

**61st
Annual Report
2007-2008**

BENGAL & ASSAM COMPANY LIMITED

BENGAL & ASSAM COMPANY LIMITED

BOARD OF DIRECTORS	:	A. S. MEHTA P. K. RUSTAGI A. C. CHORARIA
BANKERS	:	CENTRAL BANK OF INDIA NEW DELHI STANDARD CHARTERED BANK NEW DELHI
AUDITORS	:	J. S. LODHA & CO. <i>Chartered Accountants</i>
COMPANY SECRETARY	:	DILLIP SWAIN
REGISTERED & ADMINISTRATIVE OFFICE	:	LINK HOUSE 3, BAHADUR SHAH ZAFAR MARG NEW DELHI-110 002
REGISTRAR & SHARE TRANSFER AGENT	:	ALANKIT ASSIGNMENTS LTD. ALANKIT HOUSE 2E/21, JHANDEWALAN EXTENSION, NEW DELHI-110055 (INDIA) PH: 91-11-23541234,42541234 FAX: NO:91-11-23552001 EMAIL: alankit@alankit.com WEBSITE: www.alankit.com

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 61st Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2008.

SCHEME OF AMALGAMATION

The Scheme of Amalgamation of Ashim Investment Company Limited (AICL) and its 4 wholly-owned subsidiary companies, namely, Mayfair Finance Limited, Sidhi Vinayak Investment Limited, Terrestrial Finance Limited and Yashodhan Investment Limited and Netflir Finco Limited (NFL) and its 4 wholly-owned subsidiary companies namely, Hansdeep Investment Limited, Hidrive Finance Limited, Panchanan Investment Limited and Radial Finance Limited into and with Bengal & Assam Company Limited (BACL) sanctioned by the Hon'ble High Court of Delhi has become effective on 11th November, 2008 (Effective Date) and operative w.e.f. 1st April, 2007, the Appointed Date under the said Scheme (hereinafter referred to as "the Scheme").

Pursuant to the Scheme:

- (i) all the assets and liabilities and the entire business of the Amalgamating Companies stood transferred to and vested in BACL, the Amalgamated Company, without any further act or deed and each of the Amalgamating Companies stood dissolved without being wound up;
- (ii) the authorised share capital of all the Amalgamating Companies stood transferred to the Company and as a consequence the Authorised Share Capital of the Company stood increased to Rs.369.25 crores from Rs.147.75 Crores;
- (iii) shares held by AICL and NFL in their respective wholly-owned subsidiary companies stood cancelled;
- (iv) every equity shareholder of AICL and NFL are entitled to 23 and 17 Equity Shares respectively of the face value of Rs.10 each credited as fully paid up of the Company for every 59 and 73 Shares held in AICL and NFL respectively. Accordingly, 35,29,288 fully paid-up Equity Shares of Rs.10 each of the Company were to be issued and allotted to the shareholders of AICL and NFL as on 28th November, 2008, the Record Date fixed for the purpose by AICL and NFL, after cancellation of cross-holdings. Necessary Listing applications are being made to the Stock Exchanges at Mumbai and Kolkata for listing of the Equity Shares of the Company;
- (v) the 89,161 7% Cumulative Redeemable Preference Shares of Rs.10 each of the aggregate amount of Rs. 8,91,610 in the issued, subscribed and paid-up capital of AICL shall be redeemed prematurely to the registered holders thereof as on the date of Annual General Meeting i.e. 30th December, 2008, together with the preferential dividend accrued thereon up to the date of such redemption;
- (vi) all profits accrued and/or losses incurred in respect of the business of the said Amalgamating Companies from 1st April, 2007 (the Appointed Date) till the Effective Date, i.e.11th November, 2008 for and on account of and held in trust for the Company, have been transferred to the Company.

Pursuant to the aforesaid Scheme, the size of the investments of the Company has increased substantially with potential increase in income.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March, 2008 after giving impact of the Scheme:

	<u>Rs./Lacs</u>
Profit before Depreciation and Tax	<u>1,446.79</u>
Profit after Tax	1,358.98
Surplus brought forward	<u>1,306.08</u>
Amount available for appropriation	<u>2,665.06</u>
Appropriations:	
Transfer to Reserve	271.80
Transfer to General Reserve	135.97
Transfer to Capital Redemption Reserve	13.92
Dividend including Dividend Tax	311.11
Surplus carried to Balance Sheet	<u>1,932.26</u>
	<u>2,665.06</u>

DIVIDEND

Prior to the sanction of the Scheme, the Company paid a dividend of Rs.5 per Equity Share on the Equity Share Capital of Rs.5,15,42,650 (51,54,265 fully paid Equity Shares of Rs.10 each) to the then Members of the Company. The Board does not recommend any change in this dividend.

DIRECTORS

Shri A.S.Mehta retires by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting.

CONSOLIDATED ACCOUNTS

Pursuant to Accounting Standard (AS-21), consolidated financial statements are being presented by the Company for the period under report. In terms of approval granted by the Central Government under Section 212(8) of the Companies Act, 1956, copies of the Balance Sheets, Profit & Loss Accounts, Reports of the Boards of Directors and the Auditors, etc. of the subsidiary companies, namely, Fenner India Ltd., Southern Spinners & Processors Ltd., Modern Cotton Yarn Spinners Ltd., Panchmahal Properties Ltd., LVP Foods Pvt. Ltd., Dwarkesh Energy Ltd., and Acorn Engineering Ltd., have not been attached to the Balance Sheet of the Company. These documents/details will be made available upon request by members.

AUDITORS

M/s. J.S. Lodha & Co., Chartered Accountants, Auditors of the Company, retire at the present Annual General Meeting and are eligible for re-appointment.

The observations of the Auditors in their Report on Accounts have been suitably explained in the relevant notes to the Accounts.

BENGAL & ASSAM COMPANY LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state that—

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- the accounting policies selected and applied are consistent and judgements and estimates made 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 the financial year ended 31st March, 2008;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the annual accounts have been prepared on a going concern basis.

LISTING ON STOCK EXCHANGES

Shareholders are aware that, prior to the Scheme becoming effective as aforesaid, the Company was an Unlisted Company. The Company is now taking necessary steps to comply with the Listing requirements for listing of the Equity Shares of the Company on the Stock Exchanges at Mumbai and Kolkata.

PARTICULARS OF EMPLOYEES

During the period under review, the Company had no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

INFORMATION PURSUANT TO SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956.

The requirement of furnishing particulars of energy conservation, technology absorption, etc. is not applicable to the Company. There has been no foreign exchange earning or outgo during the year.

FIXED DEPOSITS

The Company is registered with the Reserve Bank of India(RBI) as a Non-Banking Finance Company and does not accept public deposits and as required by the RBI, the Board of Directors have also passed necessary resolution for not accepting public deposits, without prior approval of RBI.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks to the Shareholders, Financial Institutions and Banks for their co-operation and support to the Scheme. They also extend a warm welcome to the shareholders of Ashim Investment Company Ltd. and Netflir Finco Ltd., who have become Shareholders of this Company through the aforesaid Scheme.

On behalf of the Board

New Delhi
26th November, 2008

P. K. RUSTAGI
A. C. CHORARIA
Directors

AUDITORS' REPORT

To the Members of BENGAL & ASSAM COMAPNY LIMITED

We have audited the attached Balance Sheet of BENGAL & ASSAM COMAPNY 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. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) (The Order) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The accounts of amalgamating companies for the period 01.04.2007 to 31.03.2008 have been incorporated in these accounts and considered for our report there on, as audited by respective Auditors of erstwhile amalgamating companies;
 - (d) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (e) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - (f) As per the information and explanations given to us, none of the directors of the Company 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;
 - (g) Regarding adjustment of difference of all assets and liabilities (including preference shares) acquired, after adjustment of loss on sale and depletion/ diminution in value of investments upto effective date and capital against General Reserve, attention is invited to note no 1(d) of schedule 12(B), though strictly not in line with generally accepted accounting principles, which has been carried out pursuant to the Scheme of Amalgamation sanctioned by Hon'able High Court of Delhi.
 - (h) *Attention is further invited to Note no 4 of Schedule 12(B) regarding Rs 84,04,047 under Portfolio Management Scheme with Prudential ICICI Asset Management Company Ltd. has been classified under advances recoverable as stated in the said note.*

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Subject to foregoing, In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with Note nos. 6 & 9 of Schedule 12(B) and other notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India;

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
- ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For J.S.LODHA & CO.
Chartered Accountants

Place : Kolkata
Date : 26th November, 2008

V. Matta
Proprietor
Membership No. : 54087

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our Report of even date of BENGAL & ASSAM COMPANY LIMITED for the year ended 31st March, 2008.)

1.
 - (a) The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the Management at reasonable interval , which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. As explained, the discrepancies noticed on such physical verification were not material.
 - (c) As per the records and information and explanations given to us, no fixed assets have been disposed off during the year.
2.
 - (a) The Company has granted unsecured loan to three body corporates covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loans aggregate to Rs.11,29,00,000/- and Rs. 1,00,00,000/- respectively.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which aforesaid loan has been granted are not, prima facie, prejudicial to the interest of the Company.
 - (c) In respect of aforesaid loan, the recovery of principal as well as interest is regular as stipulated.
 - (d) According to the information and explanations given to us, the year end balance is not overdue for payment.
 - (e) As informed to us, the company has taken unsecured loan from two body corporates covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loans is Rs. 41,54,00,000 and Rs. 41,25,00,000 respectively.
 - (f) In our opinion and according to information and explanations given to us, the rate of interest and other terms and conditions on which aforesaid loan has been taken are not, prima facie, prejudicial to the interest of the Company.

- (g) In respect of aforesaid loan, the repayment of principal is regular as stipulated, however payment of interest is not regular and a sum of Rs. 1,80,07,741/- is pending for payment at year end.
3. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we did not observe any continuing failure to correct major weaknesses in internal control system.
4. According to the information and explanations provided by the Management and based upon audit procedures performed, we are of the opinion that the particular of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of Rs. 5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to the prevailing market prices at the relevant time.
5. According to the information and explanations given to us, the company does not have formal internal audit system. However internal controls are exercised departmentally.
6. (a) The company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2008.
- (b) According to the records and information and explanations given to us, there are no dues in respect of, sales tax, service tax, custom duty, excise duty, cess and wealth tax that have not been deposited with the appropriate authorities on account of dispute and the dues in respect of income tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:-

Name of the statute	Nature of the dues	PERIOD (A/Y)	Amount (In Rs.)	Forum where dispute is pending
Income tax Act	Income tax	1994-05	3,95,313/-	ITAT
Income tax Act	Income tax	1995-96, 1997-98, 1998-99, 1999-00, 2001-02, 2002-03	4,40,518/-	CIT (A)
Income tax Act	Income tax	2004-05, 2005-06	2,07,760/-	CIT (A)
Income tax Act	Income tax	2003-04	26,946/-	Assessing Officer

7. The Company has no accumulated losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
8. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
9. 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 Order are not applicable to the company.
10. According to the information and explanations given to us, proper records have been maintained in respect of transactions and contracts of shares, securities, debentures, and other investments and timely entries have

BENGAL & ASSAM COMPANY LIMITED

been made therein; also the investments of the company have been held in the name of the company except referred to in note no. 1 of Schedule 12(B).

11. According to the information and explanations given to us, the company has given guarantee for loans taken by other body corporate from banks as stated in note no. 7(i) of Schedule 12(B). In our opinion, the terms and condition on which the company has given guarantee for loans taken by other body corporate from banks are not prima facie prejudicial to the interest of the company.
12. According to information and explanations given to us and on an overall examination of the financial statements of the company, funds raised on short-term basis have, prima-facie, not been used for long-term investment.
13. The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. Refer note no. 1 of Schedule 12(B).
14. The company has not raised any money through a public issue during the year.
15. Based on the audit procedure performed and on the basis of information and explanations provided to us, no fraud on or by the company has been noticed or reported during the course of our audit.
16. No other matters specified in the said Order are applicable to the Company.

For J.S.LODHA & CO.
Chartered Accountants

Place : Kolkata
Date : 26th November, 2008

V. Matta
Proprietor
Membership No. : 54087

BALANCE SHEET

As at 31st March, 2008

(Amount in Rs.)

PARTICULARS	Schedule	31.03.2008	31.03.2007
SOURCES OF FUNDS			
Share Capital	1	5,24,34,260	5,20,42,650
Share Capital Suspense			
[Refer Note no 1(c) of Schedule 12 (B)]		3,52,92,880	--
Reserves & Surplus	2	1,91,48,05,081	48,80,70,850
Unsecured Loans	3	1,09,99,36,844	23,08,45,661
Deferred Tax Liability (Net)		16,16,900	--
TOTAL		<u>3,10,40,85,965</u>	<u>77,09,59,161</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	19,72,51,655	57,59,880
Less: Depreciation		1,67,69,123	4,49,518
Net Block		18,04,82,532	53,10,362
Capital Work-in-Progress (including advances)		1,97,63,346	--
		<u>20,02,45,878</u>	<u>53,10,362</u>
Investments	5	<u>2,82,54,24,832</u>	<u>72,50,67,359</u>
Current Assets, Loans & Advances			
Cash & Bank Balances		1,74,25,182	1,21,49,638
Loans & Advances		18,68,72,058	3,99,51,820
		20,42,97,240	5,21,01,458
Less: Current Liabilities & Provisions	7	12,58,81,985	1,15,20,018
Net Current Assets		7,84,15,255	4,05,81,440
TOTAL		<u>3,10,40,85,965</u>	<u>77,09,59,161</u>

Notes to Accounts 12

Schedules referred to above and Notes attached thereto form an integral part of the Balance Sheet.

As per our report of even date.

For J. S. LODHA & CO.
Chartered AccountantsV. Matta
Proprietor
Membership No.: 54087Place : Kolkata
Date: 26th November, 2008DILLIP SWAIN
Company SecretaryP. S. SHARMA
ManagerP. K. RUSTAGI
A. C. CHORARIA
Directors

BENGAL & ASSAM COMPANY LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31st March, 2008

(Amount in Rs.)

PARTICULARS	Schedule	2007-08	2006-07
INCOME			
Income from Operations	8	19,55,70,078	10,97,35,285
		<u>19,55,70,078</u>	<u>10,97,35,285</u>
EXPENDITURE			
Employee Cost	9	46,12,547	3,13,303
Interest & Bank Charges	10	1,73,90,573	1,44,61,481
Loss on sale of shares (by trustee)		1,75,21,592	--
Administrative & Other Expenses	11	1,13,66,538	41,00,005
		<u>5,08,91,250</u>	<u>1,88,74,789</u>
Profit/(Loss) before Depreciation		14,46,78,828	9,08,60,496
Depreciation		21,41,164	2,79,851
Profit/(Loss) before Tax		14,25,37,664	9,05,80,645
Provision for Current Tax		73,50,000	--
Provision for Fringe benefit Tax		18,000	--
Income Tax Paid/Adjustments		1,44,336	--
Deferred Tax		(8,72,601)	--
Profit/(Loss) after Tax		13,58,97,929	9,05,80,645
Profit brought forward from previous year		13,06,08,257	13,89,86,245
Balance available for appropriation		26,65,06,186	22,95,66,890
APPROPRIATIONS			
Transfer to Reserve (As per RBI Guidelines)		2,71,79,593	1,81,16,129
Capital Redemption Reserve		13,91,610	5,00,000
Dividend Paid		42,56,115	6,20,16,000
Proposed Dividend on preference shares		62,413	5,00,500
Interim / Final Dividend		2,57,71,325	--
Corporate Dividend Tax		10,21,896	87,67,939
Transfer to General Reserve		1,35,97,148	90,58,065
Balance Carried to Balance Sheet		19,32,26,086	13,06,08,257
		<u>26,65,06,186</u>	<u>22,95,66,890</u>
Basic/Diluted Earning per share (in Rs.)		15.64	17.57
{Refer Note 12 of Schedule 12(B)}			

Notes to Accounts

12

Schedules referred to above and Notes attached thereto form an integral part of the Profit & Loss A/c

As per our report of even date.

For J. S. LODHA & CO.

