NOTICE

Notice is hereby given that the **13TH ANNUAL GENERAL MEETING** of the Members of **RICOH INDIA LIMITED** will be held at the Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall) 4^{th} Floor, 76 Veer Nariman Road, Churchgate, Mumbai – 400 020 on Tuesday, the 19^{th} September, 2006 at 9.30 A.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31^{st} March, 2006 and the Profit and Loss Account for the year ended as on that date and the Report of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. I.Uehera, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Mr. M.Yoshino, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** Mr. M. Shiratori, who was appointed as an Additional Director with effect from 3rd March 2006 by the Board of Directors, and who holds office as such upto the date of this meeting and is eligible for appointment as Director, and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution:**

   "**RESOLVED THAT** in accordance with the provisions of section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and whereas the proposed appointment fulfils the conditions specified in Part I of Schedule XIII of the Companies Act, 1956, Mr. M.Shriatori be and is hereby appointed Whole Time Director of the Company for a period of three years with effect from 3rd March 2006. "

   "**RESOLVED FURTHER THAT** Mr. M.Shiratori will not draw remuneration by way of Salary, allowances and perquisites."

   "**RESOLVED FURTHER THAT** Mr. M.Shiratori shall devote whole of his time and attention to the business and affairs of the Company and shall perform and discharge all such duties and responsibilities as may be entrusted to him by the Board of Directors and shall exercise his powers subject to the superintendence, control and direction of the Board."

NOTES:

a) An explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business to be transacted at item No 5 & 6 is annexed hereto.

b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY FORM MUST REACH THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE MEETING.

c) The Register of Members and the Share Transfer Books of the Company shall remain closed from 12th September 2006 to 19th September 2006 (both days inclusive).

d) Members are requested to intimate the change, if any, in their Registered Address only to the Company at its Corporate Office Address at 52-B, 1st Floor, Okhla Industrial Estate, Phase-III, New Delhi – 110 020.

e) Members seeking further information about the accounts are requested to write to the Company at the Corporate Office address at New Delhi at least 2 weeks before the date of the meeting giving details of the information required.

f) Pursuant to Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st December 1996 and thereafter declared by erstwhile M/s Gestetner (India) Ltd. and which remain unclaimed for a period of 7 Years will be transferred by the Company to the Investor Education and Protection Fund (IEP Fund) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year Ended	Date of Declaration of Dividend	Due date for transfer to IEP Fund
31.12.1999	30.06.2000	17.08.2007
31.12.2000	30.06.2001	05.08.2008
31.12.2001	11.04.2002	17.05.2009

Shareholders who have not so far encashed the dividend warrant(s) are requested to make their claim(s) to the Company's Secretarial Department immediately. **Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which are unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

g) As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the Meeting.

Place: New Delhi
Date: 27th July 2006

By Order of the Board of Directors
For **RICOH INDIA LIMITED**

Registered Office:
1104, Arcadia, 195, NCPA Road,
Nariman Point, Mumbai – 400 021

(Avneesh Chopra)
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956

In terms of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts, relating to the Special Business of Item No. 5 & 6 of the accompanying notice dated 27th July 2006.

Item No. 5

The Board of Directors of the Company had appointed Mr M.Shiratori as an Additional Director w.e.f. 3rd March, 2006, pursuant to section 260 of the Companies Act 1956 to hold office upto the date of this Annual General Meeting of the Company. The Company has received a notice in writing from a member together with requisite deposit, proposing Mr M.Shiratori for the office of Director under the provision of section 257 of the Companies Act, 1956.

Mr. M. Shiratori has been associated in various capacities, with Ricoh Company Limited, Japan, for the last 26 years and has worked in Japan, United Kingdom, Netherlands, United States. Since 2003 he has been deputed to Ricoh India Ltd and is currently designated as Senior Vice President-Business Operations.

Mr. M. Shiratori, Graduated from Sophia University, Japan. He brings with him 26 years of rich experience. His induction in the Board of Directors will further accelerate the future growth prospects of the Company.

Mr M.Shiratori is interested in the resolution as it relates to his appointment. None of the other directors of the Company are interested in this resolution.

The Board of Directors of the Company recommends the passing of the resolution by the Shareholders as set out in item No.5 of the notice.

Item No. 6

The Board of Directors at its meeting held on 3rd March 2006 had inducted Mr. M.Shiratori, as Additional Director and also appointed him as Whole Time Director under the provisions of the Companies Act, 1956, without remuneration effective 3rd March 2006 for a period of 3 years, subject to the superintendance, control and direction of the Board and approval of shareholders in the General Meeting.

Mr. M.Shiratori has been associated in various capacities, with Ricoh Company Limited, Japan, for the last 26 years and has worked in Japan, United Kingdom, Netherlands, United States. Since 2003 he has been deputed to Ricoh India Ltd and is currently designated as Senior Vice President-Business Operations.

Mr. M.Shiratori, Graduated from Sophia University, Japan. He brings with him 26 years of rich experience. His induction in the Board of Directors will further accelerate the future growth prospects of the Company.

No remuneration is proposed to be paid to Mr. M.Shiratori.

Mr M.Shiratori is interested in the resolution as it relates to his appointment. None of the other directors of the Company are interested in this resolution.

The Board of Directors of the Company recommends the passing of the resolution by the Shareholders as set out in item No.6 of the notice.

Place: New Delhi
Date: 27th July 2006

By Order of the Board of Directors
For **RICOH INDIA LIMITED**

Registered Office:
1104, Arcadia, 195, NCPA Road,
Nariman Point, Mumbai – 400 021

(Avneesh Chopra)
Company Secretary

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. I. Uehara	Mr. Masayoshi Yoshino	Mr. M. Shiratori
Date of Birth	31st March, 1955	25th January 1951	21st March 1957
Date of Appointment	8th July 2005	8th July 2005	3rd March 2006
Qualification	Graduate from Tokyo University in the year 1978	Kawagoe Commercial High School	Graduate from Sophiya University in the year 1980
Expertise in specific functional areas	International Marketing	International Business Planning	International Marketing
List of Companies in which outside Directorship held as on 31st March, 2006	Nil	Nil	Nil
Chairman / Member of the Committee(s) of the Boards of the other Companies on which he is a Director as on 31st March, 2006	Nil	Nil	Nil

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 13th Annual Report on the business and operations of the Company together with the Audited Accounts for the period ended 31st March 2006.

FINANCIAL HIGHLIGHTS

The Performance of the Company for the financial year ended 31st March 2006 is summarised below:

(Rs. In Lacs)

Particulars	For the year ended 31st March, 2006	For the year ended 31st March, 2005
Net Sales	16722.54	15273.86
Other Income	255.84	190.41
Total Income	**16978.38**	**15464.27**
(Increase)/Decrease in Stock in Trade	(1552.82)	365.24
Material Cost	9738.47	7063.26
Staff Cost	2806.95	2565.16
Other Expenditure	3139.08	2946.45
Profit Before Restructuring Cost, Interest & Depreciation	**2846.70**	**2524.16**
Restructuring Cost	554.06	-
Interest & Bank Charges	129.97	122.96
Depreciation	207.07	463.70
Amortisation of Goodwill	358.16	358.16
Profit/(Loss) Before Tax	**1597.44**	**1579.34**
Provision for Tax:		
Current Tax	(970.00)	(125.00)
Earlier years	-	2.25
Deferred tax	469.74	(313.15)
Fringe benefit Tax	(66.40)	-
Net Profit/(Loss) after Tax	**1030.78**	**1143.44**
Balance B/F from Previous year	167.11	(976.33)
Appropriations:		
Proposed dividend	0.00	0.00
Balance Carried Forward	**1197.89**	**167.11**

Business Overview

Indian economy has done quite well, particularly in the last 10 years. This is the outcome of several decades of work by Government and private enterprises in independent India. India is seen as source of intellectual capital and has been rated as one of the world's fast growing economies.

The direction of economic policy is unmistakably towards more liberalization. In the last decade India has achieved an excellent average GDP growth of close to 7%. We are excited that India is poised to maintain this growth rate. The office automation industry has witnessed a transformation powered by technological advancement. Digital technology is advancing at an ever increasing pace. With the growing demand of digitalization, the office automation industry is expected to continue to do well in future. However increasing competition & continuous decrease in prices by DGS &D (for government purchases) is affecting price realizations in the commercial market also and is a challenge before the Industry. Your Company is taking adequate steps to face these challenges.

Performance Overview

The year under review has been one of the most eventful and challenging years in the history of the Company. The merger of Gestetner India Limited with the Company has resulted in a favorable impact on the overall performance of the Company. The Company has recorded 18% unit growth of Multifunction Products during the previous year. However lower price realizations restrict the equipment revenue growth. It is expected that various cost cutting measures initiated in the previous financial year and continued in the year under review will lead to positive long term impact on the operational and financial efficiency of the Company.

A more detailed discussion and analysis on the performance of your company in retrospect as well as the outlook and focus in the year 2006-07 is contained elsewhere under the chapter on Management Discussion and Analysis.

DIVIDEND

In order to conserve the resources for the business of the Company, your Directors do not recommended payment of dividend for the year 2005-06.

SHARE CAPITAL

During the year under review your Company has allotted 2,89,89,792 equity shares of Rs 10/- each without payment being received in cash to the shareholders of erstwhile Gestetner India Limited pursuant to the Scheme of Arrangement approved by Hon'ble High Court of Calcutta and Mumbai.

STRATEGIC INITIATIVES

As a part of strategic initiatives and with a view to bring operational efficiency and optimizing employee utilization, the Company had introduced a voluntary retirement scheme titled "Employee Separation Scheme," which was introduced with a view to optimize employee productivity. Such optimization also became imperative for sustaining a performance-oriented culture and to be competitive, nationally and globally. The Scheme was offered to all the workers, Duplicator Technicians, Clerical and Administrative staff, Sub-ordinate staff, Supervisors and Managerial employees of the Salt lake & Gandhi Nagar factories, all Branches and Corporate office of the Company. The Scheme was opted by 126 employees of the Company, at a total cost of Rs.5.54 Crores. The Company has written off this entire cost in one year and has thus taken a non-recurring charge of Rs.5.54 Crores in the Profit & Loss for the year ended on 31st March, 2006 even though the benefits of the actions shall follow in the subsequent years.

DELISTING OF EQUITY SHARES

The Company's Delisting application from The Stock Exchange Ahmedabad, has been accepted. Presently the Company is listed only with Bombay Stock Exchange. There are no arrears of Annual Listing fee.

INTERNAL AUDIT SYSTEM

The In-house Operations Audit Group of the Company carried out internal audits at various locations as per planned schedule. The internal audit is oriented towards examining the status of operations of the internal controls at various levels. Additionally, the Audit Group regularly undertakes support action programmes to strengthen controls, wherever any control weakness is observed. The finding and reports of Operations Audit Group are reviewed by the Audit Committee of the Company.

CORPORATE GOVERNANCE

Your Company is committed towards implementation of the best practices of Corporate Governance. A separate section on Corporate Governance as required pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges and Practising Company Secretary Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

AUDIT COMMITTEE

Pursuant to the provisions of Section 292A of the Companies Act, 1956, your Company has an Audit Committee of the Board of Directors which comprises of following members:

1) Mr. U. P. Mathur - Chairman

2) Mr. D. C. Singhania

3) Mr. M.Yoshino

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Article 119 of the Article of Association of the Company, Mr. I.Uehera and Mr. M.Yoshino retire by rotation and being eligible, offer themselves for reappointment. During the year under review Mr. S. Iijima, Mr. N. Maitra, Mr. Ravi Kathpalia and Mr. H.Kitada have resigned from the Directorship of the Company. The Board places on record its appreciation for the valuable services rendered by Mr. S. Iijima, Mr. N. Maitra, Mr. Ravi Kathpalia and Mr. H.Kitada as Directors of the Company.

The Board of Directors in their meeting held on 3rd March 2006 have appointed Mr. M.Shiratori as Additional Director as well as Whole Time Director of the Company.

All the Directors have given disclosures under section 299 of the Companies Act, 1956.

As specified in section 274 of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000, none of the Directors of the Company is disqualified from being appointed as Director.

SUBSIDIARY COMPANY

The Company does not have any Subsidiary within the meaning of Section 212 of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm:

a) That in the preparation of the annual accounts for the year ended on 31st March 2006, all applicable Accounting Standards have been followed and there are no material departures;

b) That to give a true and fair view of the state of affairs of the company for the accounting year ended 31st March 2006 and also of the profits of the company for that period, your Directors have selected and applied the consistent accounting policies and the judgment and the estimate made therein are reasonable and prudent.

c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

d) That the annual accounts for the year have been prepared on the going concern basis.

COMMENTS ON AUDITORS' REPORT

The notes to the Accounts referred to in the Auditors' Report are self-explanatory, and therefore, does not call for any further comment. *A more detailed discussion on the contingent liabilities wherever necessary has been done in the Management Discussion and Analysis.*

FIXED DEPOSITS

During the period under review, the Company did not raise funds by way of fixed deposits.

QUALITY INITIATIVES

Your Company is a customer-focused organisation. It believes that quality in sales and service is the key to its success. The commitment to quality is also borne by the fact that the Company's Total Quality System conforms to ISO 9001-2000.

INDUSTRIAL RELATIONS

The relationship with the recognised Unions has remained cordial.

DISCLOSURE OF PARTICULARS

Particulars required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the prescribed format as Annexure I to the Directors' Report.

Information in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, regarding employees is given in Annexure II to the Directors' Report.

COO/CFO CERTIFICATION

The Whole Time Director, President & CEO and Vice President (Finance) have certified to the Board, in the manner required under the Corporate Governance Code, concerning the annual financial statements.

AUDITORS

M/s. Sahni Natarajan & Bahl the Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors, have furnished a Certificate of their eligibility for re-appointment under Section 224(1-B) of the Companies Act, 1956 and have indicated their willingness to continue.

ACKNOWLEDGMENT

The Directors wish to place on record their appreciation for the continued cooperation and support by the Banks, Government authorities, Business Partners, Customers and other Stakeholders. Your Directors wish to place on record their sincere appreciation for the dedicated contribution made by all the Executives, Staff and Workers of the Company in achieving whatever we could during a challenging year.

