Funds			
Paid up Capital	<u>4,800</u>	Reserve & Surplus	<u>12,636</u>
Secured Loans	<u>4,392</u>	Unsecured Loans	<u>77,714</u>
<i>Application of Funds :</i>			
Net Fixed Assets	<u>2,571</u>	Investments	<u>723</u>
Net Current Assets	<u>96,171</u>	Misc. Expenditure	<u>NIL</u>
Deferred Tax Assets	<u>77</u>		
IV. Performance of the Company (Amount in Rs. Thousands)			
Total Income	<u>913,685</u>	Total Expenditure	<u>909,483</u>
Profit before tax	<u>4,202</u>	Profit after tax	<u>2,554</u>
Earning Per Share	Rs. <u>5.32</u>	Dividend Rate	% <u>10.00</u>
V. Generic names of Three Principal Products/Services of Company (As per Monetary term)			
Item Code No. (IT. C. Code) —	<u>2907.111</u>		
Product Description —	<u>PHENOL</u>		

PH TRADING LTD.

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

PROXY FORM

Reg. Folio No. : _____

I / We, _____

of _____

being a member / members of PH TRADING LTD. here by appoint of _____

or failing him / her _____

_____ of _____

as my / our proxy to vote for me / us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Monday, the 31st August, 2009 and any adjournment thereof.

Signed this _____ day of _____ 2009

Signed by the Said _____

NOTE:

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

Under Certificate of Posting

Printed Matter

If undelivered, Please return to :

PH TRADING LTD.

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