Chartered Accountants

V. Matta

Proprietor

Membership No.: 54087

Place : Kolkata

Date: 26th November, 2008

DILLIP SWAIN

Company Secretary

P. S. SHARMA

Manager

P. K. RUSTAGI

A. C. CHORARIA

Directors

	(Amount in Rs.)	
SCHEDULES TO THE ACCOUNTS	31.03.2008	31.03.2007

Schedule-1

SHARE CAPITAL

Authorised*

356,730,000 Equity Shares of Rs.10/- each (Previous Year 143,250,000 Equity Shares of Rs.10/- each)	3,56,73,00,000	1,43,25,00,000
1,252,000 Cumulative Redeemable Preference Shares of Rs 100/- each (Previous Year-Nil)	12,52,00,000	--
NIL Redeemable Preference Shares of Rs.100/- each (Previous Year 400,000 Shares)	--	4,00,00,000
NIL Unclassified Shares of Rs.10/- each (Previous Year 5,00,000 Unclassified Shares)	--	50,00,000
	<u>3,69,25,00,000</u>	<u>1,47,75,00,000</u>

Issued, Subscribed & Paid up

Equity Shares fully paid up

51,54,265 Equity Shares of Rs.10/- each (Previous Year 51,54,265 Equity Shares of Rs.10/- each)	5,15,42,650	5,15,42,650
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Preference Shares fully paid up *

89,161 7% Cumulative Redeemable Preference Shares of Rs.10/- each (b) (Previous Year NIL)	8,91,610	--
0.1% Non Cumulative Participating Redeemable Preference Shares of Rs.100/- each (c) (Previous Year 15,000 0.1% Non Cumulative Participating Redeemable Preference Shares of Rs. 100/- each)	--	5,00,000
	<u>5,24,34,260</u>	<u>5,20,42,650</u>

Refer Note no 1 of schedule 12 (B)

* Pursuant to Scheme of Amalgamation having become effective from the Appointed Date i.e. 01.04.07:

- (a) Authorised Capital of the Company stood increased to Rs.3,69,25,00,000/- from Rs.1,47,75,00,000/-
- (b) 89,161, 7% Cumulative Redeemable Preference Shares (CRPS) of Rs.10/- each of the aggregate amount of Rs.8,91,610/- in the paid up capital of AICL redeemable on the expiry of TEN years from the date of allotment thereof i.e. 19-06-2006 (However, AICL had right, exercisable at its sole discretion, to redeem these CRPS at any time after the expiry of THREE years from the date of allotment), transferred to and vested in the Company w.e.f. 01.04.2007, shall be redeemed prematurely by the Company on a Record Date to be fixed by the Company, which is pending for re-classification of Authorised Preference Capital.
- (c) The remaining balance Rs 5,00,000/- of 0.1% Preference Shares, redeemable in three equal instalments on 4th September 2005, 2006 & 2007 respectively (Rs.5 Lacs each have been redeemed on 4th September,2005 & 4th September 2006 respectively), stood cancelled on 01.04.2007.

Schedule-2

31.03.2008

31.03.2007

RESERVES & SURPLUS

Capital Reserve	--			
Addition during the year **	2,51,500 **	2,51,500		
Capital Redemption Reserve	10,00,000			10,00,000
Addition during the year	13,91,610	23,91,610		
Reserve (as per RBI guidelines)	7,03,20,571		5,22,04,442	
Transfer from Profit & Loss A/c	2,71,79,593	9,75,00,164	1,81,16,129	7,03,20,571
General Reserve	28,61,42,022		3,62,57,304	
Addition during the year	--		24,98,84,718	
Add: Pursuant to the scheme of amalgamation*	1,32,16,96,551		--	
Add: Transferred from Profit & Loss A/c	1,35,97,148	1,62,14,35,721	--	28,61,42,022
Surplus in Profit & Loss Account A/c		<u>19,32,26,086</u>		<u>13,06,08,257</u>
		<u>1,91,48,05,081</u>		<u>48,80,70,850</u>

* Refer Note no 1(d) of Schedule 12 (B)

** Proceeds of shares sold by trustee, allotted to them out of fractional entitlement, pursuant to the Scheme of Arrangement and Demerger between JK Tyre & Industries Ltd. and Netflir Finco Ltd. and kept as distributable surplus.

BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

SCHEDULES TO THE ACCOUNTS 31.03.2008 31.03.2007

Schedule-3

UNSECURED LOANS

From Subsidiary company @	-	16,00,00,000
From Body Corporates *	1,07,91,66,667	6,15,00,000
Interest Accrued & Due #	2,07,70,177	93,45,661
	<u>1,09,99,36,844</u>	<u>23,08,45,661</u>

* Includes Rs.66,66,66,667/- (previous year NIL) (interest free); also refer note no 1(e) of schedule 12(B)

Include on loan from Subsidiary Company Rs. 27,62,436/- (previous year Rs.93,45,661/-)

@ Maximum balance outstanding of dues to Subsidiary Companies Rs. 19,57,70,177/- (Previous year Rs. 16,93,45,661/-)

Schedule-4

FIXED ASSETS

Particulars	Gross Block				Gross Block as at 31.03.08	Depreciation					Net Block	
	Gross Block as at 01.04.07	Pursuant to Scheme*	Additions	Sales Adjustments		Upto 31.03.07	Pursuant to Scheme*	For the Year	Adjustments	Upto 31.03.08	As at 31.03.08	As At 31.03.07
Land (Freehold)		6,39,70,366	--	--	6,39,70,366		--	--	--	--	6,39,70,366	--
Land (Leasehold)		23,22,737	--	--	23,22,737		46,860	23,462	--	70,322	22,52,415	--
Buildings	57,31,880	11,77,81,527	1,68,545	--	12,36,81,952	4,22,726	1,17,91,968	17,42,949	--	1,39,57,643	10,97,24,309	53,09,154
Furniture & Fixtures		30,27,137	15,23,166	--	45,50,303		14,02,424	2,50,628	--	16,53,052	28,97,251	--
Office Equipments		23,71,200	1,74,457	--	25,45,657		8,23,203	1,19,728	--	942,931	16,02,726	--
Computer		79,640	--	--	79,640		75,658	--	--	75,658	3,982	--
Vehicles	28,000	73,000	--	--	1,01,000	26,792	38,327	4,398	--	69,517	31,483	1,208
Total	57,59,880	18,96,25,607	18,66,168	--	19,72,51,655	4,49,518	1,41,78,440	21,41,165	--	1,67,69,123	18,04,82,532	53,10,362
CWIP (Including advances)	--	67,84,007	1,29,79,339	--	1,97,63,346	--	--	--	--	--	1,97,63,346	--
Total	57,59,880	19,64,09,614	1,48,45,507	--	21,70,15,001	4,49,518	1,41,78,440	21,41,165	--	1,67,69,123	20,02,45,878	53,10,362
Previous Year	57,59,880	--	--	--	57,59,880	1,69,667	--	2,79,851	--	4,49,518	53,10,362	--

*Refer Note 1(a) of Schedule 12(b)

Schedule-5

INVESTMENT

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
A. Quoted Investments (Long Term)							
(Other than trade, fully paid up)							
Equity Shares							
Subsidiary							
J K Sugar Limited		56,81,691	8,75,03,336	54,91,811	24,79,21,859	1,89,880	33,71,667
Others							
AI Champdany Inds. Ltd.		14	247	-	-	14	546
Abbott India Ltd.		5	737	100	14,749	-	-
Abhishek Jute & Industries Ltd.		66	557	-	-	66	2,138
Ashim Investment Co. Ltd.		-	-	-	-	7,56,757	4,18,14,987
Aditya Birla Nuvo Limited		844	72,324	1374	1,16,093	-	-
All Seasons Foods Limited		45	-	-	-	45	-
Ambuja Cement Ltd. (Formerly Gujarat Ambuja Cement Ltd.)		32,307	6,54,257	32,307	6,54,257	-	-
Andhra Cement Company Limited		62	937	62	937	-	-
Asahi India Glass Ltd.		74	2,500	74	2,500	-	-
Ashok Leyland Ltd		2,000	32,500	2,000	69,054	-	-
Ashoka Paper Mills Ltd.		100	-	-	-	100	-
Astrazeneca Pharma India Ltd.	18	500	10,831	500	10,831	-	-
ATV Projects India Ltd.		2,500	-	-	-	2,500	105
Auckland International Ltd.		99	-	-	-	99	1,831
Aventis Pharma. Ltd.		5	1,384	100	27,687	-	-
Ballarpur Industries Limited	1	2,241	24,976	747	41,626	-	-
Bally Jute Co. Ltd.		1	-	-	-	1	-
Balrampur Chini Mills Ltd.		500	21,425	500	32,900	-	-

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
Bank of India		5	225	10,100	4,54,500	-	-
Baranagore Jute Factory Co. Ltd.		5	-	-	-	5	-
Bayer Cropscience India Ltd.		66	-	66	-	-	-
Bengal Coal Co. Ltd.		2	-	-	-	2	-
Bharat Heavy Electricals Limited	2	200	14,450	100	14,450	-	-
Bharat Nidhi Ltd.		20	-	-	-	20	-
Bhatpara Jute & Properties Ltd.		115	-	3	-	112	-
Bhiwani Denim & Apparel Ltd.		14,200	-	2,000	55,986	12,200	23,790
Bird Jute & Exports Ltd.		1	-	-	-	1	-
Birla Corp Limited		318	5,840	318	5,840	-	-
Bonanza Pharmaceuticals Ltd.		200	-	-	-	200	3,550
Brabourne Enterprises Ltd. (Formerly known as RPG Life Science Ltd.)		50	-	50	5,814	-	-
Budge-Budge Co. Ltd.		85	-	-	-	85	136
Carol Info. Services Ltd.		200	6,770	200	24,130	-	-
Ceat Ltd.	3	49	1,928	66	6,173	-	-
Century Enka Limited		305	21,167	305	18,978	-	-
Chambal Fertilizers Limited		5	142	5	142	-	-
Cheviot Co. Ltd.	4	76	12,779	-	-	51	13,051
Chi Investment Limited	3	16	254	-	-	-	-
Ciba Speciality Chemical India Ltd.		25	5,025	25	14,759	-	-
Clives Mills Ltd.		3	-	-	-	3	-
Daewoo Motors India Limited		3,000	-	3,000	-	-	-
Delta Jute & Industries Ltd.		160	-	-	-	160	-
Dewan Tyres Ltd.		240	-	240	2,304	-	-
Digvijay Finlease Ltd.		100	-	100	-	-	-
Dunbar Mills Ltd.		20	-	-	-	20	-
Dunlop India Ltd.		113	746	100	6,633	13	86
EID Parry (India) Limited		150	3,774	150	3,774	-	-
Fort Gloster Industries Ltd.		99	-	-	-	99	-
G.E. Capital Transportation Financial Services Ltd.		100	-	-	-	100	-
G.K.W. Ltd.		37	400	-	-	37	400
Garware Nylons Ltd.		112	-	-	-	112	-
Gas authority of India Ltd.		250	52,813	250	66,138	-	-
GIC Housing Finance Limited		62	992	62	992	-	-
Gilt Pack Limited		3,700	-	-	-	3,700	6,364
Goodyear India Ltd.		10	495	200	9,900	-	-
Grasim Industries Limited		240	11,107	240	11,107	-	-
Gujarat Composite Limited		66	-	66	-	-	-
Gujrat Glass Limited(Formerly Kojam Finvest Ltd.)	5	45	-	45	-	-	-
Haryana Petrochemicals Limited		7,000	-	5,000	1,10,862	2,000	-
Hasimara Industries Ltd.		2	-	-	-	2	32
HDFC Bank Limited		1,305	40,368	1,400	41,318	-	-
Hilton Rubber Limited		100	-	100	2,362	-	-
Hind Engg. Ltd.		222	-	-	-	222	-
Hindalco Industries Limited		462	21,317	462	17,381	-	-
Hindustan Development Corpn. Ltd.		160	-	160	-	-	-
Hindustan Zinc Ltd.		-	-	2,000	12,54,381	-	-
Hindustan Unilever Limited		865	1,42,307	865	1,34,072	-	-
Housing Development Finance Corpn. Ltd.		5	-	180	2,475	-	-
I C I C I Bank Limited		27,440	6,22,083	27,440	6,22,083	-	-
I.G. Petrochemicals Ltd.		100	1,425	-	-	100	1,425
Incab Industries Ltd. #		-	-	-	-	21	84
Incheck Tyres Ltd.		100	-	-	-	100	-
Indag Rubber Ltd.		50	-	50	2,438	-	-
India Carbon Ltd.		40	-	-	-	40	436

BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
		India Cements Limited		100	6,667	100	6,667
India Paper & Pulp Co. Ltd.		19	-	-	-	19	-
Indian Petrochemicals Corporation Limited	10	-	-	60	6,858	-	-
Indo Rama Synthetics (India) Limited		1,560	22,230	1,560	41,573	-	-
Indofil Organic Inds. Ltd.	6	375	6,705	-	-	-	-
Indraprastha Medical Corporation Limited		500	5,000	500	5,000	-	-
Industrial Development Bank of India		8,170	4,71,409	18,120	16,36,660	-	-
Informed Technologies India Ltd.		100	-	-	-	100	-
Infosys Technologies Ltd.		240	3,01,608	240	3,58,215	-	-
Ispat Profiles Limited		1,951	-	1,951	-	-	-
ITC Limited		555	28,212	555	28,212	-	-
J.K. Synthetics Limited		900	1,710	900	4,123	-	-
J.K. Tyre & Industries Limited		63,25,689	31,47,03,028	66,20,338	50,58,68,398	2,32,578	1,91,13,331
J.K.Cement Limited		100	-	100	-	-	-
J.K.Lakshmi Cement Ltd. #		1,45,28,674	56,80,71,153	77,52,398	64,58,81,176	41,20,674	13,51,03,477
J.K.Paper Limited		1,43,44,407	25,46,13,224	1,42,42,407	41,27,31,297	1,02,000	44,83,536
J.K.Pharmachem Ltd. (Under Liquidation)		76,51,489	-	76,51,389	1,71,39,147	100	280
Jaiprakash Associates Limited	13	12,515	2,35,485	11,248	7,29,702	-	-
Jaiprakash Hydro Power Limited		500	14,700	500	14,175	-	-
Jaipur Udyog Ltd.		1	-	-	-	1	-
Jayant Paper Mills Ltd.		700	-	-	-	700	2,800
JCT Ltd.		124	383	124	6,274	-	-
JK Agri Genetics Limited		13,51,820	13,05,33,669	12,43,355	12,74,74,440	1,08,465	30,59,229
Kabir Das Investment Ltd.		160	-	80	1,000	80	-
Kamarthatty Co. Ltd.		50	-	-	-	50	-
Kanco Enterprises Ltd.		65	-	-	-	65	-
Kesoram Textile Mills Ltd.		330	-	330	-	-	-
Khaitan Chem. & Fertilizers Ltd.		152	2,006	-	-	152	2,006
Khardah Co. Ltd.		62	-	-	-	62	-
Khatau Junker Ltd.		100	-	-	-	100	-
Kinnison Jute Mills Co. Ltd.		1	-	-	-	1	-
Kiran Overseas Exports Ltd.		1,000	-	-	-	1,000	2,250
Larsen & Toubro Limited		5,005	6,77,346	6,010	19,77,497	-	-
Mahanagar Telephone Nigam Limited		1,600	1,13,120	1,600	2,34,800	-	-
Malanpur Steel Ltd.		2,334	-	-	-	2,334	700
Mandya National Paper Mills Ltd.		25	-	-	-	25	-
Mangalam Cement Limited		100	3,900	100	3,900	-	-
Martin Burn Ltd.		20	424	-	-	20	780
Mawana Sugar Limited	11	-	-	27	271	-	-
Merind India Ltd.		50	-	50	9,362	-	-
Mideast India Ltd.		750	-	-	-	750	225
Mideast Intigrated Steels Ltd.		200	-	-	-	200	150
Modern Terry Towels Ltd.		900	-	100	10,000	800	440
Modern Threads (I) Ltd.		250	-	50	1,560	200	160
Modi Rubber Limited		550	8,703	400	5,980	150	2,723
Modipon Limited	6	250	3,113	250	16,250	-	-
Modistone Limited		150	-	150	1,510	-	-
Montari Industries Limited		218	-	218	-	-	-
MRF Tyres Ltd.		47	93,333	2,001	74,75,407	-	-
Mukerian Papers Limited		200	-	200	-	-	-
Mysore Paper Mills Ltd.		54	314	-	-	54	513
Naihati Jute Mills Co. Ltd.		5	-	-	-	5	-
Nath Pulp & Paper Limited.		200	-	200	-	-	-
National Co. Ltd.		1	-	-	-	1	-
National Thermal Power Corporation Ltd.(NTPC)		1,785	1,10,670	670	41,540	1,115	69,130
New Central Jute Mills Co. Ltd.		10	-	-	-	10	11