For and on Behalf of the Board of Directors

Place : New Delhi
Dated: 27th July 2006

M. Shiratori (Director)   D.C.Singhania (Director)   U.P.Mathur (Director)

Annexure-I

PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

a. **Conservation of Energy**

The Company's operation involves low energy consumption. Wherever possible efforts to conserve and optimize the use of energy through improved operational methods and other ways will continue.

FORM A

		2005-06	2004-05
A.	**Power and Fuel Consumption**		
	1. Electricity		
	a) Purchased		
	Unit (KWH)	120051	127740
	Total amount (Rs. In lakhs)	10.49	9.61
	Rate per unit (Rs.)	8.73	7.52
	b) Own generation		
	(i) Through diesel generation		
	Units (KWH)	-	-
	Units per litre of diesel oil (KWH)	-	-
	Cost per unit (Rs.)	-	-
	(ii) Through Steam/turbine Generator		
	Units (KWH)	-	-
	Units per litre of fuel oil/Gases (KWH)	-	-
	Cost per unit (Rs.)	-	-
	2. Coal (Special quality and where used)		
	Quantity (Tonnes)	-	-
	Total Cost (Rs. In lakhs)	-	-
	Average rate (Rs.)	-	-
	3. Furnace Oil		
	Quantity (K. ltrs)	-	-
	Total cost (Rs. In lakhs)	-	-
	Average rate (Rs.)	-	-
	4. Others / Internal generation (LPG and other gases)		
	Quantity (Kgs.)	-	-
	Total cost (Rs.)	-	-
	Rate per unit (Rs.)	-	-
B.	Consumption per unit of Production		
	(i) Electricity (KWH)	-	-
	(ii) Furnace Oil (Ltrs./Mt.)	-	-
	(iii) Coal	-	-
	(iv) Others	-	-

b. Form of disclosure of particulars with respect to absorption Research and Development

FORM B

1.	Specific area in which R&D carried out by the Company	Nil
2.	Benefits derived as a result of the above R & D	Nil
3.	Future Plan of Action	Nil
4.	Expenditure on R & D	
	a) Capital	Nil
	b) Recurring	Nil
	c) Total	Nil
	d) Total R & D expenditure as a percentage of total Turnover.	N.A.

Technology Absorption, Adaptation and Innovation

1.	Efforts, in brief, made towards Technology Absorption, Adaptation and Innovation	Nil
2.	Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	Nil
3.	In case of imported technology (imported during the last five years, reckoned from the beginning of the financial year), following information may be furnished	
a)	Technology imported	Nil
b)	Year of Import	N.A
c)	Has technology been fully absorbed?	N.A
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action.	N.A

c. Foreign Exchange Earnings and Outgo:

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Stencil Duplicator is the only product exported by the Company. The Stencil Duplicator market remains weak on account of the increasing penetration of technologically superior products. The results are visible with both domestic & exports showing a downwards trend in the period under review. However efforts are in progress to procure business from far African Countries.

(i) Exports on FOB basis, during the year were Rs. 258.33 lacs as against Rs. 260.40 lacs in 2005.
(ii) Total foreign exchange earnings and outgo:

Earnings	**Rs. in Lacs**	**Rs. in Lacs**
Exports	258.33	260.04
Others	40.47	8.45
Expenses Recovered	-	606.5
Total Earnings	**298.80**	**874.99**

Outgo	**Rs. in Lacs**	**Rs. in Lacs**
Raw Materials	3.72	11.09
Finished Goods & Spare Parts	6915.69	4904.28
Travelling & Others	6.52	10.89
Total	6925.23	4926.26
Less Subsidy Received	-	606.50
Total Outgo	**6925.23**	**4319.76**

ANNEXURE –II

INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975, AS AMENDED, AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2006

Name	Designation & Nature of Duties	Gross Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement of Employment	Age (Years)	Previous Employment
K. Swetharanyan**	Managing Director (erstwhile Gestetner India Limited)	24,42,998	B.E. (Mech.), MBA	33	01.04.2000	57	Executive Director Modi Xerox Ltd.
	President & CEO	42,27,519			08.07.2005		Managing Director (erstwhile Gestetner India Limited)
N. Maitra*	Managing Director	10,61,706	B.Sc (Engg)	31	07.10.1998	52	Asst Vice President Sterling Tree Magnum(I) Limited
	Executive Consultant & Project Head-Transition Management	37,49,193			08.07.2005		Managing Director (erstwhile Ricoh India Limited)
Pradeep Narula	Vice President HR & Corp. Affairs	29,30,654	B.Sc, LLB MBA, ACS, AICWA	25	21.06.2001	51	Vice President (F) Chadha Sugar Ltd.

**After the merger Mr K Swetharanyan w.e.f 8th July 2005 has been appointed as Manager under the Companies Act and is designated as President & CEO.

* Resigned w.e.f 8th July 2005 and has been appointed as Executive Consultant & Project Head- Transition Management.

1. All appointments except appointment of Mr Pradeep Narula are contractual in accordance with terms and conditions as per Company rules.
2. Gross Remuneration shown above is subject to tax and comprises Salary, allowances, medical reimbursement, rent/ cost on accommodation, LTA, performance bonus, Company's contribution to provident, pension and gratuity funds, monetary value of other perquisites computed on the basis of actual expenditure incurred by the Company/ Income Tax Act and rules wherever applicable.
3. None of the above mentioned persons hold more than 2% of the equity shares of the Company either by himself or alongwith spouse and dependent children.
4. No Employee of the company is a relative of any of the Directors of the Company.

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

The year 2005-06 was a challenging and historical year in the history of your Company. As has already been shared in the Directors' report the merger of Gestetner India Limited with the Company is expected to lead to operational synergy and healthy cash flows. The goodwill and brand image earned by erstwhile Gestetner India Limited will go a long way to help us become a major player in this Industry. It would not be wrong to say that a sound foundation has been laid for the future and stronger growth of the Company. During the year, in addition to improving operational efficiency, various steps have been taken to increase the **"Brand"** image of the Company. The growth of total income of the Company is 9% in the year under review as compared to previous year. For the year ended on 31st March, 2006, the net profit was Rs. 1597.44 lacs as against Rs. 1579.34 lacs for the previous year. The net profit of Rs. 1597.44 lacs is after taking into account exceptional items like, a) VRS and other terminal benefits of Rs. 620.00 lacs, b) Slow moving/non-moving inventory write-off of Rs. 25.02 lacs, c) Past years provident fund deficit of Rs. 19.81 lacs {arising out of gap in the interest earned and interest paid/payable to the beneficiaries of the Provident fund trust} and d) Rs.184.03 lacs on account of gratuity liability. A detailed financial review is as under:-

Financial Review for the year ended 31st March, 2006:

1. **Other Income:** Other income is mainly due to sale of defunct manufacturing facility at Nasik .
2. **Material Consumed:** Material consumption as a % of sales for the period under review was marginally higher at 49% as compared to 48.5% for the previous year ended on 31st March, 2005. The material consumption cost varies because of product mix and drop in sale price due to competitive pressure.
3. **Interest:** Interest cost showed a slight increase and was at Rs. 129.97 lacs as compared to Rs. 122.96 lacs for the previous year. The interest cost was higher due to payment of interest on temporary bank borrowings for meeting funds to the tune of Rs. 554.06 lacs required to pay towards Employee separation scheme (VRS).
4. **Personnel Cost:** Personnel cost as % to sales , excluding VRS expenses, was same at 17% for the period under review as for the previous accounting year ended on 31st March, 2005.
5. **Manufacturing, Selling and other expenses:** Manufacturing, selling and other expenses as % of sales was at the same level of 19% during the period under review as compared to the previous year. The rigorous cost cutting and rationalization steps undertaken by the company across functions, to bring in operational efficiency is the prime reason for such expenses being at the same level.
6. **Depreciation:** Depreciation (excluding goodwill amortization) as % to sales was lower at 1.24% during the period under review as compared to 3.03% during the previous accounting period ended on 31st March, 2005. Depreciation which stood at Rs. 463.70 lacs for the previous year amounted to Rs. 207.07 lacs in the current year , due to retrospective change in the method of charging depreciation to SLM method (on the basis of the estimated useful lives of the fixed assets) which was necessitated due to merger adjustments.
7. **Restructuring cost:** The company has for the period ended 31 March 2006 incurred restructuring cost of Rs. 620.00 lacs, including VRS and terminal benefits, paid to the employees opting for VRS. Though the benefit of the restructuring cost shall accrue in future, the Company has decided to charge the entire sum in the current year as a conservative accounting policy.
8. **Profit After tax (including 'Other Income'):** Profit after tax and restructuring cost's stood at Rs. 1030.78 lacs.
9. **Reserves and Surplus:** Reserves have increased from Rs 190.28 Lacs as on 31st March, 2005 to Rs. 1205.09 Lacs as on 31st March 2006 on account of profit for the current period under review.

10. **Earning per Share:** EPS for the current financial year is Rs 2.50 as against Rs. 2.77 last year. The reason for decrease in EPS is on account of increase in provision for income tax for the current year which is as per the provisions of the Income Tax Act. Since the company had availed the benefit of tax under MAT, for the previous year ended 31st March, 2005 the provision for tax made in the previous year was lower than the current year. This in turn had increased the profit attributable to the equity shareholders & a corresponding higher EPS during the previous year. The total provision for tax for the current year is Rs. 1036.40 lacs (including fringe benefit tax) as compared to Rs. 122.75 lacs (net) made during the previous year.

11. **Net worth**: During the current financial year, the Net worth of the Company stood at Rs. 5681.82 Lacs as compared to Rs.4651.05 Lacs in the previous financial year.

12. **Revaluation Reserve:** The Revaluation reserve account which was on account of revaluation of Fixed Assets pertaining to Nasik factory was adjusted pursuant to sale of Nasik plant during the current year.

13. **Borrowings**: The Company's borrowings as at 31st March, 2006 stood at Rs. 1118.60 lacs as compared to Rs. 718.72 lacs as at the end of the previous year. The increase in borrowing levels was mainly due to temporary bank borrowings made to meet the cash flow required on account of the payment made for VRS during the current year.

14. **Fixed Assets:** The net increase in Gross block of fixed assets is Rs. 132.19 Lacs. The increase in fixed assets has occurred mainly on account of purchase of new computer hardware & office equipments and capitalisation of the Company's stock in trade, used for the purpose of Facilities Management contracts entered into with various Government/Private Corporates etc. These assets have been funded from internal accruals only. The company has also sold off its Nasik Plant during the year, the total value of which (net block) was Rs. 21.59 lacs.

15. **Investments:** Investments of Rs. 818.04 lacs as at the end of the previous year had to be liquidated for working capital requirements of the company during the last quarter of the year, required to repay the temporary bank borrowings mainly on account of VRS payment. The investments were made as part of normal treasury operations. The company continues to follow a conservative policy and investments are monitored through internally set guidelines.

16. **Inventories:** Finished goods inventory stands at 4.4 months of total cost of sales as against 2.7 months in the previous accounting year. The company has written off slow / non- moving inventory amounting to Rs 25.02 lacs (Previous year Rs 72.24 lacs). Further increase in inventory is on account of planned inventory management processes and planned level of operations for the next year.

17. **Debtors:** Debtors, (excluding lease receivables), represent 51 days of total sales as at 31st March, 2006 as against 60 days as at 31st March, 2005. The decrease has been achieved by focus on comprehensive credit policy and collection drive through regular analysis of the debtors' age. Debts over six months' have been almost at the same level as that of last year of Rs. 302 lacs.

18. **Provision for doubtful debts:** The Company follows a conservative approach for receivables accounting. To ensure that the receivables represent the true economic value, a sum of Rs. 30 lacs has been charged to the Profit & Loss account of the current period as bad debts/provisions for doubtful debts as compared to Rs 55.18 lacs in the previous accounting year. However, the Company is making every effort for recovering these amounts so written off/provided as substantial sums out of the above, are due from Government agencies only.

19. **Cash & Bank Balances:** The Company continues to be cash positive. An increase in cash & bank balances as compared to the previous accounting year ended on 31st March, 2005 is on account of increase of cheques in hand by Rs 129.59 lacs and increase in bank balances by Rs. 133.22 lacs, which are commensurate with the increased collection activity in the current year. Bank deposits increase of Rs. 219.09 lacs is due to issuance of bank guarantees during the year.

20. **Loans & Advances:** The loans and advances as on 31st March, 2006 stood at Rs. 2572.41 Lacs as compared to Rs. 1352.91 Lacs in the previous financial year. Out of this a sum of Rs. 419.12 Lacs is as balances with Government authorities. The increase in closing balance is contributed by increase in payment of advance income tax for the current year, advances to employees, suppliers and others. Balances lying with Government authorities are all considered good and recoverable in cash or in kind for value to be received.

21. **Current Liabilities:** The current liabilities of Rs. 5059.03 lacs as on 31st March, 2006 is slightly lower as compared to Rs. 5068.05 lacs in the previous accounting year. The company has managed to keep its accounts payables well within the limits considering the increase in its operations in post merger scenario. Employee related liabilities stood at Rs 337.37 lacs as at 31st March, 2006 as compared to Rs. 147.09 lacs as at the end of previous financial year. The increase is mainly due to increase in gratuity liability by Rs. 184.03 lacs due to post merger salary restructuring of all employees.

22. **Contingent Liabilities:** Company has substantial amount of contingent liabilities on account of sales tax cases pending at various judicial/quasi-judicial fora. Of the total amount of Rs. 1799.63 lacs on account of sales tax cases (previous accounting year - Rs. 1254.27 lacs), Rs.1111.23 lacs pertains to Delhi Sales Tax alone. It is pertinent to mention here that most of these demands were raised by the Delhi Sales tax department after reopening the assessments of the period 1993-94 onwards pursuant to a survey conducted by the department. Your company considered these demands to be arbitrary and devoid of judicial basis and contested the same at various judicial and quasi-judicial levels. The successful contention by the company before these authorities has resulted in demand worth Rs. 59.03 lacs being dropped and cases decided in company's favour. Further demand worth Rs. 13.04 lacs has also been set aside and remanded back to the Delhi Sales Tax assessment authority.