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
Netflir Finco Ltd.		-	-	-	-	77,525	63,71,174
Piramal Healthcare Ltd. (Formerly Nicholas Piramal India Ltd.)	8	505	24,089	935	34,576	-	-
North Brooke Jute Co. Ltd.		3	-	-	-	3	-
Nav Bharat Vanijya Limited		-	-	-	-	1,21,649	53,39,844
Northern Leasing Ltd.		100	-	-	-	100	-
ORG Informatics Ltd.(Formerly Sarabhai Electronics Ltd.)		69	-	50	679	19	-
Orient Paper & Industries Limited	7	1,110	11,635	86	2,635	-	-
Oriental Civil Engg.Co. Ltd.		3,400	-	-	-	3,400	2,160
Orissa Extrusions Ltd. #		2,900	-	-	-	3,000	6,000
Orkay Industries Ltd. #		2,000	-	-	-	2,200	-
Oswal Agro Mills Limited		5,150	-	5,150	-	-	-
Oswal Chemicals & Fertilizers Limited		4,745	22,491	4,745	1,18,491	-	-
Pentafour Products Ltd.		3,200	-	400	13,318	2,800	11,200
People Investment Limited		3,500	38,500	-	-	3,500	38,500
Pharmax Corporation Ltd.		250	-	250	-	-	-
Piramal Life Sciences Ltd.	8	50	-	-	-	-	-
Polar Investment Limited		12,393	1,28,008	6,000	63,918	6,393	64,090
Pranav Investment (M.P.) Co. Ltd.		15,000	24,72,093	-	-	16,236	49,97,887
PTL Enterprises Ltd.(Formerly Premier Tyres Ltd.)	9	250	-	50	541	-	-
Prism Cement Limited		100	918	100	918	-	-
Punjab Anand Batteries Ltd. #		50	-	-	-	75	-
Rain Commodities Limited		100	637	100	637	-	-
Rajasthan Breweries Limited		1,800	-	1,800	-	-	-
Rama Fibres Ltd.		5,000	-	-	-	5,000	-
Rameshwara Jute Mills Ltd.		100	-	-	-	100	-
Rampur Fertilizers Limited		304	-	-	-	304	-
Ranbaxy Laboratories Limited		5,770	2,24,803	5,770	2,24,803	-	-
Ready Foods Ltd.		3,500	-	3,500	74,550	-	-
Recron Synthetics Ltd.	10	-	-	25	500	850	25
REI Agro Ltd.		-	-	5,000	9,12,091	-	-
Reliance Capital Limited		425	3,654	425	3,654	-	-
Reliance Communication Ventures Limited		8,100	91,372	8,500	1,08,776	-	-
Reliance Energy Limited		637	20,519	637	20,519	-	-
Reliance Enterprises Limited	16	-	-	54	380	-	-
Reliance Industries Limited #	10	6,017	11,80,165	6,000	11,72,782	100	20,199
Reliance Jute & Industries Ltd.		112	-	-	-	112	-
Reliance Natural Resources Limited		8,505	2,081	8,500	1,967	-	-
Reliance Petroleum Ltd		5,305	3,81,300	5,400	3,87,000	-	-
Reliance Power Ltd		55	6,276	-	-	-	-
Remington Rand of India Ltd.		22	-	-	-	22	-
RJM Fibre Industries Ltd.		56	-	-	-	56	-
RJM Investments Ltd.		56	-	-	-	56	-
Rohtas Industries Ltd.		22	-	-	-	22	-
Sanghi Polyester Limited		4,200	10,920	4,200	3,24,380	-	-
Satyam Computers Limited		350	78,896	350	78,896	-	-
Seshasayee Paper & Boards Limited		100	9,100	100	9,281	-	-
Shree Synthetics Ltd.		88	-	-	-	88	84
Siel Limited	11	13	-	-	-	-	-
Sirpur Paper Mills Ltd.		2	68	-	-	2	208
SPL Empl.Co-op Stores		250	-	250	2,500	-	-
SRF Limited		5	372	5	417	-	-
Sri Digvijay Cement Co.Limited		1,900	11,761	1,900	19,950	-	-
Star Paper Mills Limited		100	1,710	100	3,275	-	-
State Bank of India	12	1,885	6,23,763	1,850	5,68,113	-	-
Sterlite Industries (India) Limited		125	19,801	125	19,801	-	-
Sterlite Projects Ltd.		100	-	-	-	100	315

BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
Surya Agroils Limited		1,300	-	1,300	15,150	-	-
Syndicate Bank		1,000	55,000	1,000	63,900	-	-
Tata Consultancy Services Ltd.(TCS)		500	2,64,425	500	4,28,740	-	-
Tata Motors Ltd.		5	777	5	2,051	-	-
Tata Steel Ltd.		750	1,43,325	1,000	5,07,564	-	-
The Associated Cement Companies Limited(ACC)		847	11,031	847	11,031	-	-
The Bengal Paper Mills Ltd.		37	-	-	-	37	-
The Burrakur Coal Co. Ltd.		1	-	-	-	1	-
The Gourepore Co. Ltd.		100	-	-	-	100	100
The Scindia Steam Navigation Co. Ltd.		1	-	-	-	1	-
The Tata Iron & Steel Co. Limited	17	8,676	13,05,981	7,151	8,48,481	-	-
The West Coast Paper Mills Limited		1,000	20,804	200	20,804	-	-
Tirupati Texknit Ltd. (T T LTD.)		400	3,280	-	-	400	5,450
Titagarh Industries Ltd.		14	-	14	-	-	-
TVS Srichakra Ltd.		50	812	50	812	-	-
Udaipur Cement Works Ltd. (BIFR Co.)		3,11,53,242	2,95,95,580	3,10,48,042	34,34,93,221	1,05,200	99,940
Ultra Tech Cement Ltd.		2,576	6,73,484	2,576	6,73,484	-	-
Umang Dairies Limited (BIFR Co.)		52,94,965	2,46,74,537	37,94,965	4,04,34,650	15,00,000	31,50,000
Union Jute Co. Ltd.		2	-	-	-	2	-
United Wire Ropes Ltd.		5	-	-	-	5	-
Universal Tyres Ltd.		100	-	-	-	100	-
Usha (India) Ltd.		710	-	190	6,565	520	3,120
Vegepro Foods & Feeds Ltd.		100	-	-	-	100	85
Walford Transport (Eastern) Ltd.		15	-	-	-	15	-
Wyeth Lederle Ltd.		55	17,659	200	42,296	-	-
Zensar Technologies Ltd.		100	-	-	-	100	-
Zuari Industries Limited		17	-	17	389	-	-
Total Quoted Equity Shares (A)			1,42,14,52,157		2,36,42,10,965		22,71,92,751
B. Mutual Funds							
ABN Amro Fixed Term Plan Series 8 Reg. Growth-YLY P		5,00,000	50,00,000	-	-	-	-
Birla Dividend Yield Plus -Plan A		16,051	1,27,769	16,051	2,00,000	-	-
Birla Fixed Term Plan		-	-	1,50,000	15,00,000	-	-
Birla Floating Rate Long Term Fund -Growth (Monthly Dividend payout)		14,42,434	1,75,60,546	-	-	-	-
Birla Sunlife Liquid Plus - Inst. Growth		18,06,441	2,63,93,199	-	-	-	-
Birla Sunlife Liquid Plus Retail Growth Fund		5,37,411	76,00,499	-	-	-	-
Birla Sunlife Short Term Plan		12,68,733	1,72,93,758	-	-	-	-
Canara Robeco Liquid Plus Retail Growth Fund		7,775	1,00,000	-	-	-	-
Can Floating Rate Short Term Growth Fund		-	-	11,52,512	1,24,73,130	-	-
Can FRF Short Term Growth Plan		-	-	7,48,586	80,89,234	-	-
Can Institutional Plan Growth		-	-	5,46,341	70,00,000	-	-
Can Liquid Fund - Institutional - Growth		-	-	4,68,545	60,00,000	-	-
Can Liquid Inst.Plan - Growth		-	-	1,95,367	25,00,000	-	-
Canfloating Rate Fund Short Term Growth		-	-	9,86,199	1,04,54,886	-	-
Canfloating Rate Fund Short Term Growth		-	-	8,07,050	97,73,322	-	-
Chola Liquid Fund - Regular Cumulative		-	-	46,288	6,50,949	-	-
HDFC FR IF ST - R.Option-Growth		30,570	4,00,000	-	-	-	-
HDFC FR IF ST - WS Dividend Monthly		31,12,657	3,16,00,820	-	-	-	-
HDFC MIP - LTP - Growth		26,76,039	3,66,48,892	52,25,288	7,15,61,358	-	-
LIC Liquid Fund - Growth		18,64,480	2,57,25,000	16,06,061	2,07,50,000	-	-
LIC MF Floating Rate Fund - ST Plan -Growth Plan		34,73,329	4,32,84,562	69,38,666	7,92,27,184	-	-
LIC MF Liquid Fund - Growth		2,11,453	30,74,586	32,18,349	4,15,43,498	-	-
LICMF Floating Rate Short Term Plan-Dividend Plan		1,08,229	10,98,420	7,925	80,423	-	-
Lotus India Liquid Plus		27,951	3,00,000	-	-	-	-
Prudential ICICI Flexible Income Plan		2,50,245	35,00,000	-	-	-	-

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
		Pru.ICICI Inst. STP- Cum.Option	-	-	34,915	4,60,000	-
Prudential ICICI Institutional Short Term Plan - Cum. Option	-	-	1,33,762	18,00,000	-	-	
Prudential ICICI Mutual Fund	-	-	21,496	3,92,481	-	-	
Prudential ICICI Short Term Plan - Cumulative	-	-	2,52,662	34,00,000	-	-	
Prudential ICICI Floating Rate Fund - Inst.Growth	7,74,641	1,00,00,000	-	-	-	-	
Standard Chartered Fixed Maturity 10th Plan - Growth	-	-	3,00,000	30,00,000	-	-	
Standard Chartered Liquidity Manager Plus -Growth	-	-	5,250	55,00,000	-	-	
Sundram BNP Paribas Fixed Term Plan-Series XXVII growth.	40,00,000	4,00,00,000	-	-	-	-	
TSTG Tata ST Bond Fund- Growth	-	-	54,342	6,72,756	-	-	
UTI Master Share	660	9,156	-	-	660	9,156	
UTI Fixed Maturity Plan Yearly Series	-	-	-	-	-	-	
YFMP/0507-Inst.Growth	40,00,000	4,00,00,000	-	-	-	-	
Total Mutual Funds (B)		30,97,17,207		28,70,29,221		9,156	
C. Quoted Investment (Current)							
(Other than trade, fully paid up)							
Equity Shares							
Aban Loyd Ch		55	53,578	-	-	50	95,665
Adlabs Films Limited		116	63,805	-	-	-	-
Balrampur Chinni Mills Limited		1,978	84,757	-	-	-	-
Bank of India		365	92,436	-	-	-	-
Bharat Heavy Electricals Limited		100	1,22,947	-	-	25	50,552
Bharti Airtel Limited		250	1,71,920	-	-	225	1,54,232
Deccan Chronicle Holdings Limited		-	-	-	-	750	84,902
DLF Ltd.		220	1,38,514	-	-	-	-
Eicher Motors Limited		243	60,726	-	-	-	-
Gitanjali Gem Limited		-	-	-	-	400	86,038
Great Offshore Limited		-	-	-	-	150	1,14,798
Gujarat NRE Coke (India) Limited		800	77,658	-	-	-	-
Hindustan Construction Limited		764	90,150	-	-	-	-
ICSA (I) Ltd.		205	66,348	-	-	-	-
India Cement Limited		503	82,458	-	-	650	53,991
Industrial Finance Corporation of India Ltd.(IFCI)		-	-	-	-	6,000	1,74,463
Jai Prakash Associates Limited	13	720	1,26,834	-	-	250	1,70,426
Jet Airways Ltd		-	-	-	-	100	64,649
Kalpataru Power Limited		74	77,317	-	-	-	-
Kirlosker Oil Engines Limited		-	-	-	-	500	1,40,131
Larsen & Toubro Limited		103	1,49,045	-	-	60	68,895
Mahendra & Mahendra Limited		-	-	-	-	300	1,70,920
Mcdowell (United Spirits Ltd.)		150	1,17,848	-	-	200	1,62,379
Mphasis BFL Limited		-	-	-	-	350	1,00,025
Mysore Cement Limited		-	-	-	-	2,000	90,108
NDTV Ltd.		-	-	-	-	250	86,199
Nestle India Limited		54	73,291	-	-	-	-
OPTTDX Nifty		-	-	-	-	100	10,279
Pantaloon Retail(India) Limited		-	-	-	-	375	1,39,378
Parsvnath Developers Limited		-	-	-	-	200	85,316
Morarjee Real (Peninsula Land Ltd.)		-	-	-	-	250	1,54,562
Power Grid Corporation of India Limited		1,849	1,81,757	-	-	-	-
Punj Lloyd Ltd.		230	45,356	-	-	-	-
Punjab National Bank Ltd.		168	85,722	-	-	-	-
Reliance Comm.Ventures Ltd.		134	29,527	-	-	-	-
Reliance Industries Limited		139	2,37,829	-	-	-	-
Samtel Colour Limited		5,000	67,360	-	-	-	-
Satyam Computers Services Limited		-	-	-	-	200	75,314
State Bank of India		172	2,75,244	-	-	-	-

BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
Steel Authority of India Limited		400	56,592	-	-	-	-
Sun TV Ltd.		-	-	-	-	60	1,02,715
TATA Motors Limited		-	-	-	-	200	1,90,881
Techmahindra Limited		-	-	-	-	500	96,420
Titan Limited		160	1,49,672	-	-	75	62,750
Uniphos Sear Ltd.		-	-	-	-	300	96,320
Unitech Limited	14	150	-	-	-	300	1,35,750
Vijaya Bank Ltd.		1,587	64,813	-	-	-	-
Voltas Ltd.		552	79,997	-	-	-	-
Total Quoted Equity Shares (C)			29,23,501		-		30,18,060
Total Quoted Investment (A+B+C)			1,73,40,92,865		2,65,12,40,186		23,02,19,967
D. Unquoted Investments (Long Term) (Other than trade, fully paid up)							
Equity Shares							
Subsidiaries							
Fenner (India) Limited	15	-	-	-	-	20,82,182	48,72,81,188
Fenner (India) Ltd (Formerly RR Belts & Seals Ltd.)	15	21,82,648	52,71,22,014	8,770	-	13,73,000	27,46,000
LVP Foods Pvt. Ltd.		19,99,800	1,99,98,000	-	-	-	-
Panchmahal Properties Ltd.(Wholly Owned Subsidiary)		3,51,230	35,12,300	3,51,230	35,12,300	-	-
Hifazat Chemicals Ltd. #		-	-	17,26,301	80,00,000	-	-
Dwarkesh Energy Limited		25,000	2,50,000	25,000	2,50,000	-	-
Others							
Accurate Finman Services (Pvt.) Ltd.		-	-	-	-	9,999	1,50,362
Bharti Telecom Ltd. #		600	55,402	-	-	1,600	1,45,040
E-Commodities Limited		2,00,000	-	-	-	2,00,000	-
Harshal Papers & Boards Limited		1,14,940	-	1,14,940	11,49,650	-	-
J K Traders Ltd.		4,313	13,344	-	-	4,313	13,344
J.K. Capital Finance Ltd.		43,060	85,120	-	-	43,060	85,120
J.K. Energy Limited		100	1,000	100	1,000	-	-
J.K. Investors (Bombay) Ltd.		2,966	2,95,614	25	319	2,941	2,95,295
J.K. Jute Mills Ltd.		-	-	200	720	53,910	23,638
J.K. Satoh Agricultural Machines		50	-	-	-	50	-
J.K. Woollen Mfg. Co. Ltd.		50	-	-	-	50	-
J.K.Cotton Spg.& Wvg. Mills Co. Ltd.		4,540	-	-	-	4,540	-
JK Enviro-Tech Ltd.		22,50,000	2,25,00,000	-	-	-	-
JK Risk Managers & Insurance Brokers Ltd.		12,37,500	1,23,75,000	-	-	-	-
Juggilal Kamlapat Udyog Limited		-	-	-	-	1,769	3,33,236
Plastic Products Ltd. #		-	-	-	-	2,500	-
Rouncy Trading Pvt. Limited		-	-	-	-	4,500	8,891
Sago Trading Limited		-	-	-	-	4,44,405	26,78,718
Swasthaya Medicare Limited		12,500	44,100	-	-	12,500	44,100
Ultima Finvest Ltd		4,06,000	40,60,000	4,06,000	40,60,000	-	-
Total Unquoted Equity Shares (D)			59,03,11,894		1,69,73,989		49,38,04,932
E. Preference Shares							
Subsidiary							
Fenner India Ltd.(Formerly R.R.Belts & Seals Ltd.)		-	-	8,00,000	8,00,00,000	-	-
Others							
JK Agri Genetics Ltd. (Zero Coupon Pref. Shares)		50,00,000	42,50,00,000	50,00,000	42,50,00,000	-	-
J.K. Pharmachem Ltd. (Zero Coupon Reedemable) (Under Liquidation)		5,00,000	-	5,00,000	5,00,00,000	-	-
Juggilal Kamlapat Udyog Ltd.(Pref. Shares)		-	-	-	-	15,000	5,02,500

(Amount in Rs.)