In respect of other sales tax demands too, the company is confident that its contentions before the authorities will succeed since the demands raised are similar in most of the cases.

RISK MANAGEMENT

The Company is exposed to normal business risks- Some of these risks are external and result from the business environment we operate in and some are internal to the company.

Industry Risk

The Company operates in an industry where technological advancements are fast changing and evolving. This makes the business model susceptible to constant change and development. But the company does not foresee immediate threat on this account. The reason for this is that Ricoh Company Limited, Japan, of which your company is a part, is one of the leading innovators of technology and they are committed to support their Indian operations. Moreover, being one of the first companies to launch the digital, state-of the-art multifunctional printers/copiers, it has the first mover advantage as technology evolves from analogue to digital.

Operational Risk

Operational risk is the risk to earnings or capital arising from problems with service or product delivery. It is a function of internal controls, information systems, employee integrity and operating processes. Policies and procedures are framed in a manner keeping this in mind. To further assist in its operational risk management initiatives, the company takes a Balanced Scorecard approach for goal-setting and periodic performance reviews, which focuses on customer service, internal business processes, financial performance, and learning/innovation. This ensures that all the salient areas of its business operations are scrutinized, and facilitates a holistic approach to the management of any exposure the Company may encounter.

Credit Risk

With respect to the customers of the company which are in the government segment, the risk of insolvency is minimal. However, as the company strives to move to the commercial segment, it is imperative that proper systems, processes and internal controls are put in place. Company has a stated credit policy which aims to minimize credit risks in this customer segment. The credit policy is subjected to frequent reviews depending upon the need and changing business requirements.

Foreign Exchange Risk

The short-term exposure with respect to exports transactions are however left un-hedged considering the pattern and extent of fluctuation in the value of Rupee against US dollars in the past and there seems no material risk in keeping exports un-hedged. The contracts with respect to the operating activities generally have maturities of less than six months.

However, on account of substantial imports and the current trend in appreciation of Dollar as against rupee, the business has a potential risk of loss on account of unforeseen exchange fluctuations. Wherever the probability/trend of such currency fluctuations can be foreseen, the Company takes measures thru hedging of its Dollar liability.

Interest Rate Risk

The Company's Secured loans are at fixed interest rates. Accordingly, we do not perceive any interest rate risk.

HUMAN RESOURCES DEVELOPMENT

The year under review was the most challenging year for the company from Human Resource Development point of view. Consequent to the merger, the key challenge faced by this department is to align the culture of two different organisations. In order to make the merger a success, the memagement left no stone untouched to place the right people in the right positions. The jobs roles and responsibilities for each and every position in the Company has been prepared and aligned with the Corporate Goals of the Company. The Company has adopted the Balanced Score Card tool for this purpose. In order to improve employee capabilities and to retain talent in the Company, various initiatives such as salary correction, career & development planning, improvement in infrastructure, work environment, and other motivational measures have been undertaken. In addition to this, training and development at all levels of the organisation has become an integral part of our Human Resource Activities. We are pleased to share with you that your Company was awarded with "Amity Corporate Excellence Award" during the year 2005-06.

INTERNAL CONTROL SYSTEM

The Management Information & Review System is an important tool of our control mechanism. Clearly defined, roles, responsibilities and objectives which are aligned with the overall Corporate Objectives are set out at the beginning of the year for all senior and middle level managerial positions. All operating parameters are monitored and efforts made to control the same. Regular, periodical management reviews have been institutionalised on monthly basis for all-major functions such as Finance & Assets Review, Marketing Review, IT & MIS Review and Branch Performance Review. The team of Internal Audit and External Auditors conducts regular internal audits and checks to ensure that responsibilities are executed effectively.

Any material change in the business outlook is reported to the Board on a regular basis. Material deviations, if any, from the annual planning and budgeting, are reported to the Board on quarterly basis. An effective budgetary control process on all capital expenditure ensures that actual spending is in line with the capital budget.

FUTURE OUTLOOK & FOCUS FOR 2006-07

Economic Outlook

The country is at an important juncture in its history, going through the transition from an agrarian economy to become fully-fledged world class developed economy. The factors such as improved access to higher education, technological advancement, new innovations, faster and cheaper communications, and greater access to information are laying a solid foundation for the rapid economic development and growth of the country. The liberalized economic policies have further supported the Indian economy to swiftly integrate itself with the world economics. In the third year in succession, year end estimates of GDP Growth have exceeded initial expectations. Advance estimates of the Central Statistical Organization indicate real GDP growth of 8.1% for 2005-06, with all three sectors (Agriculture, Manufacturing and Service) of the economy contributing positively to such growth. The recent trends represent a paradigm shift in our economic development, driving the focus away from manufacturing to services, capital –intensive heavy industry to skill and knowledge based enterprises. The infrastructure, technology, utilities, communication would be the key elements in taking the country forward and maintaining its growth momentum. According to NASSCOM, rapid growth will continue to be the hallmark of the IT-ITES sector during 2006-07. The industry is projected to touch revenues of around US$ 36-38 billion in 2006-07, representing a growth of between 25-28 percent. IT-ITES exports, meanwhile, are expected to grow by 27-30 percent in 2006-07, posting revenues between US$ 29-31 billion. The domestic market too is forecast to grow rapidly, at 18 percent, based on the roll out of e-governance initiatives and automation of key sectors such as retail, healthcare, transportation, manufacturing, among others. IDC estimates the market (for hardcopy peripheral vendors) for document solutions in Asia Pacific excluding Japan (APEJ) to be worth $ 94.5 million in 2005, growing almost 80% over 2004. IDC finds the APEJ document solutions market to be young and poised for sustained growth from 2006-10.

Business Outlook

The office automation market is directly linked to the economy and as India's economy is booming, so is the market. In the last few years, there has been a paradigm shift in the end-user requirement of the office automation industry, the differentiation or gap between "Copier" and "Printer" segment of the Office Automation Industry has been bridged. The competitive pressures have put huge pressure on the hardware revenues, thus leading the industry to focus more on the revenues from the service side. Keeping pace with the market requirements, your company is getting more active in marketing document solutions. It is expected that regulatory compliances, improved records management and the insatiable needs of driving cost down and work place efficiencies would be the key factors that will further drive document solutions adoption.

The Multi Function Products (MFPs), which is Printer / Scanner / Fax / Copier, are the key driver of this industry. More and more companies are now realising that the use of MFPs not only helped the companies to reduce cost but also helped in increasing its productivity. As per the IDC estimates, laser MFPs market is expected to grow at a CAGR of 18.1% in unit terms. The growth in value is expected to be lesser owing to a likely increase in the share of the low cost printer based MFPs. In the year under review your company has sold the 8050 number of units as against 6794 number last year, thus registering an 18% growth.

With Ricoh Japan's continued product, pricing and operational support, the Company during the year 2005 has launched 10 new digital imaging products in India. Your company aims to achieve revenue of Rs 190 crores approx in 2006 and is driving towards achiving the leading market share in the Indian Digital Imaging market.

To further add thrust to this initiative your company will be expanding its dealer base. The Company operates its sales and service network, through its network of 15 branch offices, 250 dealers, and a large and well trained direct and in direct manpower base of sales and service engineers. We perceive that there is a huge scope for office auto automation products in Tier II & III cities that still remains to be fully exploited.

The duplicator market's prospects remain bleak on account of the increasing penetration of technologically superior products. The sales revenue under this segment is declining. Efforts are on to procure business for this segment from far African Countries.

In the year under review the service revenue has shown an impressive growth of 20% vis a vis last year. Being a customer-centric organisation, the company continues to lay special emphasis on customer care. In order to further improve the customer satisfaction, we are in the process of implementing an advanced and comprehensive module of ERP System.

Cautionary Statement:

Statements in this "Management's Discussion & Analysis" describing the Company's objectives, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, cyclical demand and pricing in the Company's principal markets, change in Government regulations, tax regimes, economic conditions at the micro-macro environmental level within which the Company conducts business.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Transparency in all dealings and providing better products and services without compromising on integrity and regulatory compliances has been the hallmark of corporate governance in the Company. The philosophy of corporate governance seeks to enhance and improve shareholder value.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

As on 31st March 2006, the Board of Directors of the Company consists of six directors, who are eminent persons with considerable professional expertise and experience. Mr. K. Yoshida who is Non-Executive Director, is the Chairman of the Board. Mr. M. Shiratori is the only Executive Director. Out of remaining four Non-Executive Directors, two are Independent. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

BOARD MEETINGS

During the year under review, 6 Board Meetings were held one each on 29th April 2005, 8th July 2005, 25th July 2005, 28th October 2005, 27th January 2006, and 3rd March 2006. The maximum gap between any two meetings was less than 4 months.

None of the Directors is a member of more than ten Committees of Board or is a Chairman of more than five Committees. The details of attendance at the Board Meetings / Last AGM as well as Directorship & membership / Chairmanship in Committees of other Public Companies for each Director of the Company are as follows: -

Name of the Director	Category	Attendance Particulars			No. of Directorship and Committee Membership/Chairmanship		
		No. of Board Meetings		Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. K.Yoshida	NED	6	1	No	Nil	Nil	Nil
Mr. S.Iijima*	NED	1	Nil	NA	Nil	Nil	Nil
Mr. R.Kathpalia*	NED/ID	1	Yes	NA	Nil	Nil	Nil
Mr. N.Maitra*	ED	1	Yes	NA	Nil	Nil	Nil
Mr. D. C. Singhania	NED/ID	6	5	No	Nil	Nil	Nil
Mr. I.Uehara**	NED	5	1	Yes	Nil	Nil	Nil
Mr. M.Yoshino**	NED	5	1	No	Nil	Nil	Nil
Mr. U.P.Mathur**	NED	5	4	Yes	Nil	Nil	Nil
Mr. H.Kitada***	ED	6	6	Yes	Nil	Nil	Nil
Mr. M.Shiratori****	ED	1	1	NA	Nil	Nil	Nil

NED - Non Executive Director; ID-Independent Director; ED-Executive Director.

*Ceased to be a Director w.e.f. 8th July, 2005.

**Appointed w.e.f. 8th July, 2005

***Ceased to be a Director w.e.f. 3rd March, 2006

****Appointed w.e.f. 3rd March, 2006

INFORMATION SUPPLIED TO THE BOARD

Mandatory and other information as are necessary to understand a matter or to arrive at any decision or is material to any agenda are provided to the Board of Directors.

Agenda papers for the Board Meetings are circulated to the members well in advance of each meeting so that all the Directors can actively participate in the deliberations on various agenda items put before them.

DIRECTORS REMUNERATION

The details of sitting fee paid during the financial year 2005-06 are as under.

Name	Sitting Fee paid (Rs.)
Mr. K.Yoshida	Nil
Mr. S.Iijima*	Nil
Mr. R.Kathpalia*	10,000
Mr. N.Maitra*	Nil
Mr. D.C.Singhania	45,000
Mr. I.Uehara**	Nil
Mr. M.Yoshino**	Nil
Mr. U.P.Mathur**	55,000
Mr. H.Kitada***	Nil
Mr. M.Shiratori****	Nil
Mr. Anil Kumar#	26,000

*Ceased to be a Director w.e.f. 8th July, 2005.
**Appointed w.e.f. 8th July, 2005
***Ceased to be a Director w.e.f. 3rd March, 2006
****Appointed w.e.f. 3rd March, 2006
Non-Executive Independent Director of erstwhile Gestetner India Limited

The details of remuneration paid to Executive Directors as detailed in the table ahead:-

The details of remuneration# paid to Mr. N. Maitra, erstwhile Managing Director for the financial year 2005-06 is as under:

Name	Basic Salary Perquisites & Allowances	Retirals	Total
Mr. N. Maitra	9,22,351	1,39,355	10,61,706

Remuneration for 3 months and 7 days.

The details of remuneration# paid to Mr. K.Swetharanyan, Managing Director of erstwhile Gestetner (India) Limited for the financial year 2005-06 is as under:

Name	Basic Salary Perquisites & Allowances	Retirals	Total
Mr. K. Swetharanyan	23,20,236	1,22,762	24,42,998

Remuneration for 3 months and 7 days.

REMUNERATION POLICY

The remuneration paid to the Non Executive Director of the Company is decided by the Board of Directors. Presently only sitting fees amounting Rs 5000/- each for attending Board and Audit Committee meeting of the Company and Rs 10000/- for attending the Annual General Meeting is paid to the Non-Executive Independent Directors. The remuneration of the Executive Directors or managerial personnel consists of fixed component and variable performance incentive within the parameters approved by the Shareholder and Ministry of Company Affairs, if required. It may be noted that the Executive Director nominated by the promoter company do not draw any remuneration from the Company.

SHAREHOLDING OF DIRECTORS

None of the Directors of the Company holds any shares in the Company.

CODE OF CONDUCT

Ricoh's Board has laid down the Code of Conduct for all Board members and senior management of the Company. The Code of Conduct is available on the website of the Company www.ricoh.co.in. All Board members and senior management personnel have affirmed compliance of Code of Conduct. A declaration signed by Whole Time Director and President & CEO to this effect is enclosed at the end of this report.

COMMITTEES OF DIRECTORS

The Board has constituted committees of Directors to deal with matters, which need quick decisions and timely monitoring of activities. The Board Committees are as follows.

AUDIT COMMITTEE

The role and terms of reference of the Audit Committee covers the areas mentioned in Clause 49 of the listing agreement with Stock Exchange and Section 292A of the Companies Act, 1956, as amended from time to time, besides other matters as may be referred by the Board of Directors. These, inter alia, include the Company's financial reporting process, disclosure of all the information to ensure that the financial statements are correct, sufficient and credible, reviewing of annual and quarterly statements before submission to the Board and reviewing the adequacy of internal control system with the management, the external and the internal auditors.

The present Audit Committee comprises of three Non-Executive Directors viz. Mr. D. C. Singhania, Mr. U. P. Mathur and Mr. M. Yoshino. Mr. U. P. Mathur has been appointed as the Chairman of the Audit Committee after cessation of Mr. R.Kathpalia as Director of the company w.e.f. 8th July, 2005. During the year the committee held 4 meetings on 29th April 2005, 25th July 2005, 28th October 2005 and 27th January 2006. The attendance records during the year were as under:

Name of the Members	No. of Meetings attended
Mr. R.Kathpalia#	1
Mr. S.Iijima#	Nil
Mr. U.P.Mathur*	3
Mr. D.C.Singhania	4
Mr. M.Yoshino*	Nil

*Appointed as member w.e.f 8th July 2005
Ceased to be member w.e.f 8th July 2005

All members of the Audit Committee have accounting and financial management expertise. Mr U P Mathur Chairman of the Audit Committee has accounting and financial expertise. The Chairman of the Audit Committee chaired the Annual General Meeting (AGM) held on 8th September 2005.

The Company Secretary acts as the Secretary of the committee. The Auditors and the head of internal audit attend the meetings on the invitation of the Chairman.

REMUNERATION COMMITTEE.

Terms of Reference and Policy

The terms of reference of the Committee include recommending to the Board of Directors, specific remuneration packages for the Executive Directors / Managerial Personnel. The Remuneration Policy is directed towards rewarding performance, based on review of extent of achievement of the Company's objectives. The remuneration policy is in consonance with the existing Industry practice.

The present committee consists of 3 Non-Executive Directors. The Chairman of the Committee is an Independent Director. The Composition and attendance details are as under:

Name of the Members	Designation	Attendance
Mr. U.P.Mathur	Chairman	1
Mr. D.C.Singhania	Member	1
Mr. M.Yoshino	Member	Nil

One remuneration committee meeting was held during the year on 25th July 2005.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE MEETINGS

Mr. D. C. Singhania who is a Non- Executive Director chairs the Shareholders/Investors Grievance committee. Mr. Avneesh Chopra, Company Secretary is also the Compliance Officer of the Company. The Company has received 60 complaints during the year. All the complaints were redressed by the Company except one complaint, pending on 31st March, 2006, which now stands resolved. All share transfers are completed within statutory time period from the date of receipt provided the documents meet the legal requirements in all respects.

The Shareholders/Investors Grievance committee approves and monitors transfers, transmission, splitting and consolidation of shares issued by the Company. The Committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheets etc.

The Committee met 25 times during the year 2005-06.

GENERAL BODY MEETINGS

The 13th Annual General Meeting of the Company will be held at 9.30 A.M. on 19th September 2006 at The Indian Merchants Chamber, Conference Hall (Walchand Hirachand Hall) 4th Floor, 76 Veer Nariman Road, Churchgate, Mumbai - 400 020

Location and time, where last three AGMs held:				Number of Special Resolutions Passed
Financial Year	Date	Venue	Time	
2004-05	8th September 2005	The Indian Merchants Chamber, Conference Hall (Walchand Hirachand Hall) 4th Floor, 76 Veer Nariman Road, Churchgate, Mumbai - 400 020	10.00 A.M	3
2003-04	17th September 2004	- as above-	10.00 A.M	2
2002-03	17th September 2003	- as above-	10.00 A.M	2

Details of Special Resolutions passed in last 3 Annual General Meetings is as under:

Financial Year	Particulars
2004-05	1. Appointment and Payment of Remuneration to the Managing Director of erstwhile Gestetner (India) Limited. 2. Appointment and Payment of Remuneration to Mr. K. Swetharanyan as President & CEO of the Company. 3. Delisting of Equity Shares from The Ahmedabad Stock Exchange.
2003-04	1. Appointment of Mr. H. Kitada as Whole Time Director. 2. Payment of Remuneration to Mr. N.Maitra, Managing Director of the Company.
2002-03	1. Appointment and Payment of Remuneration to Mr. N. Maitra as Managing Director of the Company. 2. Extension of Redemption date of Redeemable Preference Shares issued to Ricoh Company Limited, Japan.

The Company has not passed any special resolution through postal ballot in the last years. Also, as on date there is no proposal to pass any special resolution through postal ballot .

DISCLOSURES MADE BY MANAGEMENT

The material financial and commercial transactions with related parties are regularly reported to audit committee. There are no materially significant related party transactions of the Company, which have conflict with the interests of the Company at large. Details of transaction with related parties are reflected in the Annual Accounts under the head "Notes to Accounts".

The Company has complied with all the legal requirements related to Capital markets and there were no strictures passed/penalties levied by Stock Exchanges / SEBI or any other regulatory body. The Company has complied with all the mandatory requirements of clause 49 pertaining to Corporate Governance of the Listing agreement with the Stock Exchange. The Company has filed its confirmation to that effect with the concerned Stock Exchange.

MANAGEMENT

Management Discussion forms part of Directors Report as a separate and detailed chapter on Management Discussion and Analysis which deals with industry structure and development, opportunities and threats, segment wise performance, outlook, risks and concerns of the company and discussion on financials with respect to operations.

MEANS OF COMMUNICATION

The Company's quarterly results along with the Notes are normally published within 48 hours of approval by the Board in English and Regional language newspapers (viz. Business Standard in English and Sakal in Marathi) circulating in the State of Maharashtra and are also faxed / intimated to the Stock Exchange. These are also uploaded at SEBI EDIFAR site.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date	:	19th September 2006
Time	:	9.30 A.M.
Venue	:	The Indian Merchants Chamber, Conference Hall (Walchand Hirachand Hall), 4th Floor, 76, Veer Nariman Road, Churchgate, Mumbai - 400 020
Financial Year	:	1st April to 31st March
Book Closure	:	12th September 2006 to 19th September 2006 (both days inclusive)
Dividend Payment	:	The Board of Directors has not recommended any dividend for the F. Y. 2005-06.
Listing on Stock Exchanges	:	The shares of the Company are listed on Bombay Stock Exchange Limited.
Stock Code at BSE	:	517496
ISIN No.	:	INE291B01015

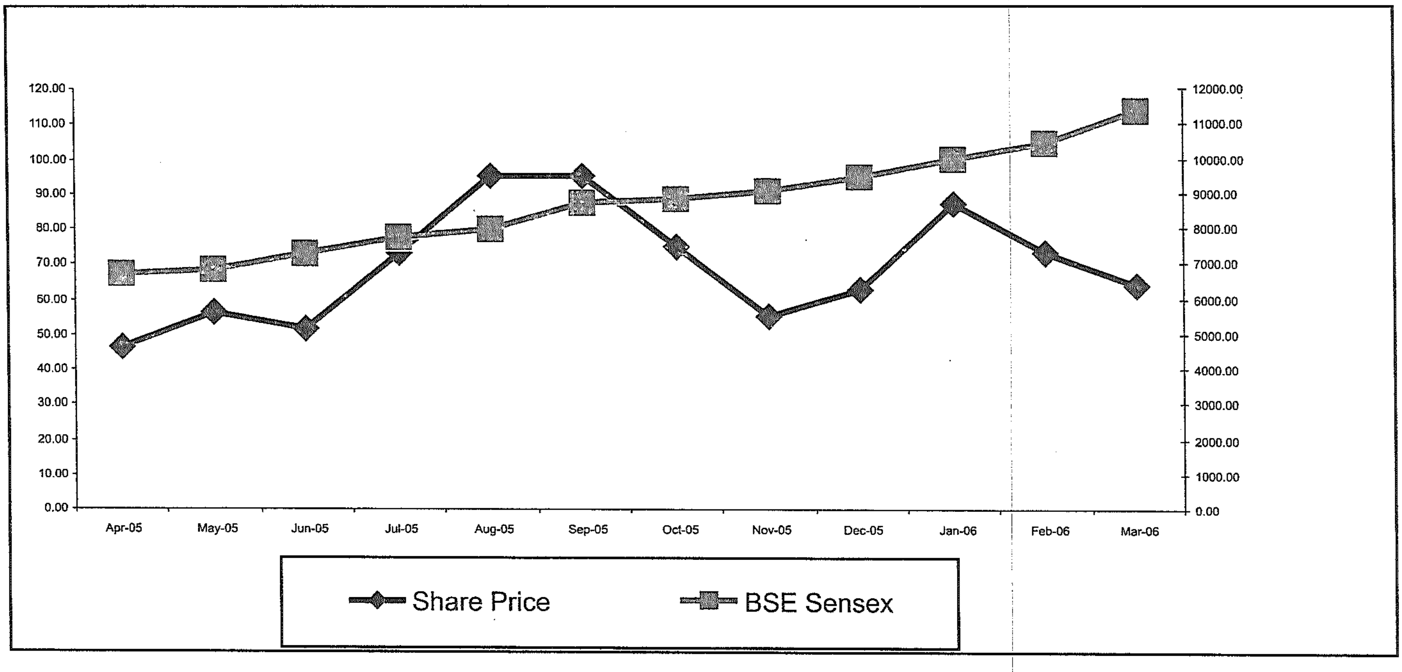
Market Price Data

The monthly high and low quotation and the volume of shares traded on BSE are as under

Period	Highest Rs	Lowest Rs	Volume No.
April 2005	46.20	32.00	415105
May 2005	56.40	37.00	809015
June 2005	51.70	43.05	306819
July 2005	72.85	42.10	837372
August 2005	95.00	60.80	1402901
September 2005	94.80	63.00	1211632
October 2005	75.00	41.55	802986
November 2005	54.95	44.00	691189
December 2005	62.45	44.05	1953791
January 2006	86.90	52.15	5714798
February 2006	72.85	55.05	1538599
March 2006	64.00	50.10	1330992

Share Price Performance in comparison to the BSE Sensex

The following chart shows the performance of the Company shares as compared to the BSE Sensex during the year 2005-06.



Registrar and Transfer Agents :

M/s MCS Limited, Sri Venkatesh Bhawan, W-40, Okhla Industrial Area, Phase-II, New Delhi-110020

Share Transfer System :

All share transfer and other communication regarding share certificates, change of address etc. should be addressed to Corporate office of the Company 52-B Okhla Industrial Estate, Phase-III, New Delhi. However requests for Share transfer in physical form can be lodged with the Registrar and Transfer Agents.

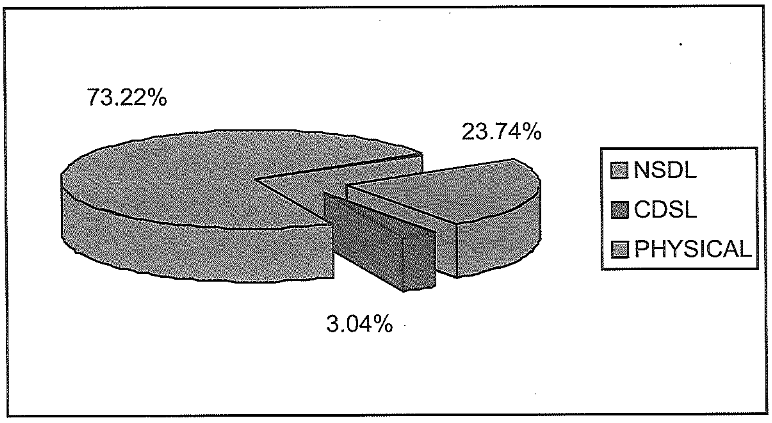
Distribution of Shareholding:

Shareholding of Nominal Value of Rs.	Folio		Shares	
	Nos.	Percentage	Nos.	Percentage
Upto 5000	12402	78.78	2111765	5.31
5001 to 10000	1923	12.22	1375266	3.46
10001 to 20000	866	5.50	1229893	3.09
20001 to 30000	218	1.38	567525	1.43
30001 to 40000	64	0.41	224870	0.57
40001 to 50000	74	0.47	347987	0.88
50001 to 100000	109	0.69	808519	2.03
100001 and above	86	0.55	33102336	83.25
Total	**15742**	**100.00**	**39768161**	**100.00**

Dematerialization of Shares and Liquidity:

The Company has arrangements with National Securities Depositories Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. As of 31st March, 2006, 26.78% of the Company's share capital had been converted into dematerialized mode .

Status of Dematerialization as on March 31st, 2006



The Company's shares are regularly traded on The Bombay Stock Exchange, as is seen from the volume of shares indicated in the table containing Market Price Data.

Outstanding GDRs / ADRs / Warrants or any other Convertible Instruments etc.

As of 31st March, 2006, the company has not issued any GDRs / ADRs / Warrants or any other Convertible Instruments.

Plant Locations:

A-9, GIDC Electronic Estate 'K' Road, Sector15, Gandhinagar Gujarat - 382044	Block-GP, Sector V, Salt .Lake Electronic Complex, Kolkata- 700 091.

Address for Correspondence:

Corporate Office: 52-B, Okhla Industrial Estate Phase III, New Delhi- 110020	**Registered Office:** 1104, Arcadia, 195, N.C.P.A. Road, Nariman Point Mumbai - 400 021

New Delhi 27th July 2006	M. Shiratori Director	U. P. Mathur Director	D. C. Singhania Director

PRACTISING COMPANY SECRETARY'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE (CLAUSE 49) OF THE LISTING AGREEMENT.

To the Members of

RICOH INDIA LIMITED
1104, Arcadia, 195 N. C. P. A Road
Nariman Point, Mumbai-400021

We have examined the compliance of conditions of Corporate Governance by **Ricoh India Limited** for the year ended March 31, 2006 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

We state that in respect of investor grievances received during the year ended March 31, 2006, no investor grievances are pending for a period exceeding one month except one complaint, which now stand resolved, against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P C Jain & Associates**
Company Secretaries

P C Jain
Prop
C.P. No. 3695.

Place: Delhi
Date : 27-07-2006

Declaration on Compliance of Code of Conduct

We, M.Shiratori, Whole Time Director and K.Swetharanyan, President & CEO of Ricoh India Limited, do hereby declare & confirm that all the Board Members and Senior Managerial Personnel have affirmed to the Board of Directors the Compliance of the Code of Conduct laid down by the Board.