Name of the Bodies Corporate	Refer Note No.	As At 31.03.2008		Pursuant to Scheme*		As At 31.03.2007	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
Ultima Finvest Ltd(3.5% Non-Cum-Red-Participating Pref.)	16	42,500	4,25,00,000	42,500	4,25,00,000	-	-
Farm Enterprises Ltd(12% OCC)		54	380	-	-	-	-
Kelvin Jute Co. Ltd. (Pref.)	17	5	-	-	-	5	-
The Tata Iron & Steel Co. Limited(Cum.Con.Pref. Shares)		6,431	6,43,100	-	-	-	-
Total Preference Shares (E)			46,81,43,480		59,75,00,000		5,02,500
F. Debentures & Bonds							
12.30% IDBI 2007 Omni Bonds		-	-	9	9,69,750	5	5,38,750
17% Secured Redeemable Non-con-Deb in Kesoram Ind. Ltd.		30	1,020	30	1,020	-	-
6.75% Tax Free Bonds Unit Trust of India		3,598	3,59,800	3,598	5,28,940	-	-
Astrazeneca Pharma India Ltd. (8% Redeemable Debentures)	18	500	-	-	-	-	-
Birla Jute & Industries Ltd. (Deb.)		1	50	-	-	1	50
Kesoram Industries Ltd. (deb)		8	140	-	-	8	140
Shree Synthetics Ltd. (deb)		51	1,020	-	-	51	1,020
Umang Dairies Limited (Debentures)		38,73,000	3,25,14,564	-	-	-	-
Total Debentures & Bonds (F)			3,28,76,593		14,99,710		5,39,960
Total Unquoted Investment 'II' (D+E+F)			1,09,13,31,967		61,59,73,699		49,48,47,392
GRAND TOTAL 'I' + 'II'			2,82,54,24,832		3,26,72,13,885		72,50,67,359

	Current Year	Previous Year
Book Value of Quoted Investments	1,73,40,92,865	23,02,19,967
Book Value of Unquoted Investments	1,09,13,31,967	49,48,47,392
Market Value of Quoted Investments	3,91,25,76,385	53,44,79,151

* Refer Note No. 1(a) of Schedule 12 (B)

Includes written off.

Notes :

- On the sub-division of the shares, the Company received 3,735 equity shares of Rs.2/- each of Ballarpur Industries Ltd. against 747 equity shares of Rs.10/- each held.
- The Company received 125 bonus equity shares of Bharat Heavy Electricals Ltd. in the ratio of 1:1.
- As per the scheme of Arrangement between CEAT Limited (CEAT) and CHI Investment Limited (CHI), company has been allotted 75 new equity shares of CEAT of face value of Rs.10/- each and 25 shares of CHI face value of Rs.10/- each in lieu of every 100 equity Shares of CEAT.
- The Company received 25 bonus equity shares of Cheviot Co. Ltd against 51 equity shares already held.
- Pursuant to the scheme of Arrangement and Amalgamation of the Kojam Finvest Limited (Kojam) with Gujarat Glass Limited (GGL), the company has been allotted 1 equity share of GGL for every 1 equity share held by them in Kojam.
- Pursuant to the scheme of Arrangement, the chemical business of the Modipon Ltd. alongwith certain specified assets, transferred to Indofil Organic Industries Ltd. In consideration thereof the company has been allotted 3 equity shares of Indofil Organic Industries Ltd. for every 2 equity Shares held in Modipon Ltd. in addition to the Shares already held.
- The company purchased 25 equity shares of Rs. 10/- each at a premium of Rs. 350/- per share i.e. @Rs. 360/- per share. The face value of Rs. 10 per share was reduced to Re. 1/- per equity share, consequently company received 1,110 equity shares of Re.1/- each fully paid of Orient Paper & Industries Ltd.
- Pursuant to the scheme of Arrangement between Nicholas Piramal India Ltd.(NPIL) & Nicholas Piramal India Research & Development Ltd.,(name now changed to Piramal Life Sciences Ltd(PLSL)),the company has received additional 1 equity share of Rs.10/-each of PLSL for every 10 equity Shares of Rs. 2 each already held in NPIL.
- The equity shares of PTL Enterprises Ltd. have been sub-divided from the Face value of 10/- per share to Rs. 2/- per share, consequently company received 5 equity shares of Rs. 2/- each fully paid at par in the PTL Enterprises Ltd. for each equity share of Rs. 10/- fully paid held by the Company.
- The company received 17 equity shares of RELIANCE INDUSTRIES LTD. against 85 equity shares of the INDIAN PETROCHEMICALS CORPORATION LTD(IPCL) (During the year, company has received 25 equity shares of IPCL against 875 equity shares held in Recron Synthetics Ltd.)

BENGAL & ASSAM COMPANY LIMITED

11. Pursuant to the scheme of Arrangement for amalgamation of the Mawana Sugars Ltd. with Siel Ltd. company received 13 shares of the Siel Ltd. against 27 equity shares of Mawana Sugars Ltd.
12. The Company received 35 equity shares of Rs. 10/- each @ Rs. 1,590/- per share of State Bank of India on right basis.
13. On the sub division of the shares , the Company received 56,960 equity shares of Rs.2/- each of Jai Prakash Associates against 11,392 equity shares of Rs.10/- each already held.
14. The Company has been allotted one bonus equity share of Rs.2 each of Unitech Ltd. for every equity share held .
15. Pursuant to the Scheme of Amalgamation of the Fenner (India) Ltd. into RR Belt& Seals Ltd. renamed as Fenner (India) Limited, the Company has been allotted :
 - (a) 20,96,239 Equity shares of Rs.10/- each fully paid up of Fenner (India) Ltd. against 20,96,239 Equity Shares of Rs.10/- each held by the Company in Fenner (India) ltd.
 - (b) 85,668 Equity shares of Rs.10/- each of Fenner (India) Ltd. against 13,81,770 Equity Shares of Rs. 10/- each held by the Company in RR Belts & Seals Ltd.
16. Pursuant to the merger of Reliance Enterprises Ltd. with Farm Enterprises Ltd., the company received 54, 12% optionally convertible cumulative preference shares of Farm Enterprises Ltd. for each equity share of Reliance Enterprises Ltd, in the ratio 1:1.
17. The Company received 1,525 equity shares of Rs. 10/- each @ Rs. 300/- per share and 6,431 nos. Cumulative convertible preference shares of Rs. 100/- each of Tata Iron & Steel Ltd.on right basis.
18. The Company received one bonus debenture of Astrazeneca Pharma India Ltd. of Rs.25 for every 1 equity share held in the Company, each carrying a coupon rate of 8%.

(Amount in Rs.)

SCHEDULES TO THE ACCOUNTS	31.03.2008	31.03.2007
Schedule-6		
CURRENT ASSETS, LOANS & ADVANCES		
A. CURRENT ASSETS		
Cash in Hand	50,895	4,222
Balance with scheduled banks :		
On Current accounts	1,47,70,706	17,32,935
On Deposit accounts	-	1,04,12,481
Cheques in hand	26,03,581	-
TOTAL (A)	1,74,25,182	1,21,49,638
B. LOANS & ADVANCES (Unsecured, Considered Good) #		
Advances recoverable in cash or in kind or for value to be received*	8,22,68,842	3,09,60,395
Inter Corporate Deposits {includes due from subsidiaries Rs. 1,00,00,000/- (PY Rs. NIL)}	4,73,00,000	-
Fixed Deposit with Bodies Corporate	1,95,00,000	-
Accrued Income	9,53,719	2,86,277
Advance payment of tax (including TDS)	3,68,49,497	87,05,148
TOTAL (B)	18,68,72,058	3,99,51,820
TOTAL (A + B)	20,42,97,240	5,21,01,458

* Includes due from subsidiary company Rs. 4,02,00,000/- (Previous Year Nil)

Refer Note 8(B) of Schedule 12(B)

	(Amount in Rs.)	
SCHEDULES TO THE ACCOUNTS	31.03.2008	31.03.2007
Schedule-7		
CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors		
MSME *	-	-
Others	4,27,29,278	2,69,227
Liability towards Investor Education & Protection Fund u/s 205 C of the Companies Act, 1956 not due		
Unclaimed Dividend	9,39,321	-
Unpaid Dividend		
Equity shares	42,56,115	-
Preference shares	62,413	-
Other Liabilities	2,78,47,413	39,52,121
Interest accrued but not due	23,71,938	25,13,612
TOTAL (A)	7,82,06,478	67,34,960
* To the extent identified by and information available with the management; refer note no 14 of schedule 12B.		
B. PROVISIONS		
For Income Tax	2,06,24,078	47,85,058
For Fringe Benefits Tax (Net)	27,183	-
For Interim / Final dividend	2,57,71,325	-
For Proposed Dividend	46,810	-
For Corporate Dividend Tax	10,29,852	-
For Retirement Benefits	1,76,259	-
TOTAL (B)	4,76,75,507	47,85,058
TOTAL (A+B)	12,58,81,985	1,15,20,018
Schedule-8		
	2007-08	2006-07
INCOME		
Interest on :		
Loans and deposits {includes TDS amounting to Rs. 10,95,763 (PY Rs. 12,51,374)}	47,25,406	50,85,497
Others {includes TDS amounting to Rs. 9,634 (PY Rs. NIL)}	36,815	-
Dividend {includes dividend from subsidiary amounting to Rs. NIL, (PY Rs, 8,31,83,960)}	7,80,80,125	10,21,33,981
Rent {includes TDS amounting to Rs. 67,18,292 (PY Rs. 2,36,208)}	3,33,62,287	10,52,640
Profit on sale of Investment {includes Rs. 80,28,078 profit on current investment, (PY Rs. NIL)}	7,84,13,983	14,25,254
Liabilities no longer required written back	-	7,500
Miscellaneous Receipts	9,51,462	30,413
TOTAL	19,55,70,078	10,97,35,285

BENGAL & ASSAM COMPANY LIMITED

(Amount in Rs.)

SCHEDULES TO THE ACCOUNTS	2007-08	2006-07
Schedule-9		
EMPLOYEE COST		
Salaries, wages, gratuity & bonus	45,07,261	3,13,303
Employees welfare & other benefits	1,05,286	–
TOTAL	46,12,547	3,13,303
Schedule-10		
INTEREST & BANK CHARGES		
Interest on ICD	1,73,45,967	1,44,40,862
Bank Charges	44,606	20,619
TOTAL	1,73,90,573	1,44,61,481
Schedule-11		
ADMINISTRATIVE & OTHER EXPENSES		
Rent	2,87,376	1,11,436
Rates & Taxes	31,14,315	9,420
Legal & Professional Charges	15,19,353	34,89,830
Filing Fee	1,01,305	5,000
Auditors Remuneration		
-- Statutory Audit Fee	1,57,981	33,672
-- Tax Audit Fee	48,203	–
-- Certification	78,720	1,684
Directors' Fee	1,07,850	6,000
Repairs to Building	9,31,902	–
Service & Office maint. Charges	3,03,500	–
Electricity & Water Charge	1,96,365	–
Postage, Printing & Stationery	13,85,679	–
Insurance	21,255	–
Advertisement & Publicity Exp.	6,01,656	–
Securities Transaction Tax	39,753	–
Sundry balances written off	73,528	–
Miscellaneous Expenses	23,97,797	4,42,963
TOTAL	1,13,66,538	41,00,005

SCHEDULES TO THE ACCOUNTS

Schedule-12

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The Company follows the Mercantile System of Accounting and recognises Income and Expenditure on Accrual basis except where the same is doubtful.

The Accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

2. FIXED ASSETS AND DEPRECIATION

(a) Fixed Assets are stated at their original cost less accumulated depreciation.

(b) Leasehold is being amortized over the lease period.

(c) Depreciation on building is provided as per straight line method and on other assets is provided on written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

3. REVENUE RECOGNITION

(a) Dividend Income is accounted for in the year in which it is declared.

(b) Overdue interest on lease rentals, loans & advances is accounted for on actual receipt basis.

4. INVESTMENTS

Investments made by the company in various shares/stocks/securities are primarily meant to be held over long term period and are stated less diminution. Provision for diminution in the value of long term investment is made only, if such a decline is other than temporary. The current investments are stated at lower of cost or quoted/fair value.

5. EMPLOYEE BENEFITS

(a) Gratuity is provided in the accounts on Accrual Basis on estimates though no actuarial valuation of Gratuity liability has been made. The Gratuity liability has not been actuarially calculated due to limited employees.

(b) Leave encashment benefit payable to employees annually and on retirement is provided in the accounts on accrual basis.

6. TAXES ON INCOME

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Deferred Tax Assets and Liabilities are recognised in respect of current year and prospective years. Deferred Tax Asset is recognised on the basis of reasonable / virtual certainty that sufficient future taxable income will be available against which the same can be realized.

7. CONTINGENT LIABILITIES

Contingent Liabilities are not provided for and are disclosed by way of Notes to the Accounts.

(B) NOTES ON ACCOUNTS

1. Pursuant to the Scheme of Amalgamation of **Ashim Investment Company Limited(AICL)** and its wholly-owned Subsidiaries - Mayfair Finance Limited, Sidhi Vinayak Investment Limited, Terrestrial Finance Limited and Yashodhan Investment Limited and **Netfliar Finco Limited(NFL)** and its wholly-owned Subsidiaries - Hansdeep Investment Limited, Panchanan Investment Limited, Hidrive Finance Limited and Radial Finance Limited(**Amalgamating Companies**); into and with **Bengal & Assam Company Limited (the Company)** sanctioned by the Hon'ble High Court of Delhi becoming effective on 11.11.2008, with effect from the Appointed Date i.e. 01.04.2007:

(a) All assets, liabilities and provisions of each of the amalgamating companies including 89,161 7% Cumulative Redeemable Preference Shares of Rs.10 each aggregating to Rs.8,91,610/-

BENGAL & ASSAM COMPANY LIMITED

of AICL have been transferred to and vested in the company w.e.f 01.04.07 and have been recorded at book value of respective Assets under the "Pooling of Interest" method of accounting as per Accounting Standard on Accounting for Amalgamations (AS-14).

- (b) Loans, advances and other obligations due including Zero Coupon Optionally Convertible Debentures, Equity Shares and Preference Shares held between the company and the amalgamating companies and vice versa and between the amalgamating companies *inter se* have been cancelled.
- (c) In consideration, every Equity Shareholder of AICL and NFL is entitled to 23 and 17 equity shares respectively, of face value of Rs 10 each, credited as fully paid up, of the company for every 59 and 73 shares held in AICL and NFL respectively; pending allotment 35,29,288 Equity shares of Rs.10 each fully paid up aggregating to Rs.3,52,92,880/- have been presently shown as "Share Capital Suspense".
- (d) The difference of Rs 1,32,16,96,551/- between, (i) the aggregate of Equity Shares to be allotted (Rs.3,52,92,880/-) and (ii) the net book value of assets and liabilities (including preference shares) after cross cancellation thereof (Rs. 2,74,65,42,325/-) and further adjusted by depletion/ diminution in value (Rs.1,37,92,90,093) and loss on sale (Rs.1,02,62,801) of investments between the Appointed Date and Effective Date, appropriated as Capital Reserve and treated as free reserve has been adjusted in General Reserve.
- (e) The 5,00,000 Zero Coupon Optionally Convertible Debentures of Rs.100 each (Rs.5 Crore) issued by Sidhi Vinayak Investment Limited and the 5,00,000 Zero Coupon Optionally Convertible Debentures of Rs.100 each (Rs.5 Crore) issued by Yashodhan Investment Limited held by Udaipur Cement Works Ltd. (UCWL) stood cancelled and the aggregate amount of Rs.10 Crore has been treated as Zero Coupon unsecured loan from UCWL to the Company repayable in full on 15.02.2010, unless otherwise settled between UCWL and the Company.
- (f) All business activities carried on by the amalgamating companies w.e.f. 01.04.2007 in the ordinary course of business were deemed to have been carried on for and on behalf of and in trust for the Company and consequently all profits and losses and related taxes paid were deemed to be the profits, losses and taxes of the Company, as the case may be. Consequently, necessary effects have been given in these accounts.
- (g) Equity shares of BACL shall be listed on the Stock Exchanges at Mumbai and Kolkata, in due course. Accordingly certain Accounting Standards (AS) have become applicable from the current accounting period, hence the corresponding previous year figures have not been disclosed.

The necessary steps and formalities in respect of transfer of assets and investments in favour of the company are under implementation.

For the reasons stated hereinabove, the figures of the current year are not comparable with the figures of the previous year.

2. Contingent Liabilities not provided for :

- (a) One of the lessee of the Company, Bihar Air Products Ltd., has claimed an amount of Rs.70,08,435/- (previous year Rs. 70,08,435) from the Company towards refund of lease rentals, interest and damages. The Company has contested this claim and has not made any provision. The matter is subjudice. However, management is of the view that no liability will arise on its final settlement / order.
- (b) Claims in respect of Income Tax matters estimated at Rs. 10,70,537/- (previous year Rs. 3,95,313).
- (c) In respect of certain disallowances and additions made by the Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

3. (a) Provision for corporate dividend tax on interim / final dividend paid to registered Shareholders on Record Date has not been made to the extent set off available in terms of Sec. 115 O (IA) of the Income Tax Act, 1961.