New Delhi
July 27, 2006

K.Swetharanyan
President & CEO

M.Shiratori
Whole Time Director

AUDITOR'S REPORT TO THE MEMBERS OF RICOH INDIA LIMITED

1. We have audited the attached Balance Sheet of Ricoh India Limited, as at 31st March, 2006 and also the Profit and Loss Account for the year ended on that date and Cash Flow Statement for the year ended on that date both 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.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence 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.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above, we report that:
   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
   ii. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
   iii. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   iv. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
   v. On the basis of written representations received from the directors, as on 31st March, 2006, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2006 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
   vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2006;
      b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
      c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **SAHNI NATARAJAN & BAHL**
Chartered Accountants

(DINESH BAHL)
PARTNER
Membership No. 80412

Place: New Delhi
Date: June 27, 2006

ANNEXURE TO THE AUDITOR'S REPORT

(This is the annexure referred to in Para 4 of our Report of even date)

1. In respect of the fixed assets:

(a) The Company has maintained proper records showing the full particulars including quantitative details and situation of the fixed assets.

(b) We are informed that the fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.

(c) In our opinion, the company has not disposed of substantial part of fixed assets during the year, which may have any impact on the going concern nature of the Company.

2. In respect of inventories:

(a) As explained to us, inventories except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. The Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

4. 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 inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.

5. To the best of our knowledge and belief and according to the information and explanations given to us, there are no contracts or arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.

7. In our opinion and according to the information and explanations given to us, the internal audit system of the Company is commensurate with its size and nature of its business.

8. As explained to us, maintenance of the cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for any of the Company's product.

9. In respect of the statutory and other dues:

   (a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at 31st March, 2006 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the following dues of Income-tax/Sales tax/Trade tax have not been deposited by the Company on account of disputes.

S. No	Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
1	Tamil Nadu Government Sales Tax Act	Dispute regarding Work Contract Tax, Right to Use Tax and Tax Rates	592,292/-	1994-95	Appellate Tribunal
2	Tamil Nadu Government Sales Tax Act	Dispute regarding Work Contract Tax, Right to Use Tax and Tax Rates	1,550,852/-	1995-96	Appellate Tribunal
3	Tamil Nadu Government Sales Tax Act	Dispute regarding Work Contract Tax, Right to Use Tax and Tax Rates	1,019,046/-	2000-01	Appellate Assistant Commissioner
4	Tamil Nadu Government Sales Tax Act	Dispute regarding Work Contract Tax, Right to Use Tax and Tax Rates	1,135,172/-	2001-02	Appellate Assistant Commissioner
5	Uttar Pradesh Trade Tax Act	Dispute regarding Tax Rates	16,686,599/-	1998-99	Joint Commissioner Appeals
6	Uttar Pradesh Trade Tax Act	Dispute regarding Stock Transfer	9,675,900/-	1999-00	Joint Commissioner Appeals
7	Uttar Pradesh Trade Tax Act	Dispute regarding Stock Transfer	2,280,519/-	2000-01	Joint Commissioner Appeals
8	Uttar Pradesh Trade Tax Act	Dispute regarding Stock Transfer	2,560,211/-	2001-02	Sales Tax Tribunal
9	Uttar Pradesh Trade Tax Act	Dispute regarding Stock Transfer	7,784,409/-	2002-03	Sales Tax Tribunal
10	Uttar Pradesh Trade Tax Act	Dispute regarding Stock Transfer	19,505,790/-	2003-04	Joint Commissioner Appeals

S. N	Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
11	Delhi Sales Tax Act	Central sale made from Noida to Delhi treated as local sales	1,289,753/-	1997-98	Additional Commissioner of Sales Tax
12	Delhi Sales Tax Act	Central sale made from Noida to Delhi treated as local sales	1,718,771/-	1998-99	Additional Commissioner of Sales Tax
13	Delhi Sales Tax Act	Central sale made from Noida to Kendriya Bhandar treated as local sales	279,622/-	1999-00	Additional Commissioner of Sales Tax
14	Delhi Sales Tax Act	ST-35 Form not submitted at the time of assessment	189,500/-	2001-02	Additional Commissioner of Sales Tax
15	Delhi Sales Tax Act	ST-35 Form not submitted at the time of assessment	162,000/-	2003-04	Additional Commissioner of Sales Tax
16	Delhi Sales Tax Act	ST-35 Form not submitted at the time of assessment	504,912/-	2004-05	Additional Commissioner of Sales Tax
17	Bihar Sales Tax Act	Demand on account of material used in maintenance contracts	64,395/-	1997-98	Sales Tax Tribunal
18	Bihar Sales Tax Act	Demand on account of material used in maintenance contracts	585,639/-	1998-99	Sales Tax Tribunal
19	Bihar Sales Tax Act	Demand on account of material used in maintenance contracts	812,341/-	1999-00	Sales Tax Tribunal
20	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	6,338,310/-	1993-1994	Additional Commissioner of Sales Tax
21	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	17,911,566/-	1994-1995	Additional Commissioner of Sales Tax

S. N	Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
22	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	21,302,241/-	1995-1996	Additional Commissioner of Sales Tax
23	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	24,156,735/-	1996-1997	Additional Commissioner of Sales Tax
24	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	18,777,820/-	1997-1998	Additional Commissioner of Sales Tax
25	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	14,347,936/-	1998-1999	Additional Commissioner of Sales Tax
26	Delhi Sales Tax Act	Branch stock transfer considered as sale and classification of copiers	4,144,557/-	1999-2000	Additional Commissioner of Sales Tax
27	Kerala Sales Tax Act	Difference in transfer and selling price	579,547/-	1999-2000	Deputy Commissioner of Sales Tax
28	Kerala Sales Tax Act	Demand on account of best judgement assessment	68,477/-	1998-1999	Deputy Commissioner of Sales Tax
29	Kerala Sales Tax Act	Rejection of new forms and non furnishing of forms	263,549/-	1993-1994	Deputy Commissioner of Sales Tax
30	Assam Sales Tax Act	Branch stock transfer considered as sale	303,310/-	1997-1998	Deputy Commissioner of Sales Tax
31	Assam Sales Tax Act	Branch stock transfer considered as sale	636,583/-	1998-1999	Deputy Commissioner of Sales Tax
32	Assam Sales Tax Act	Branch stock transfer considered as sale	142,662/-	1999-2000	Deputy Commissioner of Sales Tax

S. N	Name of the statute	Nature of the dues	Amount	Period to which the	Forum where
33	Assam Sales Tax Act	Non Submission of forms	395,024/-	2000-2001	Deputy Commissioner of Sales Tax
34	Assam Sales Tax Act	Non Submission of forms	455,660/-	2001-2002	Deputy Commissioner of Sales Tax
35	Karnataka Sales Tax Act	Rate of tax on stencil paper	169,000/-	1997-1998	Deputy Commissioner of Sales Tax
36	A.P. Sales Tax Act	Non furnishing of forms	156,246/-	1998-1999	Deputy Commissioner of Sales Tax
37	A.P. Sales Tax Act	Non furnishing of forms	59,000/-	2001-2002	Deputy Commissioner of Sales Tax
38	M.P. Sales Tax Act	Rate of tax on paper	10,000/-	1992-1993	Deputy Commissioner of Sales Tax
39	U.P. Trade Tax Act	Rejection of books and disclosed turnover enhanced	93,100/-	1984-1985	Sales Tax Appellate Tribunal
40	U.P. Trade Tax Act	Non furnishing of forms	19,903/-	1981-1982	Deputy Commissioner of Trade tax
41	U.P. Trade Tax Act	Non furnishing of forms	53,095/-	1987-1988	Deputy Commissioner of Trade tax
42	U.P. Trade Tax Act	Non furnishing of forms	187,748/-	1986-1987	Deputy Commissioner of Trade tax
43	Goa Sales Tax Act	Differences in figures disclosed as per returns and actual as per books, lower rate of tax realised,	246,325/-	1999-2000	Deputy Commissioner of Sales Tax

S. N	Name of the statute	Nature of the dues	Amount	Period to which the	Forum where
		lower rate of tax allowed to some customer against form D and surcharge / additional sales tax as applicable			
44	West Bengal Sales Tax Act	Branch stock transfer considered as sale	688,000/-	1993-1994	Sales Tax Appellate Tribunal
45	West Bengal Sales Tax Act	Export and government sales disallowed	60,000/-	1998-1999	Deputy Commissioner of Sales Tax
46	Income tax Act, 1961	Disallowances under section 80 HHC.	2,626,546/-	Assessment year 2001-2002	Income Tax Appellate Tribunal
47	Income tax Act, 1961	Disallowances under section 80 HHC, 115JB.	5,885,920/-	Assessment year 2002-2003	Income Tax Appellate Tribunal
48	Income tax Act, 1961	Dispute regarding restructuring expenses, Contribution to Gratuity Fund, etc.	21,234,315/-	Assessment year 2003-2004	Order recd. in Mar'06. Filed appeal with CIT(A)
49	Income tax Act, 1961	Penalty proceedings	5,747,654/-	Assessment year 1999-2000	Appeal filed with CIT (A)
50	Income tax Act, 1961	Disallowance of Interest paid, Miscellaneous Income	6,993,754/-	Assessment year 2003-2004	Appeal filed with CIT (A)

Note 1: These details does not include amounts set aside by the Sales Tax Appellate Authorities and remanded back to the sales tax assessing authorities of the respective states to which the cases pertain, for reassessment.

Note 2: The company has deposited Rs. 41,753,672 against the above mentioned cases which has been shown in the loans and advances under " Balances with Government Authorities".

10. The Company does not have accumulated losses as at the end of the financial year and has not incurred cash losses either during current financial year or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions/banks. The company has not obtained any borrowings by way of debentures during the year.
12. In our opinion and 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.
13. In our opinion and according to the information and explanations given to us, 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.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, no term loans were availed by the Company during the year.
17. According to the 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 during the year for long term investments.
18. In our opinion and according to the information and explanations given to us, 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 Act.
19. In our opinion and according to the information and explanations given to us, the company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
20. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

For **SAHNI NATARAJAN & BAHL**
Chartered Accountants

(DINESH BAHL)
PARTNER
Membership No. 80412

Place: New Delhi
Date: June 27, 2006

RICOH INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2006

	Schedule	As at March 31,2006 Rs.'000	As at March 31,2005 Rs.'000
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	**447,674**	157,776
Equity Share Capital (Pending allotment)	2	-	289,898
Reserves and surplus	3	**120,509**	19,028
Deferred Tax Liability		-	28,160
Loan Funds			
Secured Loans	4	**111,860**	54,800
Unsecured Loans	5	-	17,072
	Total	**680,043**	566,734
APPLICATIONS OF FUNDS			
Fixed Assets	6		
Gross block		**414,873**	401,654
Less : Depreciation		**214,836**	169,894
Net block		**200,037**	231,760
Capital Work in Progress		**25**	-
		200,062	231,760
Investments	7	**4**	81,804
Deferred Tax Asset		**18,814**	-
(Refer Note 19 to Schedule 21)			
Current Assets, Loans and Advances			
Inventories	8	**354,826**	199,544
Sundry debtors	9	**328,758**	325,444
Cash and bank balances	10	**179,321**	131,549
Loans and advances	11	**257,241**	135,291
		1,120,146	791,828
Less: Current Liabilities and Provisions			
Current liabilities	12	**505,903**	506,805
Provisions	13	**153,081**	31,854
		658,984	538,658
Net current assets		**461,162**	253,170
	Total	**680,043**	566,734
Significant accounting policies	20		
Notes to accounts	21		

Schedule 1 to 21 form an integral part of the final accounts
As per our report of even date attached

For SAHNI NATARAJAN & BAHL
Chartered Accountants

FOR AND ON BEHALF OF BOARD

(Dinesh Bahl)
Partner
M.No. 80412
Date : June 27,2006
Place: New Delhi

M. Shiratori Whole Time Director	**D.C.Singhania** Director	**U.P.Mathur** Director
K. Swetharanyan President & CEO	**Manoj Kumar** VP- Finance	**A. Chopra** Company Secretary

RICOH INDIA LIMITED
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED MARCH 31, 2006

	Schedule	Year Ended March 31,2006 Rs.'000	Year Ended March 31,2005 Rs.'000
INCOME			
Sales and other income	14	**1,687,256**	1,550,560
Less: Excise duty paid		**2,843**	4,133
		1,684,413	1,546,427
EXPENDITURE			
Cost of goods and materials	15	**818,565**	742,850
Employees' remuneration and benefits	16	**336,101**	256,516
Manufacturing, selling and distribution expenses	17	**140,047**	138,556
Other expenses	18	**166,801**	159,071
Interest & finance charges	19	**12,997**	12,296
Exchange loss / (Gain)(Net)		**7,059**	(2,982)
(Net of Recoveries Rs.nil (Previous year Rs.4300)			
Depreciation		**20,707**	44,739
Amortisation of Goodwill		**35,816**	35,816
		1,538,094	1;386,862
Profit for the Year before tax		**146,319**	159,565
Less: Prior period item			
Depreciation		**-**	(1,631)
		146,319	157,934
Add: Profit on sale of Nasik Unit		**13,425**	-
Profit before Tax		**159,744**	157,934
Provision for Taxation:			
On Normal profit		**(95,335)**	(12,500)
On profit on sale of Nasik Unit		**(1,665)**	-
For earlier Years		**-**	225
Deferred Tax		**46,974**	(31,315)
Fringe benefit tax		**(6,640)**	-
Profit after Tax		**103,078**	114,344
Brought forward from the previous year		**16,711**	(97,633)
Balance carried to balance sheet		**119,789**	16,711
Significant accounting policies	20		
Notes to accounts	21		
Schedule 1 to 21 form an integral part of the final accounts			
Earning Per Share -Basic & Diluted		**2.50**	2.77
(Equity shares, par value Rs.10/- each)			
(Refer Note 15 to Schedule 21)			

For SAHNI NATARAJAN & BAHL
Chartered Accountants

(Dinesh Bahl)
Partner
M.No. 80412
Date : June 27,2006
Place: New Delhi

FOR AND ON BEHALF OF BOARD

M. Shiratori
Whole Time Director

D.C.Singhania
Director

U.P.Mathur
Director

K. Swetharanyan
President & CEO

Manoj Kumar
VP- Finance

A. Chopra
Company Secretary

RICOH INDIA LIMITED

BALANCE SHEET AS AT MARCH 31, 2006

Schedule 1 SHARE CAPITAL	Schedule	As at March 31,2006 Rs.'000	As at March 31,2005 Rs.'000
Authorised Capital			
45,000,000 (previous year 45,000,000) Equity Shares of Rs.10/- each		**450,000**	450,000
500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each (Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		**50,000**	50,000
	Total	**500,000**	500,000
Issued and Subscribed Capital			
39,768,161 (previous year 10,778,369) Equity Shares of Rs.10/- each		**397,682**	107,784
500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/-each (Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		**50,000**	50,000
	Total	**447,682**	157,784
Paid up Capital			
39,766,961 (previous year 10,777,169) Equity Shares of Rs.10/- each (Of the above 28,989,792 are issued in pursuant to a scheme of arrangement without payment being received in cash)		**397,670**	107,772
Add : Forfeited shares		**4**	4
Less: Calls in arrears		**0**	-
		397,674	107,776
500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/-each (Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		**50,000**	50,000
	Total	**447,674**	157,776

NOTES :

1. Of the above 18,310,578 (previous year 8,191,560) Equity Shares of Rs.10/- each and 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each (previous year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each) are held by Ricoh Company Limited, Japan, holding company of the Company.
2. Of the above 10,959,792 (previous year Nil) Equity Shares of Rs.10/- each are held by NRG Holding Plc., U.K. (erstwhile Gestetner Holding Plc, U.K.), being the subsidiary of Ricoh Company Limited, Japan.
3. 7.5% (previous year 7.5%) Cumulative Redeemable Preference Shares are redeemable on December 11,2008.

Schedule 2 EQUITY SHARE CAPITAL PENDING ALLOTMENT	As at March 31,2006 Rs.'000	As at March 31, 2005 Rs.'000
Nil (previous year 28,989,792) Equity Shares of Rs. 10/- each fully paid up to be issued pursuant to the scheme of arrangement	-	289,898
Less: Calls in arrears	-	0.4
Total	-	289,898

Of the above Nil (previous year 26,19,018 shares are to be issued to Ricoh Co. Ltd., Japan, the holding company and Nil(previous year 10,959,792) are to be issued to NRG Holding Plc., U.K. (erstwhile Gestetner Holding Plc, U.K.), being the subsidiary of Ricoh Co. Ltd., Japan.

Of the above Nil(previous year7,500,000) shares are to be issued to Ricoh Co. Ltd., Japan, the holding company in lieu of 750,000 10% Cumulative Redeemable Preference Shares of Rs. 100/- each.

RICOH INDIA LIMITED
Schedules to the Balance Sheet as at March 31 2006

Schedule 3 **RESERVES & SURPLUS**		**As at March 31,2006 Rs.'000**	**As at March 31,2005 Rs.'000**
Capital Reserve			
Balance as per last Balance Sheet	720		1,830
Add: Transferred pursuant to scheme of arrangement	-		720
Less: Adjusted to depreciation	-		(1,830)
		720	720
Share Premium Account			
Balance as per last Balance Sheet	-		16,412
Add: Transferred pursuant to scheme of arrangement	-		24,803.40
Less: Adjustments pursuant to scheme of arrangement	-		(41,215.00)
Less: Calls in arrears	-		(0.40)
	-	-	0.00
Revaluation Reserve			
Balance as per last Balance Sheet	1,597		-
Add: Transferred pursuant to scheme of arrangement	-		1,776
Less: Adjustments pursuant to scheme of arrangement	-		(179)
Less: Adjustment pursuant to sale of assets	(1,597)		-
(Refer note 6 to schedule 21)		-	1,597
General Reserve			
Balance as per last Balance Sheet	-		15,475
Add: Transferred pursuant to scheme of arrangement	-		23,465
Less: Adjustments pursuant to scheme of arrangement	-		(37,532)
Less: Impairment Loss adjustment	-		(1,408)
		-	-
Profit & Loss Account		119,789	16,711
		120,509	19,028

Schedule 4 **SECURED LOANS**	**As at March 31,2006 Rs.'000**	As at March 31,2005 Rs.'000
Loans from banks		
Cash credit	1,860	14,744
Working capital demand loans	110,000	40,000
Interest accrued and due	-	56
(Cash credit and Working Capital Demand Loans from banks are secured by joint hypothecation of stock-in-trade and book debts)		
	111,860	54,800
Schedule 5		
UNSECURED LOANS		
Loan from Bank		
Citi bank (Buyer's line of Credit)	-	17,072
	-	17,072

SCHEDULE 6
FIXED ASSETS

Rs'000

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTIZATION				IMPAIRMENT LOSS				WDV as at	
	As on 1.4.05	Additions	Deductions	As on 31.3.06	As on 1.4.05	Additions	Deductions	As on 31.3.06	As on 1.4.05 (Accumulated loss for earlier years	Additions	Deductions	As on 31.3.03	31.3.06	31.3.05
Goodwill	179,082	-	-	179,082	35,816	35,816	-	71,632	-	-	-	-	107,449	143,266
Leasehold Land	10,971	-	181	10,790	2,228	113	75	2,265	-	-	-	-	8,525	8,743
Factory Buildings	47,988	1,048	8,381	40,655	18,479	1,378	6,085	13,772	-	-	-	-	26,884	29,587
Plant & Machinery	42,287	1,490	1,915	41,862	39,079	702	1,889	37,892	640	-	-	640	3,330	2,568
Furniture,Fixtures, Office Equipments and Computers	77,293	20,263	3,439	94,117	54,356	7,921	2,894	59,382	-	-	-	-	34,734	22,860
Machines capitalized *	37,918	4,900	571	42,247	15,838	9,814	154	25,498	-	-	-	-	16,749	22,080
Vehicles	6,115	664	658	6,121	3,458	779	485	3,753	-	-	-	-	2,368	2,656
TOTAL	**401,654**	**28,365**	**15,145**	**414,874**	**169,254**	**56,523**	**11,582**	**214,194**	**640**	**-**	**-**	**640**	**200,039**	**231,760**
Capital WIP													25	
TOTAL													200,064	
Previous year	126,132	319,759	44,237	401,654	61,585	148,908	41,239	169,254	1,408	-	768	640	231,760	

1. * During the period under review, the company has capitalised 31 (Previous year 144) Digital copier machines from its stock.

RICOH INDIA LIMITED
Schedules to the Balance Sheet as at March 31 2006

Schedule 7 **INVESTMENTS**		**As at March 31,2006 Rs.'000**	**As at March 31,2005 Rs.'000**
Trade investments			
Long term investments (unquoted) (at cost)			
Investments in shares			
398,910 equity shares of Rs.10 each, fully paid up in IDC Electronics Limited (carried in the books at Rs.1/-)		-	-
Non-trade investments			
Long term investments (unquoted) (at cost)			
4 - 6 1/2 % Debentures of Rs. 1,000 each of Bengal Chambers of Commerce and Industry, fully paid up		3	3
1,000 equity shares of Rs. 10 each of fully paid up Co-operative Stores Ltd., New Delhi,	10		10
Less: Provision for diminution in value of investment	9		9
		1	1
Short term investments in mutual funds (unquoted)			
6,624 units of face value of Rs. 1,000 each of UTI Liquid Fund		-	6,700
1,398,601 units of face value of Rs. 10 each of DSP Merrill Lynch liquidity Fund		-	14,000
1,918,766 units of face value of Rs. 10 each of HDFC Cash Management Fund		-	20,400
5,300 units of face value of Rs. 1,000 each of Templeton India treasury management account		-	5,300
296,217 units of face value of Rs. 10 each of Birla cash plus		-	3,200
2,309,486 units of face value of Rs. 10 each of ING Vysya liquid fund		-	24,900
708,669 units of face value of Rs. 10 each of Deutsche Insta Cash Plus		-	7,300
		4	81,804
Agggregate book value of investments			
Unquoted		4	81,804
Quoted		-	
		4	81,804

RICOH INDIA LIMITED

Schedules to the Balance Sheet as at March 31 2006

Schedule 8 **INVENTORIES**	**As at** **March 31,2006** **Rs.'000**	As at March 31,2005 Rs.'000
(At lower of cost and net realisable value)		
Stores	**10**	22
Spare parts *	**193,201**	105,149
Finished goods **	**157,638**	91,348
Raw materials and components	**3,665**	2,838
Work-in -process	**312**	187
	354,826	199,544

* includes goods in transit Rs.21203 (Previous year Rs.7092)

** includes goods in transit Rs.10450 (Previous year Rs.28704)

Schedule 9 **SUNDRY DEBTORS**	**As at** **March 31,2006** **Rs.'000**	As at March 31,2005 Rs.'000
Debts outstanding for a period exceeding six months		
Unsecured -		
Considered good	**26,474**	23,616
Considered doubtful	**6,700**	9,218
	33,175	32,834
*Other debts - Unsecured considered good	**302,284**	301,828
	335,458	334,662
Less: Provision for doubtful debts	**(6,700)**	(9,218)
	328,758	325,444

* Includes Rs.58,986 towards Lease Receivable (Pr. Year Rs.48332)

* Includes Rs.837 (previous year Rs.Nil) due from Ricoh Co.Ltd.,Japan, Rs. Nil (previous year Rs. 3) due from Ricoh Malaysia, Sdn Bhd, Rs. Nil (previous year Rs. 127) due from Ricoh Hong Kong and Rs.Nil (previous year Rs.73) due from NRG Gestetner South Africa (Pty) Ltd.,Companies under the same management as defined in section 370(1-B) of the Companies Act,1956.

RICOH INDIA LIMITED

Schedules to the Balance Sheet as at March 31 2006

Schedule 10 **CASH AND BANK BALANCES**	**As at** **March 31,2006** **Rs.'000**	As at March 31,2005 Rs.'000
Cash in hand	**924**	1,197
Cheques in hand	**101,279**	88,320
Balance with scheduled banks:		
-in current accounts	**38,108**	24,786
-in fixed deposit accounts	**-**	50
-in dividend accounts	**245**	341
-in deposit accounts	**38,447**	16,538
(Provided as margin for bank guarantees-100%)		
Balance with non scheduled banks in current account *		
- Nepal Bank Limited, Kathmandu		
[maximum amount outstanding Rs. 6]	**6**	6
- Peoples Bank No.15, Rangoon		
[maximum amount outstanding Rs. 0.1]	**0.1**	0.1
Balance with non scheduled banks in fixed deposit account *		
- ANZ Grindlays Bank Plc., Sri Lanka		
[maximum amount outstanding Rs. 311]	**311**	311
* Refer Note 23 to Schedule 21		
	179,321	131,549

Schedule 11 **LOANS AND ADVANCES**	**As at** **March 31,2006** **Rs.'000**	As at March 31,2005 Rs.'000
(Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received	**72,410**	70,978
Sundry Deposits	**47,345**	49,081
Taxes paid	**114,427**	26,464
Balances with government authorities	**41,912**	8,468
	276,094	154,991
Less: Provision for doubtful advances	**(18,853)**	(19,700)
	257,241	135,291

RICOH INDIA LIMITED

Schedules to the Balance Sheet as at March 31, 2006 and Profit and Loss Account for the year ended March 31, 2006

Schedule 12 CURRENT LIABILITIES & PROVISIONS	As at March 31,2006 Rs.'000	As at March 31,2005 Rs.'000
Current Liabilities		
Sundry creditors		
Small scale industrial undertakings	**1,138**	331
Others	**352,926**	331,983
Unclaimed dividend	**245**	341
Advances from customers	**24,995**	42,016
Security deposits from dealers	**14,573**	12,976
Hire purchase liabilities *	**471**	274
Other liabilities	**111,532**	117,882
Interest accrued but not due	**23**	1,002
	505,903	506,805

* Rs.97 (Previous Year Rs.240) due within a year.

Schedule 13 PROVISIONS	As at March 31,2006 Rs.'000	As at March 31,2005 Rs.'000
Provision for Taxation	**112,704**	17,144
Provision for Fringe Benefit Tax	**6,640**	-
Provision for Gratuity	**19,247**	3,626
Provision for leave encashment	**11,948**	2,091
Provision for Bonus	**46**	416
Provision for Managerial PF	**2,496**	8,576
	153,081	31,854

Schedules to the Profit and Loss Account for the year ended March 31,2006

Schedule 14 SALES AND OTHER INCOME	Year ended March 31,2006 Rs.'000	Year ended March 31,2005 Rs.'000
Sales	**905,219**	892,161
Income from rental,maintenance,sale of spares and other services	**769,878**	639,358
	1,675,097	1,531,519
Other income		
Profit on sale of Fixed Assets	**58**	1,629
Profit on sale of Investments	**2,968**	1,984
Interest from Bank	**1,712**	1,697
(Gross of tax deducted at source Rs.319 (previous yr. Rs.450)		
Miscellaneous income	**7,421**	13,731
	1,687,256	1,550,560

RICOH INDIA LIMITED

Schedules to the Profit and Loss Account for the year ended March 31,2006

Schedule 15 **COST OF GOODS AND MATERIALS**	**Year ended** **March 31,2006** **Rs.'000**	Year ended March 31,2005 Rs.'000
Raw materials and components		
Opening stock	**2,838**	5,996
Purchases	**24,319**	14,099
Closing stock	**3,665**	2,838
	23,492	17,257
Change in work-in-process		
Opening stock	**187**	728
Closing stock	**312**	187
	(125)	541
Change in finished goods		
Opening stock	**91,348**	122,462
Purchases	**580,629**	451,734
Less: Increase/(Decrease) in excise duty on opening & closing stock of finished goods	**2,153**	(707)
Closing stock	**157,638**	91,348
	516,492	482,141
Components for sale and service of field machines		
Opening stock	**105,149**	106,860
Purchases	**366,759**	241,200
Closing stock	**193,201**	105,149
	278,707	242,911
	818,565	742,850

Schedule 16 **EMPLOYEES' REMUNERATION AND BENEFITS**	**Year ended** **March 31,2006** **Rs.'000**	Year ended March 31,2005 Rs.'000
Salaries ,wages and bonus (inclusive of VRS Expenses of Rs.55406 (previous year nil)	**280,885**	219,647
{Net of recoveries Rs Nil (previous year Rs. 848)}		
Contribution to provident and other funds* #	**37,995**	23,081
Staff welfare expenses	**17,220**	13,788
	336,101	256,516

* The Provident Fund Trust of employees of Ricoh India Limited had estimated amount of Rs. 1,981 (previous year Rs.3,569) as interest shortfall for the year ended 31 March 2006.Accordingly,this amount had been charged to profit and loss account during the previous year.