- (b) Provision for taxation represents Minimum Alternate Tax computed u/s 115JB of the Income Tax Act, 1961. Tax calculation has been made considering certain allowances / adjustments available has assessed by the Management.

4. Loans and Advances include Rs. 84,04,047/- comprising of shares/ securities/ receivables with Portfolio Manager (previous year – Rs. 51,31,218).

5. Advances recoverable include Rs. 47,27,398/- on account of sale proceeds of 96,651 equity shares of Rs. 10 each (Book value Rs. 2,22,48,990/-) allotted by Ashim Investment Company Ltd. to the Trustee. Consequential loss of Rs. 1,75,21,592/- on the same has been shown as "Loss on sale of shares (by Trustee)" in the Profit and Loss account. There is no provision for bad and doubtful debts, loans & advances and diminution in the value of investments read with note no. 1 above.
6. During the year 37,23,000 Nos. 15% Secured Redeemable Partly Convertible Debentures (Part-B Non-Convertible Debentures) of Rs. 15 each and 1,50,000 nos. 18.50% Secured Redeemable Non-Convertible Debentures of Rs. 100 each of Umang Dairies Ltd. (UDL) has been purchased at a discounted value of Rs. 3,25,14,564/-. As the revival plan of UDL is under consideration before Board for Industrial and Financial Reconstruction (BIFR), considering the prudence, interest on said debentures has not been recognized as income in the accounts.
7. Guarantees have been given to (i) a Bank in respect of loans outstanding as at 31.03.08 aggregating to Rs. 2,21,93,660/- (previous year: Nil) in respect of a Body Corporate; (ii) a Body corporate in respect of loans outstanding as at 31.03.08 aggregating to Rs. 24,48,000/- (previous year: Nil) in respect of a Body Corporate. The Company has been indemnified by the body corporates against any liability that may arise in terms of said guarantees.
8. (a) In the opinion of the Board, Current Assets, Loans and Advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
(b) Loans & Advances include due from companies under the same management within the meaning of sub-section (1B) of Section 370 the Companies Act, 1956 as under :

(Amount in Rs.)

S. No.	Name of the Company	Current year		Previous Year	
		Year end Outstanding	Maximum Amount due	Year end Outstanding	Maximum Amount due
1.	Umang Dairies Ltd.	1,43,00,000/-	1,43,00,000/-	Nil	Nil
2.	LVP Foods Pvt. Ltd.	1,00,46,849/-	1,00,46,849/-	Nil	Nil
3.	Fenner (India) Ltd.	4,02,00,000/-	8,02,00,000/-	Nil	Nil

9. The depreciation policy relating to provision for depreciation on buildings of the Company has been changed from Written Down Value (WDV) method to Straight Line Method (SLM) in order to bring uniformity with all the amalgamating companies. This has resulted in lower charge of depreciation by Rs. 4,78,068/- (including depreciation for the year Rs. 1,72,129/-), to that extent Profit for the year and Reserve & Surplus are higher.
10. The Company has only one business segment i.e. Investment, hence, disclosure as per AS-17 'Segment Reporting' is not required.
11. Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability/(assets) are as under:

(Amount in Rs.)

Particulars	31.03.2008	1.04.2007 *	31.03.2007
Deferred Tax Assets			
Disallowance u/s 43B	9,378	8,288	Nil
Disallowance u/s 40(7)	50,532	43,711	Nil
Disallowance u/s 35DD	1,45,222	Nil	Nil
Unabsorbed Depreciation & carry forward business loss	Nil	6,49,180	Nil
Total (A)	2,05,132	7,01,179	Nil
Deferred Tax Liabilities			
Related to Fixed Assets	18,22,032	31,90,680	Nil
Total (B)	18,22,032	31,90,680	Nil
Deferred Tax Liabilities (Net) (A-B)	16,16,900	24,89,501	Nil

* Pursuant to the Scheme of Amalgamation referred to in Note no. 1 hereinabove.

BENGAL & ASSAM COMPANY LIMITED

Difference amounting to Rs. 8,72,601/- between Deferred Tax Liabilities (net) as on 31.3.2008 and that as on 1.4.2007 has been charged to Profit & Loss A/c.

In view of uncertainty in the market value of shares and securities due to volatile market conditions, the Management does not consider it prudent to create deferred tax asset on carried forward losses.

12. Earning Per Share (EPS) Current year (In Rs.)

Net Profit After Tax for the year	13,58,97,929
Less: Preference Dividend & CDT thereon	73,020
Profit for Basic earning per share	13,58,24,909
Weighted Average Number of equity shares used as denominator for calculating Basic/Diluted EPS* (Face Value of Rs. 10/- each)	86,83,553
Basic EPS (Rs.)	15.64
Diluted EPS (Rs.)	15.64

* Including Share Capital suspense (Read with Note No.1 hereinabove)

13. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of and transactions with the Related Parties as defined in Accounting Standard are given below:

- (a) List of Related Parties where control exists and Related Parties with whom transactions have taken place and relationships (As identified by the management):

Subsidiaries

LVP Foods Pvt.Ltd

Panchmahal Properties Ltd.

Dwarkesh Energy Ltd.

Fenner (India) Ltd.

Acorn Engineering Ltd.

Southern Spinners and Processors Ltd.

Modern Cotton Yarn Spinners Ltd.

Hifazat Chemicals Ltd. (under liquidation)

BMF Investments Ltd. (Ceased to be subsidiary w.e.f. 30.3.2008)

Pranav Investments (M.P.) Company Ltd. (Ceased to be subsidiary w.e.f. 7th November, 2007)

JK Sugar Ltd. (Ceased to be subsidiary w.e.f. 5.11.2008)

Key Management Personnel:

Shri P. S. Sharma (Manager)

(b) Transactions with related parties: (In Rs.)

Particulars	Subsidiaries	
	2007-08	2006-07
Sale of Shares	8,02,00,000	--
Fenner (India) Ltd.	8,02,00,000	--
Purchase of Share Warrants	2,49,84,375	--
Fenner (India) Ltd.	2,49,84,375	--
Purchase of Shares	30,19,940	--
Fenner (India) Ltd.	30,19,940	--

(In Rs.)

Particulars	Subsidiaries	
	2007-2008	2006-2007
Investment made	1,99,00,000	--
LVP Foods Pvt. Ltd.	1,99,00,000	--
Loan Taken	59,00,000	--
Fenner (India) Ltd.	30,00,000	--
BMF Investments Ltd.	29,00,000	--
Loan Repaid	2,09,00,000	--
Fenner (India) Ltd.	1,80,00,000	--
BMF Investments Ltd.	29,00,000	--
Loan Given	6,00,00,000	--
LVP Foods Pvt. Ltd.	1,00,00,000	--
Fenner (India) Ltd.	5,00,00,000	--
Loan Recovered	6,50,00,000	--
Fenner (India) Ltd.	6,50,00,000	--
Interest Paid	1,23,28,502	1,12,00,000
BMF Investments Ltd.	1,12,52,200	1,12,00,000
Fenner (India) Ltd.	10,76,302	--
Interest Received	6,08,493	--
Fenner (India) Ltd.	5,61,644	--
LVP Foods Pvt. Ltd.	46,849	--
Dividend Received	--	8,31,83,960
Fenner (India) Ltd.	--	8,31,83,960
Unpaid Dividend		
BMF Investments Ltd.	80,410	--
Receivables #	5,02,46,849	--
Fenner (India) Ltd.	4,02,00,000	--
LVP Foods Pvt. Ltd.	1,00,46,849	--
Payable #	27,62,436	16,93,45,661
BMF Investments Ltd.	--	16,93,45,661
Fenner (India) Ltd.	27,62,436	--

There are no transactions with and remuneration to Key Management Personnel during the current and previous year.

Pursuant to Scheme referred to in note no. 1 hereinabove, Rs. 150,00,000/- is receivable and Rs. 1,69,08,614/- is payable from/to Fenner (India) Ltd. as on 01.04.2007.

14. Based on the information available with the Company upto 31st March, 2008 in respect of MSME (as defined in the Micro Small & Medium Enterprise Development Act, 2006), there are no delays in payment of dues to such enterprises during the year and there are no such dues payable at the year end.
15. Certain balances of current liabilities & provisions and loans & advances are subject to confirmation/ reconciliation.

BENGAL & ASSAM COMPANY LIMITED

16.

(a) Employee Benefits:

(Amount in Rs.)

Particulars	Not Funded			
	Gratuity		Leave Encashment	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
1. Obligation at the beginning of the year	-	-	-	-
2. Obligation pursuant to Scheme (refer to note no. 1 hereinabove)	1,28,599	-	24,383	-
3. Add: Expense recognised in the statement of profit & loss a/c (included in schedule 9)	20,069	-	3,208	-
4. Benefits Paid	-	-	-	-
5. Obligation at the end of the year.	1,48,668	-	27,591	-

(b) Gratuity and Leave Encashment liability has not been actuarially calculated due to limited number of employees and provided for on accrual basis; however, amount of provision made is not material, accordingly full disclosure as per AS-15 is not considered necessary by the Management.

17. Rates and Taxes include Rs. 5,76,613/- for prior period (previous year Rs. NIL).
18. Auditors' Remuneration and Directors' sitting fees are inclusive of amounts (including payment/provision of Rs. 73,708/- and Rs. 36,737/- of Auditors of the Company as Audit Fees and other matters respectively) pertaining to respective Auditors and Directors of the respective amalgamating companies.
19. Previous year figures have been rearranged/regrouped/recast wherever considered necessary.
20. The information as required in terms of Para 13 of Non Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 are given in annexed Schedule 13.
21. Schedules "1" to "12" form an integral part of the Accounts for the year ended 31st March, 2008.

As per our report of even date.

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

Schedule - 13

Particulars as per NBFC Directions as at 31.03.2008

(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 lacs)

Particulars		Amount Outstanding	Amount Overdue
Liabilities side :			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
(a)	Debentures : Secured : Unsecured (other than falling within the meaning of public deposits)	NIL NIL	NIL NIL
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	NIL	NIL
(d)	Inter-corporate loans and borrowing	10,999.37	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Other Loans (Interest)	23.72	NIL
Assets side :			
		Amount outstanding	
(2)	Break - up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a)	Secured		NIL
(b)	Unsecured (excluding advance tax of Rs.368.49 Lacs)		1,500.23
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		N.A.
(4)	Break-up of Investments :		
	Current Investments :		
1	Quoted :		
	(i) Shares : (a) Equity (b) Preference	29.24 NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others (please specify)	NIL	
2	Unquoted :		NIL
	(i) Shares : (a) Equity (b) Preference	NIL NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others (please specify)	NIL	
	Long Term Investments :		
1	Quoted :		
	(i) Shares : (a) Equity (b) Preference	14,214.52 NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	3,097.17	
	(iv) Government Securities	NIL	
	(v) Others (please specify)	NIL	
2	Unquoted :		
	(i) Shares : (a) Equity (b) Preference	5,903.12 4,681.43	
	(ii) Debentures and Bonds	328.77	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others (please specify)	NIL	

BENGAL & ASSAM COMPANY LIMITED

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties *			
	(a) Subsidiaries	-	502.47	502.47
	(b) Companies in the same group #	-	143.00	143.00
	(c) Other related parties	-	-	-
2	Other than related parties	-	854.76	854.76
	Total	-	1,500.23	1,500.23
(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	18,508.73	6,383.86	
	(b) Companies in the same group	9,318.48	6,771.93	
	(c) Other related parties	-	-	
2	Other than related parties	33,903.53	15,098.46	
	Total	61,730.73	28,254.25	
(7) Other information				
Particulars				Amount
(i) Gross Non - Performing Assets				NIL
	(a) Related parties			NIL
	(b) Other than related parties			NIL
(ii) Net Non - Performing Assets				NIL
	(a) Related parties			NIL
	(b) Other than related parties			NIL
(iii) Assets acquired in satisfaction of debt				NIL

Notes :

* As per Accounting Standards issued by Institute of Chartered Accountants of India.

** For the purpose of Market/Break-up Value, Quoted Share/Units have been valued at Market Price/NAV as at 31.03.08 while the Unquoted shares have been valued as per Break up Value calculated as per Audited Balance Sheet as on 31.03.08.

The definition of group companies has been taken in terms of Section 372(II) of the Companies Act, 1956 as per RBI directive issued in September, 2001.

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

Balance Sheet Abstract and Company's General Business Profile as per Schedule VI, Part (IV) of the Companies Act, 1956

I. Registration Details		
Registration No.		116830
State Code		55
Balance Sheet Date		31.03.2008
II. Capital raised During the year (Rs. In Thousand)		
Public Issue		-
Right Issue		-
Bonus Issue		-
Private Placement		-
III. Position on Mobilisation and Deployment of Funds (Rs. In Thousand)		
Total Liabilities		3229968
Total Assets		3229968
SOURCES OF FUNDS (Rs. In Thousand)		
Paid-up Capital		52434
Share Capital Suspense		35293
Reserves and Surplus		1914805
Unsecured Loans		1099937
Deferred Tax Liability (Net)		1617
APPLICATION OF FUNDS (Rs. In Thousand)		
Net Fixed Assets		180483
Capital Work in Progress		19763
Investments		2825425
Net Current Assets		78415
Deferred Tax Assets		-
IV Performance of Company (Rs. In Thousand)		
Turnover including Other Income		195570
Total Expenditure		53032
Profit Before Tax		142538
Profit After Tax		135898
Earning Per Share (Rs.)	Basic/Diluted	15.64
Dividend Rate (%)	— Equity	50.00%
	— Preference	7.00%
V General Names of Principal Products/Services of the Company (As per Monetary terms)		
Product Description	:	a) Assets Financing
		b) Investment in Shares and Securities.
		c) Lending
Item Code No.		N. A.

Place : New Delhi
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

BENGAL & ASSAM COMPANY LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2008

(Amount in Rs.)

Particulars	2007-08	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary Items		14,25,37,664
Adjusted for :		
Wealth tax	9,56,970	
Dividend received	(7,80,80,125)	
Sundry balances w/o	73,528	
Interest income	(47,62,221)	
Interest expense	1,73,45,967	
Depreciation	21,41,164	
Profit on sale of Investments	(7,68,31,462)	(13,91,56,179)
Operating profit before working Capital changes		33,81,485
Adjusted for :		
Trade & Other Receivables	3,41,57,830	
Trade & Other Payables	(3,34,46,388)	7,11,442
Cash Generated from Operations		40,92,927
Direct Taxes Paid (Net)	(1,36,55,718)	
Fringe Benefit Tax (Net)	(7,017)	(1,36,62,735)
Net Cash from Operating Activities		(95,69,808)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(86,99,00,685)	
Sale of Investments	63,57,25,204	
Dividend received	7,80,80,125	
Purchase of Fixed Assets including WIP	(1,48,45,507)	
Interest Income received during the year	47,82,551	
Fixed Deposit with Body Corporate	(1,80,30,000)	
Inter Corporate Deposit (Given)/Recovered Net	5,00,000	
Net Cash from Investing Activities		(18,36,88,312)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Short Term Borrowings	24,34,00,000	
Repayment of Short Term Borrowings	(3,92,33,333)	
Interest Paid	(79,71,739)	
Net Cash used in Financial Activities		19,61,94,928
D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	--	29,36,808
Opening Balance of Cash and Cash Equivalents		1,44,88,374
Closing Balance of Cash and Cash Equivalents		1,74,25,182

Notes:

1. Cash and Cash Equivalents include:.

CLOSING

- Cash & Cheque in Hand	26,54,476
- Balance with scheduled Banks	1,47,70,706

OPENING

- Cash in Hand	4,222
- Balance with scheduled Banks	1,21,45,416

PURSUANT TO SCHEME

- Cash in Hand	28,566
- Balance with scheduled Banks	23,10,170

2. The effect of the Scheme of Amalgamation referred to in Note no. 1 of schedule 12(B) is cash neutral and as such not considered in this statement.
3. As stated in the Note no. 1(g) of schedule 12(B), previous year figures are not disclosed.