The above amount includes Rs.Nil (previous year Rs.850) being the shortfall in the corpus of Gratuity Trust of Employees of Ricoh India Limited discovered by the management during the financial year.

RICOH INDIA LIMITED
Schedules to the Profit and Loss Account for the year ended March 31,2006

Schedule 17 MANUFACTURING, SELLING AND DISTRIBUTION EXPENSES	Year ended March 31,2006 Rs.'000	Year ended March 31,2005 Rs.'000
Stores & spare parts consumed	**339**	465
Power & fuel	**1,192**	1,414
Advertisement and business promotion {Net of recoveries Rs.Nil (previous year Rs. 21286)}	**42,525**	52,796
Commission on sales {Net of recoveries Rs.Nil (previous year Rs. 3500)}	**67,040**	54,826
Carriage, freight and octroi	**28,952**	29,055
	140,047	138,556

Schedule 18 OTHER EXPENSES	Year ended March 31,2006 Rs.'000	Year ended March 31,2005 Rs.'000
Repairs and maintenance - others	**5,353**	3,685
Rent	**36,619**	28,151
Power	**7,514**	6,441
Rates and taxes {Net of recoveries Rs.Nil (previous year Rs. 5541)}	**2,875**	4,191
Insurance	**3,050**	3,083
Communication Expenses	**25,279**	22,056
Printing and stationery	**6,520**	5,584
Traveling and conveyance expenses	**37,217**	41,298
Legal and professional charges	**12,637**	11,845
Loss on sale of fixed assets	**291**	1,198
Purchase of services	**14,864**	13,297
Provision for Bad & doubtful debts	**3,000**	5,518
Advances, deposits, bad debts written off {Net of recoveries Rs.Nil (previous year Rs. 797)}	**965**	1,018
Merger Expenses	**2,192**	2,775
Miscellaneous expenses {Net of recoveries Rs.Nil (previous year Rs. 24378)}	**8,426**	8,931
	166,801	159,071

Schedule 19 INTEREST AND FINANCE CHARGES	Year ended March 31,2006 Rs.'000	Year ended March 31,2005 Rs.'000
Interest on fixed period loans	**1,849**	2,155
Interest others	**11,148**	10,141
	12,997	12,296

Schedule 20
SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The Financial statements are prepared under the historical cost convention, in accordance with applicable Accounting Standards and provisions of the Companies Act, 1956, as adopted consistently by the Company. All income & expenditure having a material bearing on the financial statement is accounted for on accrual basis and provision is made for all known losses and liabilities.

b. Fixed assets and depreciation

All fixed assets are stated at cost of acquisition or revaluation less depreciation and impairment loss. Depreciation on fixed assets is provided on the straight-line method based on estimated useful lives, as estimated by the management. Leasehold land is amortised over the period of lease. Assets costing less than Rs. 5000 are depreciated fully in the year of purchase. The management's estimate of the useful lives of fixed assets is as follows:

Assets	Useful lives (in years)
Goodwill	5
Buildings	30
Airconditioners	10
Plant and machinery	10
Office equipments	10
Computers	6
Electrical Installations	10
Vehicles	6
Furniture & fixtures	10
Machines capitalized and assets under Facilities management contracts	3

c. Impairment of Asset :

The carrying amounts of assets in use are reviewed at each balance sheet date to determine whether there is any indication of impairment .If any such indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the profit and loss account . An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation, if no impairment loss has been recognized.

d. Inventories

Inventories are valued at lower of cost and net realisable value. The basis of determining cost for different categories of inventory are as follows :

Spare Parts & Consumables	Yearly Weighted Average Basis.
Raw materials and components	First in first out basis.
Work-in-process	Raw materials and component cost and appropriate share of labour and other overheads.
<u>Finished goods</u>	
Trading	Yearly Weighted Average Basis
Manufactured	Raw materials and component cost and appropriate share of labour and other overheads.

e. Investments

Long term investments are carried at cost and provision is made to recognise any decline, other than temporary, in the carrying value of the investment.Current investments are stated at lower of cost and net realisable value, and provision is made to recognise any decline in the carrying value.

Schedule 20
SIGNIFICANT ACCOUNTING POLICIES

f. Revenue recognition

Revenue from sale of goods is recognised when significant risk and reward of ownership are transferred to the customer, which is at the point of dispatch of goods to the customer.

Income from services is included in turnover when the contractual commitment to the customer has been fulfilled.

g Retirement benefits

The Company has various schemes of retirement benefits such as provident fund, gratuity and superannuation schemes. Periodic contribution of Retirement Benefits are deposited with appropriate authorities or fund specifically created for this purpose and are charged to the revenue.

h Foreign Currency Transactions

Foreign Exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realised gains and losses on foreign exchange transactions during the year, other than those relating to fixed assets, are recognized in the profit and loss account. Foreign currency assets and liabilities are translated at year-end rates and resultant gains/losses on foreign exchange translation, other than those relating to fixed assets acquired from a country outside India, are recognized in the profit and loss account. Gains/losses on the settlement and translation on foreign exchange liabilities incurred to acquire fixed assets from a country outside India are adjusted in the carrying cost of such fixed assets.

In case of forward contracts:

a) The premium or discount on all such contracts arising at the inception of each contract is amortized as income or expense over the life of the contract.

b) The exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the profit and loss account in the reporting period in which the exchange rates change.

c) Any profit or loss arising on the cancellation or renewal of forward contracts is recognized as income or as expense for the period.

i Warranty

The provision for warranty cost is made based on the technical estimates made by the management for the expenditure to be incurred.

j Income Taxes

Income taxes are accrued in the same period in which the related revenue and expenses arise. The differences that result between the taxable profit and the profit as per the financial statements are identified and thereafter deferred tax assets or deferred tax liabilities are recorded as timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted regulations. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of realisation of such assets. In other situations, deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each balance sheet date for realisability.

k Borrowing Cost

Borrowing cost that is directly attributable to acquisition, production or construction of qualifying asset is added to the cost of that asset. Other borrowing cost is recognised as an expense in profit and loss account.

SCHEDULE 21
NOTES TO THE ACCOUNTS

	Current year Rs. '000	Previous year Rs.' 000
1 Contingent liabilities not provided for :		
a Income-tax demands disputed by the Company	42,488	8,512
b Sales tax demands disputed by the Company *	179,963	125,427
c Rent cases	9,824	9,824
* Does not include an amount of Rs. 2,627 K(Previous year 9,299 K) set aside by Sales Tax Appellate Authorities and remanded back to the sales tax assessing authorities of the respective states to which the cases pertain,for passing orders based on law.Further the Company has deposited Rs.41,723 K which has been shown in loans and advances under "Balance with Government Authorities".		
2. Arrears of fixed cumulative dividend on preference shares (exclusive of Dividend Distribution Tax).	7,500	3,750
3 Auditors' remuneration *	2,025	2,475
As auditors*	90	555
Other services	140	170
Tax audit	150	100
Taxation matters	41	89
Out of pocket expenses		
* exclusive of service tax.		

4 (a) Capacities and production :

	Licensed Capacity # (p.a.)		Installed Capacity * (p.a.)		Actual production	
	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05
Photocopiers (Nos.)	**N.A.**	N.A.	**6,000**	6,000	-	-
Electronic white copy board (Nos.)	**N.A.**	N.A.	**3,600**	3,600	-	-
Duplicating machines (Nos.)	**N.A.**	N.A.	**13,100**	13,100	2,398	1,605
Electronic stencil cutter (Nos.)	**N.A.**	N.A.	**1,200**	1,200	-	-

* As certified by the management and relied on by the auditors being a technical matter.

Licensing requirement for office automation,including the Company's products,have been dispensed.

SCHEDULE 21
NOTES TO THE ACCOUNTS

4 (b) Particulars in respect of opening stock, purchases/production, sales and closing stock for each class of goods dealt with by the Company.

Class of goods	Opening Stock				Purchases			
	2005-2006		2004-2005		2005-2006		2004-2005	
	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000
Photocopiers	66	3,016	251	11,467			414	18,687
Fax Machines	3	105	25	823			1	13
Electronic white copy board			2	198			(2)	(198)
Multi-function products #	1115	85,160	1,119	101,315	8,599	578,305	6,790	432,127
Colour Printers	25	1,221	31	2,012	91	2,324	24	1,105
Duplicating machines (Nos.)	129	1,846	739	6,647	-	-	-	-
Electronic stencil cutter (Nos.)	7	-	18	-	-	-	-	-
Components for sale and service of field machines *	-	105,149		106,860		366,759	-	241,200
Service Income	-	-	-	-	-	-	-	-
		196,497		229,322		947,388		692,934

Class of goods	Sales				Closing Stock			
	2005-2006		2004-2005		2005-2006		2004-2005	
	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000	Qty. No.	Value Rs. 000
Photocopiers	61	2,041	599	43,217	# 5	16	66	3,016
Fax Machines			23	642	## 3	11	3	105
Electronic white copy board								
Multi-function products #	8,050	859,880	6,794	805,357	###1,664	144,496	1115	85,160
Colour Printers	32	927	30	2,592	@@ 84	2,800	25	1,221
Duplicating machines (Nos.)	2,062	42,371	2,215	35,894	465	10,315	129	1,846
Electronic stencil cutter (Nos.)	4		11	326	3		7	-
Components for sale and service of field machines *		289,840	-	274,449	-	193,201	-	105,149
Service Income		480,038	-	364,909				
		1,675,097		1,527,386		350,839		196,497

\# Does not include quantities of accessories sold along with the machines.

* Due to difference in units of measurement,it is not practical to provide the quantitative information.

\# Photocopier excludes Nil (previous year 19) nos. transferred to fixed assets during the year amounting to Rs. Nil (previous year Rs. 1,248 K) and also exludes Nil (previous year 8) cannibalised.

\## Fax machines exclude Nil (previous year 12) nos. transferred to fixed assets during the year amounting to Rs. Nil (Rs. 411 K).

\### Multi-function products excludes 31 (previous year 23) nos. transferred to fixed assets during the year amounting to Rs.2,503 K (previous year Rs.2143 K).

@ Electronic white copy board exclude Nil (previous year 2) nos. transferred to fixed assets during the year amounting to Rs. Nil (Rs.198 K).

@@ Colour Printer exclude Nil (previous year 6) nos. transferred to fixed assets during the year amounting to Rs. Nil (Rs.283 K).

5 Estimated amount of contracts remaining to be executed on capital account and not provided for in books of accounts as at 31st March,2006 is Rs Nil (previous year Rs.2,800).

6 The Board of Directors of erstwhile Gestetner India Limited, in their meeting held on 30 December 2002 decided to close the loss making stencil and ink manufacturing operations at Nasik. The manufacturing operations had been closed with effect from 12 January 2003.The Company had on 14 April 2003 obtained approval of the shareholders through postal ballot for the disposal of the asset at Nasik Unit.Consequently, the following assets, which were included under the fixed assets (Schedule 6) of the Company have been disposed off during the the month of May05.The profit on sale of Nasik unit was Rs.15,022 K, out of which the revaluation reserves of Rs.1,597 K has been adjusted and the balance of Rs.13,425 K is shown as net income on sale of Nasik unit in the profit and loss account.

Particulars	Gross block as at 01.04.05	Accumulated depreciation as at 01.04.05	Net block as at 01.04.05 Amount-Rs.'000
Leasehold land	180	75	105
Buildings	8,381	6,331	2,050
Technical know-how	700	700	-
Electrical equipment	517	513	4
Total	**9,778**	**7,619**	**2,159**

7 Material consumed includes write down of slow / non-moving inventory amounting to Rs.2,502 K (previous year Rs.7,224 K)

8 **Value and quantitative break up of consumption of raw material and packing materials**

Particular	**Unit**	**31-Mar-06**		31-Mar-05	
		Quantity	**Amount (Rs. '000)**	**Quantity**	**Amount (Rs. '000)**
Metal	Tonnes	-	-	0.159	139
Chemicals	Tonnes	-	-	0.8	
	Litres	-	-	696	109
Paper and Tissues	Rolls	-	-	1,435	
	Tonnes	-	-	28.85	2,527
Container and packing	Pieces	-	681	-	989
Components	-	*	22,811	*	13,493
			23,492		17,257

*Due to difference in units of measurement,it is not practical to provide the quantitative information in respect of purchased components.

SCHEDULE 21
NOTES TO THE ACCOUNTS

9 Value of imported / indigenous raw materials and components, spare parts and percentage of each to the total consumption.

	2005-06		2004-05	
	Percentage	**Value Rs. ' 000**	Percentage	Value Rs. ' 000
Raw Material and components				
Imported	**3**	**701**	23	4,057
Indigenous	**97**	**23,130**	77	13,665
	100	**23,831**	100	17,722
		Current year Rs. ' 000		Previous year Rs. ' 000
10 CIF Value of imports				
Raw material and components		**372**		1,109
Finished goods and spares parts		**691,569**		490,428
11 Expenditure in foreign currency :				
Travelling		**652**		1,089
12 Earnings in foreign exchange				
Export of goods on FOB basis		**25,833**		26,004
Others		**4,047**		845
Expenses Recovered				
Commission on sales		**-**		3,500
Other Expenses		**-**		30,716
Exchange rate difference		**-**		4,300
Selling & Distribution Expenses		**-**		21,286
Salaries & Benefits		**-**		848

13 Subsidy

The Company had received a Subsidy of Rs. Nil (Previous Year 60,650 K) during the Year for incurring certain expenditure.

14 Dues from Erstwhile Joint Venture Partners:

The Company has outstanding dues amounting to Rs. 17,953 K from erstwhile Joint Venture partners ageing more than 3 years.The Company has filed civil suits against the erstwhile joint venture partners for recovery of the above stated amount in the Hon'ble High Court of Mumbai.The cases are yet to come up for hearing. In view of the pending civil suits against the erstwhile joint venture partners,necessary provision has been made in the books of accounts against the outstanding amount from joint venture partners.The management is hopeful of recovery of the said amount.