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1	Name of the Subsidiary Company	Fenner (India) Limited	Southern Spinners and Processors Limited *	Modern Cotton Yarn Spinners Limited *	Acorn Engineering Limited *	Panchmahal Properties Ltd.	LVP Foods Pvt. Ltd.	Dwarkesh Energy Ltd. **
2	Financial period of the Subsidiary ended on	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08
3	Holding Company's interest in Equity Capital							
	(i) Number - Equity	2182648				351230	1999800	25000
	(ii) Extent of Holding (%age)	87.90%	-	-	-	100.00%	100.00%	49.94%
4	Net aggregate of Profit less Losses of the Subsidiary Companies as far as it concerns the members of the holding Company:							
	1 Not dealt with in the Holding Company's Accounts:							
	a) For the Financial Year of the subsidiary - Rs./Lacs	1,771.04	-	-	-	0.71	1.98	-
	b) For the previous Financial years since it became the Holding Company's subsidiary - Rs./Lacs	6,074.67	-	-	-	-	-	-
	2 Dealt with in the Holding Company's Accounts:							
	a) For the Financial Year of the subsidiary - Rs./Lacs	-	-	-	-	-	-	-
	b) For the previous Financial years since it became the Holding Company's subsidiary - Rs./Lacs	1,005.10	-	-	-	-	-	-
5	Changes in the interest of Holding Company between the end of the Financial year of the Subsidiary and the end of the Holding Company's Financial year-increase%	-	-	-	-			

* Subsidiaries of Fenner (India) Limited

** Subsidiary of the Company pursuant to joint holding with Fenner (India) Ltd.

Place : New Delhi
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS:

To the Board of Directors of BENGAL & ASSAM COMPANY LIMITED on the Consolidated Financial Statements of BENGAL & ASSAM COMPANY LIMITED and its Subsidiaries ('The Group').

We have examined the attached consolidated Balance Sheet of BENGAL & ASSAM COMPANY LIMITED and its subsidiaries as at 31st March 2008, and the consolidated Profit and Loss Account for the year then ended.

These financial statements are the responsibility of BENGAL & ASSAM COMPANY LIMITED's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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.

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets of Rs.51976.79 lacs of as at 31st March 2008 and total revenues of Rs. 33320.31 lacs year then ended. The financial statements of the subsidiaries have been audited by other auditors, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the said subsidiaries, is based solely on the report of the other auditors.

The financial statements of Subsidiary, namely, Panchmahal Properties Ltd. have been audited by us, whose financial statements reflect total assets of Rs.39.23 lacs as at 31st March, 2008 and total revenue of Rs.1.88 lacs for the year then ended.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of BENGAL & ASSAM COMPANY LIMITED and its subsidiaries included in the consolidated financial statements.

Regarding adjustment of difference of all assets and liabilities (including preference shares) acquired, after adjustment of loss on sale and depletion/ diminution in value of investments upto effective date and capital against General Reserve, attention is invited to note no 2(d) of schedule 17, though strictly not in line with generally accepted accounting principles, which has been carried out pursuant to the Scheme of Amalgamation sanctioned by Hon'able High Court of Delhi.

Attention is further invited to Note no. 7 of Schedule 17 regarding Rs 84.04 lacs under Portfolio Management Scheme with Prudential ICICI Asset Management Company Ltd. has been classified under advances recoverable as stated in the said note.

Subject to foregoing, on the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its Subsidiaries included in the Consolidated Financial Statements, we are of the opinion that the said consolidated financial statements read together with Note nos. 1(f), 10 & 11 of Schedule 17 and other notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Company and its Subsidiaries as at 31st March, 2008; and
- b) In the case of the Consolidated Profit & Loss Account, of the consolidated results of operations of the Company and its Subsidiaries for the year then ended.

For J. S. LODHA & CO.
Chartered Accountants

Place : Kolkata
Date: 26th November, 2008

V. Matta
Proprietor
Membership No.: 54087

CONSOLIDATED BALANCE SHEET**As at 31.03.08****(Rs. in lacs)**

PARTICULARS	Schedule	31.03.2008	31.03.2007
SOURCES OF FUNDS			
Share Capital	1	524.35	520.43
Share Capital Suspense [Refer Note no. 2(c) of Schedule 17]		352.93	--
Reserves & Surplus	2	32,798.48	21,137.95
Minority Interest	3	3,023.18	3,533.47
Secured Loans	4	12,143.02	8,859.39
Unsecured Loans	5	16,112.00	6,852.24
Deferred Tax Liability (Net)	6	16.76	--
TOTAL		<u>64,970.72</u>	<u>40,903.48</u>
APPLICATION OF FUNDS			
Goodwill on Consolidation of Subsidiaries	7	287.53	305.23
Fixed Assets	8		
Gross Block		23,873.72	19,378.11
Less:- Depreciation		9,251.79	8,146.83
Net Block		14,621.93	11,231.28
Capital Work-in-Progress (including advances)		1,715.71	1,123.57
		16,337.64	12,354.85
Investments	9	36,547.65	16,792.00
Deferred Tax Assets (Net)		--	904.32
Current Assets, Loans & Advances	10		
Debtors		6,465.71	5,927.74
Cash & Bank Balances		2,091.90	1,352.64
Inventories		3,970.31	3,627.32
Other Current Assets		694.62	321.40
Loans & Advances		7,775.06	6,482.21
		20,997.60	17,711.31
Less: Current Liabilities & Provisions	11	9,787.09	7,880.68
Net Current Assets		11,210.51	9,830.63
Miscellaneous Expenditure (to the extent not written off or adjusted)			
Voluntary Retirement Payments		583.79	716.45
Preliminary Expenses		3.60	--
TOTAL		<u>64,970.72</u>	<u>40,903.48</u>

Notes to Accounts

17

Schedules referred to above and Notes attached thereto form an integral part of the Balance Sheet.

As per our report of even date.

For J. S. LODHA & CO.

Chartered Accountants

V. Matta

Proprietor

Membership No.: 54087

Place : Kolkata

Date: 26th November, 2008

DILLIP SWAIN

Company Secretary

P. S. SHARMA

Manager

P. K. RUSTAGI

A. C. CHORARIA

Directors

BENGAL & ASSAM COMPANY LIMITED

CONSOLIDATED PROFIT & LOSS ACCOUNT

For the year ended 31st March 2008

(Rs. in lacs)

PARTICULARS	Schedule	2007-08	2006-07
INCOME			
Income from Operations	12	2,887.95	1,081.79
Sales (Net of Excise Duty)		30,063.87	29,334.87
Increase / (Decrease) in Stock		(13.84)	221.67
		<u>32,937.98</u>	<u>30,638.33</u>
EXPENDITURE			
Materials and Manufacturing Expenses	13	17,527.13	17,169.82
Freight & Transportation		787.82	756.71
Employee Cost	14	4,282.23	3,794.01
Interest & Bank Charges	15	1,726.54	947.50
Loss on sale of shares (by trustee)		175.22	--
Administrative Expenses	16	2,948.83	2,663.07
		<u>27,447.77</u>	<u>25,331.11</u>
Profit/(Loss) before Depreciation		5,490.21	5,307.22
Depreciation		1,136.00	1,024.22
Transfer from Revaluation Reserve		80.73	84.44
Profit/(Loss) before Tax		4,434.94	4,367.44
Provision for Current Tax		445.72	513.56
MAT Credit Entitlement		(321.50)	(235.00)
Provision for Fringe benefit Tax		68.55	55.73
Income Tax Paid/Adjustments		1.40	--
Deferred Tax		897.76	(1,544.66)
Profit/(Loss) after Tax		3,343.01	5,577.81
Minority Interest		(239.93)	584.71
Loss on disposal of investment in subsidiary (Net)		(192.27)	--
Profit/(Loss) after Tax (after adjusting for Minority Interest)		2,910.81	4,993.10
Profit brought forward from previous year		3,726.29	1,389.86
Transfer Pursuant to Scheme		--	1,065.95
Balance available for appropriation		6,637.09	7,448.91
Transfer to Reserve (As per RBI Guidelines)		271.80	181.16
Capital Redemption Reserve		13.92	5.00
Debenture Redemption Reserve		280.56	592.32
Dividend Paid		42.56	--
Proposed Dividend on preference shares		0.62	--
Interim / Final Dividend		694.23	694.82
Corporate Dividend Tax		84.41	192.34
Transfer to General Reserve		1,893.97	991.03
Transfer to Capital Reserve on Consolidation		--	1,065.95
Balance Carried to Balance Sheet		<u>3,355.03</u>	<u>3,726.29</u>
		<u>6,637.10</u>	<u>7,448.91</u>
Basic / diluted earning per share (in Rs.) {Refer Note 12 of Schedule 17}		33.51	--

Notes to Accounts

17

Schedules referred to above and Notes attached thereto form an integral part of the Profit & Loss A/c

As per our report of even date.

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

(Rs. in lacs)

Schedules forming part of Consolidated Financial Statement	31.03.2008	31.03.2007
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Schedule-1**SHARE CAPITAL****Authorised***

356,730,000 Equity Shares of Rs.10/- each (Previous Year 143,250,000 Equity Shares of Rs.10/- each)	35,673.00	14,325.00
1,252,000 Cumulative Redeemable Preference Shares of Rs 100 each (Previous Year-Nil)	1,252.00	-
NIL Redeemable Preference Shares of Rs.100. each (Previous Year 400,000 Shares)	-	400.00
NIL Unclassified Shares of Rs.10 each (Previous Year 5,00,000 Unclassified Shares)	-	50.00
	36,925.00	14,775.00

Issued, Subscribed & Paid up #**Equity Shares fully paid up**

51,54,265 Equity Shares of Rs.10/- each (Previous Year 51,54,265 Equity Shares of Rs.10/- each)	515.43	515.43
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Preference Shares fully paid up *

89,161 7% Cumulative Redeemable Preference Shares of Rs.10/- each (b) (Previous Year NIL)	8.92	-
0.1% Non Cumulative Participating Redeemable Preference Shares (c) (Previous Year 15,000 0.1% Non Cumulative Participating Redeemable Preference Shares)	-	5.00
	524.35	520.43

Refer Note no 2 of schedule 17

* Pursuant to Scheme of Amalgamation having become effective from the appointed date i.e. 01.04.07:-

(a) Authorised Capital of the company stood increased to Rs.3,69,25,00,000/- from Rs.1,47,75,00,000/-

(b) 89,161, 7% Cumulative Redeemable Preference Shares (CRPS) of Rs.10/- each of the aggregate amount of Rs.8,91,610/- in the paid up capital of AICL redeemable on the expiry of TEN years from the date of allotment thereof i.e. 19-06-2006 (However, AICL had right, exercisable at its sole discretion, to redeem these CRPS at any time after the expiry of THREE years from the date of allotment), transferred to and vested in the Company w.e.f. 01.04.2007, shall be redeemed prematurely by the Company on a Record Date to be fixed by the Company, which is pending for re-classification of Authorised Preference Capital.

(c) The remaining balance Rs 5,00,000/- of 0.1% Preference Shares, redeemable in three equal instalments on 4th September 2005, 2006 & 2007 respectively (Rs.5 Lacs each have been redeemed on 4th September,2005 & 4th September 2006 respectively), stood cancelled on 01.04.2007.

Schedule-2**RESERVES & SURPLUS**

Capital Reserve	74.01	-	-	-
Addition during the year **	2.52	76.53	74.01	74.01
Capital Redemption Reserve	10.00	-	-	-
Add: Transfer from Profit & Loss A/c	13.92	23.92	10.00	10.00
Debenture Redemption Reserve	592.32	-	-	-
Add: Transfer from Profit & Loss A/c	280.56	872.88	592.32	592.32
Share Premium account	121.80	-	-	-
Addition during the year	-	121.80	121.80	121.80
Reserve (as per RBI guidelines)	703.21	-	522.05	-
Add: Transfer from Profit & Loss A/c	271.80	975.01	181.16	703.21
General Reserve	3,761.87	-	362.57	-
Less : Adjustments during the year	17.54 (a)	-	3,399.30	-
Add : Pursuant to the Scheme of Amalgamation*	13,216.97	-	-	-
Add : Transfer from Minority Interest	2.12	-	-	-
Add : Transferred from Profit & Loss A/c	1,893.97	18,857.39	-	3,761.87
Capital Reserve on Consolidation of Subsidiaries	12,148.45	-	-	-
Addition during the year	29.46 (c)	-	12,148.45	-
Less : Deductions during the year	3661.99 (b)	8,515.92	-	12,148.45
Surplus in Profit & Loss Account A/c		3,355.03		3,726.29
		32,798.48		21,137.95

* Refer Note no 2(d) of Schedule 17

** Proceeds of shares sold by trustee, allotted to them out of fractional entitlement, pursuant to the Scheme of Arrangement and Demerger between JK Tyre & Industries Ltd. and Nefflier Finco Ltd. and kept as distributable surplus.

BENGAL & ASSAM COMPANY LIMITED

(Rs. in lacs)

Schedules forming part of Consolidated Financial Statement	31.03.2008	31.03.2007
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Notes:

- (a) Transitional liability arising out of adoption of accounting Standard -15 (Revised) in respect of Employee Benefits including deferred tax adjusted.
- (b) Represents: -
- (i) Rs. 70.96 lacs towards additional depreciation arising out of revaluation of fixed assets, Rs. 6.09 lacs on account of assets sold / written off by a subsidiary; which is net off share of minority amounting to Rs. 10.61 Lacs.
- (ii) Rs. 3339.96 lacs on account of disposal of a subsidiary; and
- (iii) Rs. 244.98 lacs on account of acquisition of further stake in a subsidiary.
- (c) Rs. 5.27 lacs on account of acquisition of subsidiaries and Rs. 24.19 lacs on account of increase of further stake in a subsidiary.

Schedule-3

MINORITY INTEREST

Minority Interest Opening	3,533.47	-
Add: Adjustment on account of acquisition of subsidiaries	0.02	2,919.50
Add: Share of Profits for the year	239.93	613.97
Less: Dividend to Minority (including CDT)	(70.30)	-
Less: Adjustment from Reserves	(12.73)	-
Less: Adjustment on account of disposal of subsidiaries	(522.86)	-
Less: Adjustment on account of further increase in stake in subsidiaries	(144.35)	-
T O T A L	3,023.18	3,533.47

Schedule-4

SECURED LOANS

Banks		
Term Loans	4,999.53	4,859.39
Other Loans	3,143.49	-
Non Convertible Debentures	4,000.00	4,000.00
T O T A L	12,143.02	8,859.39

Notes in respect of security clause, are disclosed in separate respective financial statements of the company and its subsidiaries.

Schedule-5

UNSECURED LOANS

Fixed Deposits	934.62	1,305.04
From Banks	4,200.00	4,689.53
From Body Corporates	10,791.67	615.00
Interest Accrued & Due	180.08	-
Others	-	242.67
Deferred Sales Tax	5.63	-
T O T A L	16,112.00	6,852.24

Schedule-6

DEFERRED TAX (ASSET) / LIABILITY (NET)

Opening Balance	(904.32)
Add: Deferred Tax Liability (net) created during the year	897.76
Add: Deferred Tax Liability (net) recognised pursuant to scheme of amalgamation	24.90
Add: Adjustment on account of disposal of a Subsidiary	0.08
Less: Adjustment on account of Transitional Provision due to adoption of Revised AS- 15	1.66
Closing Balance	16.76

(Rs. in lacs)

Schedules forming part of Consolidated Financial Statement **31.03.2008** **31.03.2007**

Schedule-7**GOODWILL ON CONSOLIDATION**

Opening	305.23	–
Add: Adjustment on account of acquisitions of subsidiaries	0.69	305.23
Less: Adjustments on account of increase in further stake of subsidiaries	(18.39)	–
TOTAL	<u>287.53</u>	<u>305.23</u>

Schedule-8**FIXED ASSETS**

Particulars	Gross Block					Depreciation					Net Block	
	Gross Block as at 01.04.07	Pursuant to Scheme*	Additions	Sales Adjustments	Gross Block as at 31.03.08	Upto 31.03.07	Pursuant to Scheme*	For the Year	Adjustments	Upto 31.03.08	As at 31.03.08	As At 31.03.07
Tangible Assets												
Land (Freehold)	2,484.19	639.70	–	–	3,123.89	–	–	–	–	–	3,123.89	2,484.19
Land (Leasehold)	84.60	23.23	50.18	2.17	155.84	1.23	0.47	1.34	0.03	3.01	152.83	83.37
Buildings	2,156.07	1,177.82	755.45	–	4,089.34	464.44	117.92	84.40	–	666.76	3,422.58	1,664.10
Furniture & Fixtures	978.25	30.27	236.59	43.94	1,201.17	531.28	14.02	124.68	26.47	643.51	557.66	446.96
Plant & Machinery	12,942.01	–	1,695.58	176.02	14,461.57	6,945.65	–	847.09	140.06	7,652.68	6,808.89	5,996.36
Office Equipments	–	23.71	1.75	–	25.46	–	8.23	1.20	–	9.43	16.03	–
Computer	–	0.80	–	–	0.80	–	0.76	–	–	0.76	0.04	–
Vehicles	222.23	0.73	47.67	13.19	257.44	56.42	0.38	22.68	12.56	66.92	190.52	165.81
	18,867.35	1,896.26	2,787.22	235.32	23,315.51	7,999.02	141.78	1,081.39	179.12	9,042.07	14,272.44	10,840.79
Intangible Assets												
Software	66.14	–	14.17	–	80.31	26.11	–	7.38	–	33.49	46.82	40.03
Trade Mark Licence	477.90	–	–	–	477.90	127.44	–	47.79	–	175.23	302.67	350.46
	544.04	–	14.17	–	558.21	153.55	–	55.17	–	208.72	349.49	390.49
Total	19,411.39	1,896.26	2,801.39	235.32	23,873.72	8,152.57	141.78	1,136.56#	179.12	9,251.79	14,621.93	11,231.28
(CWIP (including advances))	1,123.57	67.84	524.30	–	1,715.71	–	–	–	–	–	1,715.71	1,123.57
Previous year	1,472.93	16,854.90	1,340.37	290.09	19,378.11	2.29	7,310.18	1,024.22	189.86	8,146.83	11,231.28	–

* Refer Note 2(a) of Schedule 17

Includes Rs. 0.56 lacs on capitalised pre-operative expenses

Schedule-9**INVESTMENTS****A. Long Term Investment****Quoted Investment**

Equity Shares	27,994.48	15,662.19
Mutual Funds	3,119.09	5.03
	<u>31,113.57</u>	<u>15,667.22</u>

Unquoted Investment

Equity Shares	394.30	989.20
Debentures, Bonds & Govt. Securities	328.95	5.40
Preference Shares	4,681.43	100.00
Others	0.16	–
	<u>5,404.84</u>	<u>1,094.60</u>

TOTAL

36,518.41 **16,761.82**

B. Current Investment

Quoted Investment in Shares	29.24	30.18
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TOTAL

29.24 **30.18**

GRAND TOTAL (A + B)

36,547.65 **16,792.00**

BENGAL & ASSAM COMPANY LIMITED

(Rs. in lacs)

Schedules forming part of Consolidated Financial Statement	31.03.2008	31.03.2007
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Schedule-10

CURRENT ASSETS, LOANS & ADVANCES

A. CURRENT ASSETS

Debtors (Unsecured, Considered good)	1,019.47	1,011.07
Debts outstanding for a period exceeding six months	5,446.24	4,916.67
Others Less Than Six months	<u>6,465.71</u>	<u>5,927.74</u>
Cash in Hand	14.60	9.11
Balance with scheduled banks :		
On Saving accounts	0.03	0.03
On Current accounts	783.62	636.33
On Deposit accounts	1,267.62	707.17
Cheques in hand	26.03	-
	<u>2,091.90</u>	<u>1,352.64</u>
Inventories		
Raw Material	1,499.99	1,169.92
Stores & Spares	274.55	257.34
Finished Goods	1,870.88	1,884.72
Work in Progress	324.89	315.34
	<u>3,970.31</u>	<u>3,627.32</u>
Other Current Assets	694.62	321.40
TOTAL (A)	<u>13,222.54</u>	<u>11,229.10</u>

B. LOANS & ADVANCES

(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	3,594.42	3,259.74
Deposits with Govt. Authorities & others	388.79	401.51
MAT Credit Entitlement Receivable	721.50	400.00
Inter Corporate Deposits	373.00	-
Fixed Deposit with Bodies Corporate	195.00	-
Accrued Income	9.67	2.99
Advance payment of tax (including TDS)	2,492.68	2,417.96
TOTAL (B)	<u>7,775.06</u>	<u>6,482.21</u>
TOTAL (A + B)	<u>20,997.60</u>	<u>17,711.31</u>

Schedule-11

CURRENT LIABILITIES & PROVISIONS

A. CURRENT LIABILITIES

Sundry Creditors		
MSME *	-	-
Others	5,012.82	4,260.36
Acceptances	62.01	-
Liability towards Investor Education & Protection Fund u/s 205 C of the Companies Act, 1956 not due		
Unclaimed Dividend	30.86	-
Unclaimed Deposits	53.13	-
Unpaid Dividend		
Equity shares	42.56	-
Preference shares	0.62	-
Other Liabilities	1,093.53	1,574.75
Interest accrued but not due	319.86	-
TOTAL (A)	<u>6,615.39</u>	<u>5,835.11</u>

* To the extent identified by and information available with the management.

	(Rs. in lacs)	
Schedules forming part of Consolidated Financial Statement	31.03.2008	31.03.2007
B. PROVISIONS		
For Income Tax	1,974.18	1,923.25
For Fringe Benefits Tax (Net)	190.94	122.30
For Interim / Final dividend	754.32	–
For Proposed Dividend	0.47	–
For Corporate Dividend Tax	94.70	0.02
For Retirement Benefits	157.09	–
TOTAL (B)	<u>3,171.70</u>	<u>2,045.57</u>
TOTAL (A +B)	<u>9,787.09</u>	<u>7,880.68</u>
Schedule-12		
INCOME FROM OPERATIONS		
Interest	326.96	67.68
Dividend	1,091.27	416.64
Rent	334.55	10.53
Profit on sale of Investment	786.96	129.52
Liabilities no longer required written back	–	0.08
Miscellaneous Receipts	348.21	457.34
TOTAL	<u>2,887.95</u>	<u>1,081.79</u>
Schedule-13		
MATERIALS AND MANUFACTURING EXPENSES		
Raw Material Consumed	11,762.11	11,977.17
(Increase) / Decrease in WIP	(9.54)	(62.51)
Purchase of Finished Goods	2,586.07	2,104.88
Consumption of Stores & Spares	1,227.23	994.05
Power & Fuel	1,666.83	1,813.15
Repairs to Building	47.65	67.14
Repairs to Machinery	292.26	265.30
Excise duty on variation of stock	(45.48)	10.64
TOTAL	<u>17,527.13</u>	<u>17,169.82</u>
Schedule-14		
EMPLOYEE COST		
Salaries, wages, gratuity & bonus	3,722.58	3,314.51
Contribution to Provident and Pension Funds	210.66	187.91
Employees welfare & other benefits	348.99	291.59
TOTAL	<u>4,282.23</u>	<u>3,794.01</u>
Schedule-15		
INTEREST & BANK CHARGES		
Interest paid	1,726.07	947.30
Bank Charges	0.47	0.20
TOTAL	<u>1,726.54</u>	<u>947.50</u>

BENGAL & ASSAM COMPANY LIMITED

(Rs. in lacs)

Schedules forming part of Consolidated Financial Statement 31.03.2008 31.03.2007

Schedule-16

ADMINISTRATIVE EXPENSES

Rent	99.35	98.66
Rates & Taxes	107.14	113.74
Legal & Professional Charges	15.35	35.08
Filing Fee	1.07	0.06
Auditors Remuneration		
Statutory & Tax Audit Fees (incl. Service Tax)	6.45	0.59
Certification	2.17	0.02
Directors' Fee	3.29	1.19
Discount	254.29	270.53
Commission	148.94	134.98
Loss on Sale of Assets / Scrapped (net)	24.68	1.06
Repairs & Maintenance	9.42	-
Service & Office Maint. Charges	3.03	-
Electricity & Water Charges	1.96	-
Postage, Printing & Stationery	13.86	-
Insurance	80.67	110.86
Travelling Expenses	615.83	588.70
Advertisement & Publicity Exp.	6.02	-
Securities Transaction Tax	0.40	-
Sundry balances written off	0.73	-
Miscellaneous Expenses	1,554.18	1,307.60
T O T A L	2,948.83	2,663.07

Schedule-17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

1. Principles of Consolidation:

- (a) The Consolidated Financial Statements comprise the financial statements of Bengal & Assam Company Limited ('the Company') and the following (incorporated in India) as on 31.03.2008: -

Subsidiaries		
S.No.	Name of the Company	Shareholding
1	Fenner (India) Ltd.	87.90%
2	Modern Cotton Yarn Spinners Ltd. *	87.90%
3	Southern Spinners & Processors Ltd. *	87.90%
4	Acorn Engineering Ltd. *	87.90%
5	Panchmahal Properties Ltd.	100.00%
6	LVP Foods Private Ltd. (w.e.f. 31.03.2008)	99.99%
7	Dwarkesh Energy Ltd.	93.84%
8	BMF Investments Ltd. * (ceased to be subsidiary w.e.f. 30.03. 2008)	99.99%

* Subsidiaries of Fenner (India) Ltd.

- (b) The Financial Statements of Pranav Investment (MP) Company Ltd. & JK Sugar Ltd. which became subsidiaries during the year and ceased to be subsidiaries on 7th November 2007 & 5th November 2008 respectively and became Associates from the respective dates and those of Hifazat Chemicals Ltd. (subsidiary under liquidation) have been excluded from consolidation as management have no direct or indirect control / significant influence on their functioning.

-
- (c) The Financial Statements of the Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions. Intra-group balances and transactions have been eliminated on the basis of information available with the Company.
- (d) The excess of cost to the Company of its investment in each of its subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as Goodwill on consolidation and carried in the Balance Sheet as an asset. Negative Goodwill is recognised as Capital Reserve on consolidation.
- (e) Loss of Rs. 192.27 lacs is net of difference between the loss of Rs. 4,030.72 lacs on disposal of investment in a subsidiary and Rs. 3,838.45 lacs due to de-recognition of share of profit on disposal of subsidiary.
- (f) 2,09,589 nos. of Equity Shares of Rs. 10/- each aggregating to Rs. 20.96 lacs of the Company to be allotted to Trustee of subsidiary namely Fenner (India) Ltd. (presently value of the same carried by said subsidiary at aggregate carrying value of Rs. 945 lacs under investments) pursuant to the Scheme of Amalgamation as referred to in Note no.2 herein below have not been eliminated. Further Rs. 1.37 lacs recognised as income on account of deputation of employees in Fenner (India) Ltd. by Southern Spinners and Processors Ltd. has not been recognised as expense by Fenner (India) Ltd. and also Rs. 0.47 lacs recognised as interest income (on loan to LVP Foods Pvt. Ltd.) by the Company has not been recognised as interest expense by LVP Foods Pvt. Ltd., moreover Rs. 436.52 lacs interim dividend provided by Fenner (India) Ltd. payable to the Company has not been recognised as dividend income by the Company; hence the same have not been eliminated.
- (g) Accounting Policies w.r.t. depreciation/amortization, employees benefits differ than the policies followed by the Company. However management is of the view that overall impact of the same on these Consolidated Financial Statements will not be material.
- (h) Associates of the Company have been excluded from consolidation since management has no direct or indirect control / significant influence on their functioning.
- (i) Significant Accounting Policies and Notes on Accounts of the financial statements of the Company and its subsidiaries are set out in their respective financial statements.
- (j) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting practices.
- (k) Figures pertaining to the subsidiary companies have been reclassified wherever considered necessary to bring them in line with the Company's financial statements.
2. Pursuant to the scheme of Amalgamation of **Ashim Investment Company Limited(AICL)** and its wholly-owned Subsidiaries - Mayfair Finance Limited, Sidhi Vinayak Investment Limited, Terrestrial Finance Limited and Yashodhan Investment Limited and **Netflier Finco Limited(NFL)** and its wholly-owned Subsidiaries - Hansdeep Investment Limited, Panchanan Investment Limited, Hidrive Finance Limited and Radial Finance Limited(**Amalgamating Companies**); into and with **Bengal & Assam Company Limited (The Company)** sanctioned by the Hon'ble High Court of Delhi becoming effective on 11.11.2008; with effect from the Appointed Date i.e. 01.04.2007:
- (a) All assets, liabilities and provisions of each of the amalgamating companies including 89,161 7% cumulative redeemable Preference Shares of Rs. 10 each aggregating to Rs.8,91,610/- of AICL have been transferred to and vested in the Company w.e.f 01.04.07 and have been recorded at book value of respective Assets under the "Pooling of Interest" method of accounting as per Accounting Standard on Accounting for Amalgamations (AS-14).
- (b) Loans, advances and other obligations due including Zero Coupon Optionally convertible debentures, Equity Shares and Preference Shares held between the Company and the amalgamating companies and vice versa and between the amalgamating companies inter se stood cancelled.

BENGAL & ASSAM COMPANY LIMITED

- (c) In consideration, every Equity Shareholder of AICL and NFL is entitled to 23 and 17 equity shares respectively, of face value of Rs 10 each, credited as fully paid up, of the Company for every 59 and 73 shares held in AICL and NFL respectively. Pending allotment 3,529,288 Equity shares of Rs.10 each fully paid up aggregating to Rs.3,52,92,880/- have been presently shown as "Share Capital Suspense".
- (d) The difference of Rs 1,32,16,96,551/-, between (i) The aggregate of equity shares to be allotted (Rs. 3,52,92,880/-) and (ii) The net book value of assets and liabilities (including preference shares) after cross cancellation thereof (Rs2,74,65,42,325/-) and further adjusted by depletion/ diminution in value (Rs1,37,92,90,093) and loss on sale (Rs 10,262,801) of investments between the appointed date and effective date, appropriated as Capital Reserve and treated as free reserve, has been adjusted in General Reserve.
- (e) The 5,00,000 Zero Coupon Optionally Convertible Debentures of Rs.100 each (Rs.5 Crore) issued by Sidhi Vinayak Investment Limited and the 5,00,000 Zero Coupon Optionally Convertible Debentures of Rs.100 each (Rs.5 Crore) issued by Yashodhan Investment Limited held by Udaipur Cement Works Ltd. (UCWL) stood cancelled and the aggregate amount of Rs.10 Crore has been treated as zero-coupon unsecured loan from UCWL to the Company repayable in full on 15.02.2010, unless otherwise settled between UCWL and the Company.
- (f) All business activities carried on by the amalgamating companies w.e.f. 01.04.2007 in the ordinary course of business were deemed to have been carried on for and on behalf of and in trust for the Company and consequently all profits and losses and related taxes paid were deemed to be the profits, losses and taxes of the Company, as the case may be. Consequently, necessary effects have been given in these accounts.
- (g) Equity shares of BACL shall be listed on the stock exchanges at Mumbai and Kolkata, in due course. Accordingly certain Accounting Standards (AS) have become applicable from the current accounting period, hence the corresponding previous year figures have not been disclosed.

The necessary steps and formalities in respect of transfer of assets and investments in favour of the Company are under implementation.

For the reasons stated here in above, the figures of the current year are not comparable with the figures of the previous year.

- 3. Capital commitments (net of advances) – Rs.2,739.07 lacs (Previous year Rs. 1,749.08 lacs)
- 4. Contingent Liabilities not provided for :
 - (a) One of the lessee of the Company, Bihar Air Products Ltd., has claimed an amount of Rs.70.08 lacs (previous year Rs. 70.08 lacs) from the Company towards refund of lease rentals, interest and damages. The company has contested this claim and has not made any provision. The matter is subjudice. However management is of the view that no liability will arise on its final settlement/ order.
 - (b) Claims in respect of Income Tax matters estimated at Rs. 10.71 lacs (previous year Rs. 3.95 lacs).
 - (c) Claims against the subsidiary companies estimated at Rs. 351.51 lacs (Previous Year Rs 262.91 lacs) not acknowledged but disputed by the subsidiary companies and hence not provided for.
 - (d) The subsidiary company namely Fenner (India) Ltd. had made provision for taxes applicable under Central/ Local Sales on material transactions amounting to Rs.237.15 lacs in an earlier year which had been transferred to the company under the Scheme. There being no transactions during the year; the balance remains the same.
 - (e) In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

5. Land, buildings and plant & machinery transferred to a subsidiary under the Scheme of Amalgamation during the year 2006-07 were revalued as at 31st August 1985 and as at 31st March 1995. The revaluation in respect of factory, service buildings and plant and machinery was further updated as at 31st March 1998 based on current replacement cost by a valuer and as a result, book value of the said assets had been increased by Rs.2990.53 lacs.
6. During the year, certain modifications in the lease agreement pertaining to the land allotted to a subsidiary for the Sriperumpudur Unit was made, which has resulted in reduction of the lease amount by Rs.2.17 lacs. Consequently, the amount, hitherto, capitalised had to be reduced by Rs.2.17 lacs and excess amortisation of Rs.0.03 lacs of earlier years reversed and credited to profit and loss account for the year
7. Loans and Advances include Rs. 84.04 lacs. comprising of shares/ securities/ receivables with Portfolio Manager (previous year – Rs. 51.31 lacs)
8. Advances recoverable include Rs. 47.27 lacs on account of sale proceeds of 96651 equity shares of Rs. 10 each (Book value Rs. 222.49 lacs) allotted by Ashim Investment Co. Ltd. to the Trustees. Consequential loss of Rs. 175.22 lacs on the same has been shown as “Loss on sale of shares (by Trustees)” in the Profit and Loss account. Debts over six months are net of provisions made for doubtful debts of Rs. 284.68 lacs (Previous year Rs.284.68 lacs).
9. During the year 37,23,000 nos. 15% secured redeemable partly convertible debentures (Part-B Non-Convertible debentures) of Rs. 15 each and 1,50,000 nos. 18.50% secured redeemable non-convertible debentures of Rs. 100 each of Umang Dairies Ltd. (UDL) has been purchased at a discounted value of Rs. 325.15 lacs. As the revival plan of UDL is under consideration before Board for Industrial and Financial Reconstruction (BIFR), considering the prudence, interest on said debentures has not been recognized as income in the accounts.
10. The depreciation policy relating to provision for depreciation on buildings of the Company has been changed from written down value (WDV) method to straight line method (SLM) in order to bring uniformity within all the amalgamating companies. This has resulted in lower charge of depreciation by Rs. 4.78 lacs (including depreciation for the year Rs. 1.72 lacs) to that extent Profit for the year and balance in Reserve & Surplus are stated higher.
11. Pursuant to the accounting standard on ‘Accounting for taxes on income’ (AS-22), deferred tax liability/(assets) are as under:

(Rs. in lacs)

Particulars	31.03.2008	1.04.2007 *	31.03.2007
A. Deferred Tax Assets			
- Disallowance u/s 43B	1.75	0.08	Nil
- Disallowance u/s 40A(7)	0.51	0.44	Nil
Disallowance u/s 35DD	1.45	Nil	Nil
- Unabsorbed Depreciation & carry forward business loss	835.48	6.49	1559.59
Others	200.88	Nil	141.61
Total (A)	1040.07	7.01	1701.20
B. Deferred Tax Liabilities			
- Related to Fixed Assets	1056.83	31.91	796.88
Total (B)	1056.83	31.91	796.88
Deferred Tax Liabilities (Net) (A-B)	16.76	24.90	904.32

* Pursuant to the scheme of amalgamation referred to in Note no. 2 hereinabove.

In view of uncertainty in the market value of shares and securities due to volatile market conditions, management of the Company does not consider it prudent to create deferred tax asset on carried forward losses.

BENGAL & ASSAM COMPANY LIMITED

12. Earning Per Share (EPS) Current year (Rs. in lacs)

Profit/(Loss) after tax (after adjusting for Minority interest)	2,910.81
Less: preference dividend & CDT thereon	0.73
Profit/(Loss) for Basic earning per share	2,910.08
Weighted Avg. Number of equity shares used as denominator for calculating Basic/Diluted EPS *(Face value of Rs. 10 each)	86,83,553
Basic/Diluted EPS (Rs.)	33.51

* Including Share Capital Suspense (Read with Note no. 2 hereinabove)

13. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of and transactions with the related parties as defined in Accounting Standard are given below:

- (a) List of related parties where control exists and related parties with whom transactions have taken place and relationships (As identified by the management):

Key Management Personnel:

Shri P. S. Sharma (Manager)

Mr. L. Ramkumar, (Wholetime director) (upto 31st December 2007)

Mr. R. Natarajan (Manager)

- (b) Transactions with related parties: (Rs. in lacs)

Particulars	Key Management Personnel	
	2007-2008	2006-2007
Remuneration	80.15	NIL

14. Segment information :

- (A) Information about Business Segments (Primary Segments) : (Rs. in lacs)

		Business Segment			Others	Unallocable	Total
		Investment	Polymers	Cotton-Yarn			
A	REVENUE						
1	Gross Revenue (External)	2,118.26	25,314.54	6,441.19	1.87	-	33,875.86
	Less: Inter Segment	(117.05)	(95.74)	(1,059.46)	-	-	(1,272.25)
	Total revenue	2,001.21	25,218.80	5,381.73	1.87	-	32,603.61
2	Other Income	9.52	170.51	168.18	-	-	348.21
3	Total Revenue	2,010.73	25,389.31	5,549.91	1.87	-	32,951.82
B	RESULTS						
1	Segment Result (PBIT)	2,255.32	4,747.96	(777.49)	(9.51)	(167.31)	6,048.96
2	Interest Expense (Net)						1,614.02
3	Profit Before Tax						4,434.94
4a	Provision for Current Tax						445.72
4b	Deferred Tax (NET)						897.76
4c	Income Tax Paid/Adjustments for earlier years						1.40
4d	Fringe Benefit Tax						68.55
4e	Minimum Alternate Tax Credit entitlement						(321.50)
5	Profit after Tax						3,343.01
C	Other Information:						
1	Segment Assets	40,118.46	25,559.76	3,791.48	1,198.97	4,089.07	74,757.75
2	Segment Liabilities	690.66	5,088.52	529.17	0.16	31,750.38	38,058.90
3	Capital Expenditure	2,112.55	3,066.50	62.11	48.63	-	5,289.79
4	Depreciation and Amortisation expenses	21.41	991.13	122.92	0.54	-	1,136.00

(B) Information about Geographical Segments (Secondary Segments):

	Domestic	Overseas	Total
1 Gross Sales (External)	26,338.56	6,613.26	32,951.82
2 Segment Assets	68,799.41	1,869.27	70,668.68

Notes:

Primary segment reporting (by business segment)

Segments have been identified in line with accounting Standard on 'Segment reporting' (AS-17) taking into account risks and returns of these segments. The Company has identified three segments i.e. Investment, Polymers, Cotton-Yarn and others which includes renting of property, sale of milk and therefore reported accordingly.

Secondary Segments reporting (by Geographical Segments-customer location)

In respect of secondary segment information, the company has identified its geographical segments as (a) Domestic and (b) Overseas on the basis of location of customers.

15. Certain balances of current liabilities & provisions and loans & advances are subject to confirmation/reconciliation.
16. Previous year figures have been rearranged/regrouped/recast wherever considered necessary.
17. Schedules "1" to "17" form an integral part of the Accounts for the year ended 31st March, 2008.

As per our report of even date attached

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

BENGAL & ASSAM COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

(Rs. in lacs)

Particulars	2007-08	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before Tax & Extraordinary Items		4,434.94
Adjusted for :		
Welath Tax	9.57	
Depreciation	1,136.00	
Voluntary Retirement Payments (VRS) written off	132.66	
Transfer from Revaluation Reserve	(80.73)	
Interest Income	(326.96)	
Interest & Finance Charges	1,726.07	
(Profit) / Loss on sale of Investment (net)	(771.13)	
(Profit) / Loss on sale of Assets (net)	24.68	
Sundry Balance written off	0.73	
Dividend Income	(1,091.27)	759.62
Operating Profit before working Capital Changes		5,194.56
Adjusted for :		
(Increase)/Decrease in Trade and Other receivables	(91.39)	
(Increase)/Decrease in Inventories	(342.97)	
Increase/(Decrease) in Trade and Other Payables	(1,022.93)	(1,457.29)
Cash Generated from Operations		3,737.27
Direct Taxes Paid	(410.39)	
Fringe Benefit Tax paid	(0.07)	
Share of Minority in Profits	(239.93)	(650.39)
Net Cash From Operating Activities (A)		3,086.88
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets & CWIP	(3,277.06)	
Sale of Fixed Assets	25.57	
Sale of Investments	6,378.63	
Purchase of Investments	(9,791.57)	
Interest Received	327.17	
Fixed Deposits with Body Corporates	(180.30)	
Inter Corporate Deposits	5.00	
Dividend Received	1,091.27	
Change in Minority Interest	510.28	
Adjustment on acquisition of Subsidiary	(611.05)	
Adjustment on disposal of Subsidiary	30.30	
Net Cash used in Investing Activities		(5,491.76)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Long Term Borrowings	5,000.00	
Repayment of Long Term Borrowings	(8.86)	
Proceeds from Short Term Borrowings	2,739.63	
Repayment of Short Term Borrowings	(3,502.46)	
Interest Paid	(1,366.12)	
Net Cash from Financing Activities		2,862.19
D. CHANGES IN CAPITAL RESERVE AND GOODWILL ARISING ON CONSOLIDATION		310.27
Net (Decrease) in Cash & Cash Equivalent (A+B+C+D)		767.58
Cash & Cash Equivalent at the beginning of the year		
Opening Balance (as per last CFS)	1,352.64	
Addition Pursuant to Scheme	23.39	
Addition on acquisition of Subsidiaries	0.55	1,376.58
Cash & Cash Equivalent at the end of the year	2,144.16	
Addition on acquisition of Subsidiary	4.21	
Adjustment on disposal of Subsidiary	(56.47)	
Cash & Cash Equivalent at the end of the year		2,091.90

Notes: 1. The effect of the Scheme of Amalgamation referred to in Note no. 2 of schedule 17 is cash neutral and as such not considered in this statement. 2. As stated in the Note no. 2(g) of schedule 17, previous year figures are not disclosed.

For J. S. LODHA & CO.
Chartered Accountants

V. Matta
Proprietor
Membership No.: 54087

Place : Kolkata
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

DETAILS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31.03.2008

Name of the Subsidiary Company	Fenner (India) Limited Rs./Lacs	Southern Spinners and Processors Limited Rs./Lacs	Modern Cotton Yarn Spinners Limited Rs./Lacs	Acorn Engineering Limited Rs./Lacs	Panchmahal Properties Ltd. Rs./Lacs	LVP Foods Pvt. Ltd. Rs./Lacs	Dwarkesh Energy Ltd. Rs./Lacs
(a) Share Capital	248.31	505.00	305.00	5.05	35.12	200.00	5.01
(b) Reserves & Surplus	21398.16	1599.99	1274.79	0.58	4.02	1.96	-
(c) Total Assets	46562.58	2641.05	2459.22	5.85	39.22	202.99	0.29
(d) Total Liabilities	46562.58	2641.05	2459.22	5.85	39.22	202.99	4.81
(e) Investment (excluding investment in subsidiaries)	13782.80	-	-	5.37	12.05	-	4.81
(f) Turnover and Other Income	25231.06	2974.56	3734.23	0.34	0.75	1365.74	0.54
(g) Profit/(Loss) before Taxation	3077.08	(146.69)	(92.31)	0.21	(0.01)	2.93	0.45
(h) Provision for Taxation	1062.25	(48.21)	(29.71)	-	0.17	0.95	0.05
(i) Profit/(Loss) after Taxation	2014.83	(98.48)	(62.60)	0.21	(0.18)	1.98	0.40
(j) Proposed Dividend	496.61	-	-	-	-	-	-

Place : New Delhi
Date: 26th November, 2008

DILLIP SWAIN
Company Secretary

P. S. SHARMA
Manager

P. K. RUSTAGI
A. C. CHORARIA
Directors

Disclosure of names of persons constituting group in relation to Bengal & Assam Company Limited pursuant to Regulation 3 (1) (e) (i) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997.

JK Lakshmi Cement Ltd., JK Tyre & Industries Ltd., JK Paper Ltd, Fenner (India) Ltd., JK Agri Genetics Ltd., BMF Investments Ltd., Florence Alumina Ltd., JK Sugar Ltd., Nav Bharat Vanijya Ltd., Juggilal Kamlapat Udyog Ltd., Param Shubham Vanijya Ltd., JK Credit & Finance Ltd., Pranav Investment (M.P.) Company Ltd., Southern Spinners and Processors Ltd., Modern Cotton Yarn Spinners Ltd., Swasthya Medicare Services Ltd., Bhopal Udyog Ltd., Accurate Finman Services Ltd., Sago Trading Ltd., Dwarkesh Energy Ltd., Saptarishi Consultancy Services Ltd., JK Enviro-Tech Ltd., JK Risk Managers and Insurance Brokers Ltd., Panchmahal Properties Ltd., Acorn Engineering Ltd., Elate Builders Pvt. Ltd., LVP Foods Pvt. Ltd., Clinirx Research Pvt. Ltd., Rouncy Trading Pvt.Ltd., M/s. Habras International, M/s. Juggilal Kamlapat Lakshmiapat and Directors of the promoter group and their relatives.

BENGAL & ASSAM COMPANY LIMITED

Regd. Office: Link House, 3 Bahadur Shah Zafar Marg, New Delhi-110 002

NOTICE

Notice is hereby given that the **Annual General Meeting** of the Members of **Bengal & Assam Company Limited**, will be held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003 on Tuesday, the 30th day of December, 2008 at 11.00 A.M. to transact the following business:

1. To receive, consider and adopt the Audited Accounts for the financial year ended 31st March, 2008 and the Reports of the Directors and Auditors thereon.
2. To declare Dividends.
3. To appoint a Director in place of Shri A.S Mehta, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. M/s. J. S. Lodha & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment.

By Order of the Board

New Delhi
26th November, 2008

Dillip Swain
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Due to the ongoing restructuring of the Company, the Company had sought and has been granted extension of time for holding the Annual General Meeting of the Company by 31st December, 2008.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 24.12.2008 to 30.12.2008 (both days inclusive).
4. Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Delhi and becoming effective on 11th November, 2008, the 89,161 7% Cumulative Redeemable Preference Shares of Rs.10 each(CRPS) in the issued, subscribed and paid up capital of Ashim Investment Company Limited, transferred to the Company shall be redeemed prematurely to the registered holders thereof as on the date of Annual General Meeting i.e. 30th December, 2008. Dividend for the period 1.07.2007 to 30.12.2008 @ 7% p.a. on the said CRPS shall be paid to the members whose names shall be borne on the respective Registers of Members as on 30th December, 2008 or to their mandatees. In respect of shares held in dematerialized form, the dividend will be paid on the basis of details of beneficial ownership to be received from the depositories for the purpose. Prior to the sanction of the Scheme, the Company paid a dividend of Rs.5 per Equity Share on the Equity Share Capital of Rs.5,15,42,650 (51,54,265 fully paid Equity Shares of Rs.10 each) to the then Members of the Company. The Board does not recommend any change in this dividend.

BENGAL & ASSAM COMPANY LIMITED

For attention of Shareholders

1. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Annual General Meeting.
2. Please check the Pin-code in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pin Code No. of your delivery Post Office while notifying change in your address, to the Company.
3. Requests for transfer of Equity Shares and related correspondence should be addressed to the Company's Registrar and Share Transfer Agents: Alankit Assignments Ltd., Alankit House, 2E/21 Jhandewalan Extension, New Delhi-110055. For any further clarifications and for other matters, kindly write to the **Company Secretary** at Gulab Bhawan (Rear Block), 3rd Floor, 6A, Bahadurshah Zafar Marg, New Delhi-110 002 or E-mail: dswain@jkmil.com .
4. **Nomination:** In terms of Section 109A of the Companies Act,1956 individual shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the shares of the Company vest in the event of death of the sole/all joint Shareholders, if any.
5. **Allotment of Shares, Listing thereof on the Stock Exchanges and Dematerialisation facility:**

Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Delhi every equity shareholder of Ashim Investment Company Ltd.(AICL) and Netflier Finco Ltd.(NFL) are entitled to 23 and 17 respectively of the face value of Rs.10 each credited as fully paid up of the Company for every 59 and 73 Shares held in AICL and NFL respectively. 28th November, 2008 has been fixed as the Record Date by both AICL and NFL for the purpose of ascertaining the Members who will be entitled to the Equity Shares of the Company and to provide lists of such Members to the Company for the purpose of Allotment. The Equity shares of the Company will be listed on the Bombay Stock Exchange and Calcutta Stock Exchange. Necessary listing applications for listing of the Equity shares of the Company are being made to the Stock Exchanges at Mumbai and Kolkata.

Tripartite agreements are also being entered into with National Securities Depository Limited and Central Depository Services (India) Limited for providing dematerialization facility to the Shareholders of the Company.

By Order of the Board

New Delhi
26th November, 2008

Dillip Swain
Company Secretary

BENGAL & ASSAM COMPANY LIMITED

Regd. Office : Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110 002

ADMISSION SLIP

Folio No. /DP ID/ Client ID #	
No. of Equity Shares held	

I hereby record my presence at the Annual General Meeting of the Company being held at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road Institutional Area, Lodi Road, New Delhi-110 003, on Tuesday, the 30th day of December, 2008 at 11.00 A.M.

Name of the Member (in block letters) :	
Name of the Proxy/Authorised Representative attending* (in block letters) :	

* Strike out whichever is not applicable. # Applicable for Investors holding shares in dematerialised form.

Signature of the Member / Proxy /
Authorised Representative*

Notes : Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall.
Shareholders intending to appoint a proxy may use the Proxy Form given below.

BENGAL & ASSAM COMPANY LIMITED

Regd. Office : Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110 002

PROXY FORM

I / We
of being a member/members of Bengal & Assam Company Limited, hereby appoint
Shri / Smt. / Km. of
or failing him / her Shri / Smt. / Km. of
or failing him / her Shri / Smt. / Km. of
as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on Tuesday, the 30th day of December, 2008 at 11.00 A.M. and at any adjournment thereof.

Signed this day of2008.

Signature(s)

Affix
30 paise
Revenue
Stamp

Folio No. /DP ID/ Client ID #	
No. of Equity Shares held	

Applicable for Investors holding shares in dematerialised form.

Note : The proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company at Link House, 3, Bahadur Shah Zafar Marg, New Delhi-110002, at least 48 hours before the scheduled time for the meeting.

BOOK POST

If undelivered, please return to :

BENGAL & ASSAM COMPANY LIMITED

Secretarial Deptt.

Gulab Bhawan, 3rd Floor (Rear Block)

6A, Bahadur Shah Zafar Marg,

New Delhi - 110 002