SCHEDULE 21

NOTES TO THE ACCOUNTS

15 Basic earnings per share has been calculated by dividing profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The company has not issued any potential equity shares and accordingly,the basic earning per share and diluted earning per share are the same.Earnings per share has been computed as under:

	Rs.in '000 Year ended 31st March,2006	Rs.in '000 Year ended 31st March,2005
Profits after Taxation	**103,078**	114,344
Less: Dividend on 7.5% (previous year 7.5%) Cumulative Preference Shares [5,00,000 (500,000) shares of Rs. 100/- each]	**3,750**	4,240
Profit for the year attributable to equity shareholders	**99,328**	110,104
Weighted Average Number of equity shares outstanding at the beginning of the year	**10,777,169**	10,777,169
Add: No. of Equity Shares to be issued to the equity shareholders of erstwhile GIL	-	21,489,792
Add: Shares to be issued to the Shareholders of 10% Cumulative Redeemable Preference Shares upon their conversion into equity shares	-	7,500,000
Add: 21,489,792 shares issued to the Shareholders of erstwhile GIL pursuant to the scheme of Amalgamation	**21,489,792**	-
Add: 7,500,000 shares issued to the Shareholders of 7.5 % Cumulative Redeemable Preference Shares upon their conversion into equity shares pursuant to the scheme of Amalgamation	**7,500,000**	-
Number of Equity Shares for Basic and Diluted EPS	**39,766,961**	39,766,961
Earning Per Share-Basic & Diluted (Rs. Per Equity Share of Rs. 10/- each)	**2.50**	2.77

16 Leases given by the Company

Finance Leases :

The company gives Photo copiers on finance lease to selected companies.The machines are given for the major part of the estimated useful life of the asset.

Reconciliation between the gross lease recoverable and the present value of minimum lease payment (net lease recoverable) at the balance sheet date is as under.

	As at 31.03.2006 (Rs.In'000)
Lease Recoverable (Gross)	93,464
Unearned Finance Income	34,478
Lease Recoverable (Net)	58,986

Gross lease recoverable and the present value of minimum lease payment receivable (net lease recoverable) at the balance sheet date for the following periods are as follows:

SCHEDULE 21

NOTES TO THE ACCOUNTS

	Within 1 year (Rs.In'000)	From 1 yr to 5 yr. (Rs.In'000)	More than 5 yrs. (Rs.In'000)
Lease Recoverable (Gross)	47,946	45,518	-
Lease Recoverable (Net)	28,196	30,790	-

Operating Lease :

The company gives photocopiers on cancellable operating lease for a period for substantially less then the estimated useful life of the machine.The monthly rental accruing to the company on such leases is recognized as income in the profit and loss account in accordance with the provisions of Accounting Standard 19 issued by the Institute of Chartered Accountants of India.

17(i) Managerial remuneration : (Erstwhile RICOH INDIA LIMITED for the period from 01.04.05 to 07.07.05)

Managing Director's remuneration	For the year ended 31.03.06 Rs.in '000	For the year ended 31.03.05 Rs.in '000
Salary *	707	2,928
Contribution to provident and other funds #	139	489
Perquisites	216	801
	1,062	4,218
Not entitled to any sitting fee for attending the meeting of the Board of Directors or Committee thereof.		
Director's sitting fees	20	130

* excludes expense towards leave encashment,since the same is based on actuarial calculations for the company as a whole.

Contribution to gratuity and superannuation fund has been calculated based on managements' estimate.

17(ii) Managerial remuneration : (Erstwhile GESTETNER INDIA LIMITED for the period from 01.04.05 to 07.07.05)

Managing Director's remuneration	For the year ended 31.03.06 Rs.in '000	For the year ended 31.03.05 Rs.in '000
Salary *	1,881	4,128
Contribution to provident and other funds #	123	358
Perquisites	439	1,101
	2,443	5,587
Director's sitting fees	41	219

* excludes expense towards leave encashment,since the same is based on actuarial calculations for the company as a whole.

Contribution to gratuity and superannuation fund has been calculated based on managements' estimate.

17(iii) Managerial remuneration : (RICOH INDIA LIMITED for the period from 08.07.05 to 31.03.06)

Key Managerial Personnel	For the year ended 31.03.06 RS.in '000	For the year ended 31.03.05 RS.in '000
Salary *	2,799	-
Contribution to provident and other funds #	339	-
Perquisites	1,090	-
	4,228	-
Director's sitting fees	75	-

* excludes expense towards leave encashment,since the same is based on actuarial calculations for the company as a whole.

Contribution to gratuity and superannuation fund has been calculated based on managements' estimate.

SCHEDULE 21

NOTES TO THE ACCOUNTS

18 Related party transactions

(i) Related parties where control exists

Ricoh Company Limited, Japan (Holding company)

(ii) Realted parties with whom transactions have taken place during the year

Fellow subsidiaries

Ricoh Europe B.V.

Ricoh New Zealand

GR Advanced Material Limited

Gestetner of Ceylon Ltd.

NRG - Dist. Holland

NRG Gestetner South Africa (Pty) Limited

NRG Group UK Limited

Ricoh Hong Kong

Key managerial personnel

Mr.N.Maitra, Managing Director

Mr.K.Swetharanyan, Managing Director

(iii) Transactions with related parties during the year

	For the year ended 31 March,2006	For the year ended 31 March,2005
Key Managerial personnel		
- Managerial remuneration (exclusive of payment to relative)	7,733	9,625
- Relative of key management personnel (Lease accommodation)	-	180
Holding company		
Purchase of finished goods,spares and components	624,365	447,562
Sale of finished goods	102	-
Interest paid by the Company	6,199	2,223
Subsidy received	-	60,650
Commission earned	3,672	1,901
Reimbursement of material cost	-	80
Fellow subsidiaries		
Purchase of finished goods	39,554	33,474
Sale of finished goods	1,086	2,829
(iv) Outstanding balances		
Creditors		
- Ultimate holding company	211,667	241,050
- Key managerial personnel	-	-
- Fellow subsidiary	7,724	5,989
Amount receivable from subsidiary	-	204

SCHEDULE 21

NOTES TO THE ACCOUNTS

	As at 31.03.06	As at 31.03.05
19 Components of Deferred Tax Asset (Net) as on 31st March, 2006 are follows:		
Deferred Tax Assets		
Brought Forward Business Losses & Unabsorbed Depreciation	–	14,754,825
Custom Duty	**31,624,152**	18,793,544
VRS Expenses	**19,485,934**	7,524,409
Leave Encashment	**3,988,014**	2,799,250
Provision for Doubtful debts and Advances	**8,601,252**	10,581,929
Merger Expenses	**1,150,827**	812,389
Gratuity, Providend Fund, Bonus, Superannuation & Managerial PF	**265,250**	666,583
Others	**9,619,948**	29,733
TOTAL	**74,735,377**	55,962,661
Deferred Tax Liability		
Depreciation	**(53,361,048)**	(72,207,000)
Superannuation	-	(402,518)
Other Assets	**(2,559,879)**	(2,972,794)
Other Liabilities/Creditors	-	(8,540,184)
TOTAL	**(55,920,927)**	(84,122,496)
Net Deferred Tax Asset/ (Liability)	**18,814,450**	(28,159,835)

20 Details of investments purchased and sold during the period 1 April 2005 to 31 March 2006 is as follows

Name of the Fund	Face Value	Purchased during the year		Sold during the year	
	Amount	Quantity	Amount	Quantity	Amount
	Rs	No.of Units	Rs	No.of Units	Rs
JM Finance	10.00	1,109,165	11,300,000	1,109,165	11342567
Birla Sun Life	10.00	3,850,902	50,300,000	3,850,902	50492099
Deutsche Insta cash plus	10.00	12,749,207	131,202,391	12,749,207	131615349
DSP Merrill Lynch Liquidity	10.00	11,591,576	117,707,855	11,591,576	118114344
HDFC Liquid Fund	10.00	2,793,296	29,700,000	2,793,296	29880357
ING Vysya Mutual Fund	10.00	1,099,285	11,000,000	1,099,285	11077631
Reliance liquid fund	10.00	1,058,953	13,300,000	1,058,953	13361319
SBI Mutual Fund	10.00	4,623,009	46,600,000	4,623,009	46701068
Sundaram mutual fund	10.00	8,173,975	82,400,000	8,173,975	82694632
Tata Liquid Fund	10.00	4,495,694	45,300,000	4,495,694	45459877
Templeton Mutual Fund	10.00	1,220,377	12,230,217	1,220,377	6928223
Templeton Mutual Fund	1,000.00	6,400	6,400,000	6,400	11750560
UTI Liquid Fund	10.00	2,292,387	23,100,000	2,292,387	23169270
UTI Liquid Adv Fund	1,000.00	90,300	91,600,000	90,300	92039890
Total		**55,154,526**	**672,140,463**	**55,154,526**	**674,627,186**

SCHEDULE 21
NOTES TO THE ACCOUNTS

21 Segmentwise reporting :

The company markets imaging products (i.e.Photocopiers,Facsimile machines and Electronic White Boards) to various customers directly and also through dealers.
Accordingly, channel of marketing i.e, direct or indirect comprise the primary basis of segmental information set out in these financial statements.

Revenue and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment.
Other expenses like depreciation, etc.are not specifically allocable to specific segment. Management believes that it is not practical to provide segment disclosures relating to these expenses and accordingly these expenses are seperately disclosed as "Unallocated Corporate expenses"and adjusted only against the total income of the company.
Segment assets and liabilities have been identified with the reportable segments,wherever possible.
There are no secondary reportable segments identified by the company.

	SEGMENTS				TOTAL					
	DIRECT CHANNEL		INDIRECT CHANNEL		TOTAL SEGMENT		OTHER INCOME		Total	
	2005-06	2004-05	**2005-06**	2004-05	**2005-06**	2004-05	**2005-06**	2004-05	**2005-06**	2004-05
External Revenue	**1,019,356**	946,225	**652,898**	581,159	**1,672,254**	1,527,384	**25,584**	19,043	**1,697,838**	1,546,427
TOTAL REVENUE	**1,019,356**	946,225	**652,898**	581,159	**1,672,254**	1,527,384	**25,584**	19,043	**1,697,838**	1,546,427
Segment Expenses										
Cost of Good Sold DC	**477353**	420707			**477353**	420,707			**477353**	420,707
Cost of Good Sold(IDC)			**341,212**	321,360	**341212**	321,360			**341212**	321,360
Dealer Commision			**44,948**	37,094	**44,948**	37,094			**44,948**	37,094
TOTAL EXPENSES - B	**477,353**	420,707	**386,160**	358,454	**863,513**	779,161			**863,513**	779,161
SEGMENT RESULT	**542,003**	525,518	**266,738**	222,705	**808,741**	748,223	**25,584**	19,043	**834,325**	767,266
Unallocated corporate expenses									**605,061**	514,850
OPERATING PROFIT									**229,264**	252,416
Interest expense									**12,997**	12,296
Depreciation & Amortization									**56,523**	82,186
NET PROFIT									**159,744**	157,934
OTHER INFORMATION CAPITAL EMPLOYED										
Segement Assets-Segment Liabilities as per reasonable estimate										
Segment Assets	**393,926**	315,900	**297,426**	275,400					**691,352**	591,300
Segment Liablities	**140,686**	134,900	**114,811**	126,800					**255,497**	261,700
Capital employed	**253,240**	181,000	**182,615**	148,600					**435,855**	329,600

22 The Company has changed the method of inventory valuation from FIFO to Yearly Weighted Average basis for machines and accessories and from monthly weighted average basis to Yearly weighted average basis for spares & consumables. Had the inventory been valued by the same method the profits for the period ended 31st March, 2006 would have been lower by Rs. 4919 K.

23 The blocked accounts are included in the Company's accounts at the pre-devaluation rates of exchange. Necessary adjustment on account of any change in the rate of exchange would be made as and when remittance is received. Reply is awaited to the application made by the Company to the Central Government seeking permission to disclose the blocked accounts at pre-devaluation rate of exchange.

24 The name of the small scale undertakings to whom the Company owes any sum together with interest outstanding for more than 30 days as at 31 March 2006:

a) Ghosh Engg Co
b) Franco Spring Co
c) Kumar Press Tools
d) Ami Cookware
e) Lucky Packaging
f) Classick Blowtechnik Pvt.Ltd.
g) Kothari Traders
h) Kombyne Transpak Pvt.Ltd.

25 Regrouping of Figures:
The figures for the previous year have been regrouped wherever necessary.

RICOH INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2006

PARTICULARS	Year ended 31st March 2006 Rs.'000	Year ended 31st March 2005 Rs.'000
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS)BEFORE TAX	**159,744**	157,934
Adjustments For :		
Depreciation	**56,523**	82,186
Loss/(profit) on sale of fixed assets	**(13,192)**	(431)
Provision for bad debts	**3,000**	-
Profit on sale of Investments (net)	**(2,968)**	(1,984)
Unrealised Foreign exchange loss/(gain)	**2,090**	(2,982)
Operating profit/(loss) before working capital changes	**205,197**	234,723
Adjustments for :		
(Decrease)Increase in current liabilities and provisions	**15,519**	81,336
(Increase)/Decrease in inventories	**(155,282)**	36,561
(Increase)/Decrease in sundry debtors	**(6,314)**	(23,574)
Decrease/(increase) in loans and advances	**(41,048)**	(11,524)
(Advance tax paid)/Refund of direct taxes	**(79,909)**	(10,600)
Cash generated from operations	**(61,837)**	306,922
Interest paid	**12,997**	12,296
Interest Received	**(1,712)**	(1,696)
NET CASH (USED) IN OPERATIONS (A)	**(50,552)**	317,522
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	**(28,390)**	(28,287)
Sale of fixed assets	**15,158**	2,733
Investments in Mutual funds (net)	**81,800**	(56,300)
Profit on sale of Investments (net)	**2,968**	1,984
NET CASH (USED) IN INVESTING ACTIVITIES (B)	**71,536**	(79,870)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	**(13,976)**	(12,279)
Interest Received	**720**	2,107
Increase/(Decrease) in secured loans	**40,044**	(225,773)
NET CASH FROM FINANCING ACTIVITIES (C)	**26,788**	(235,945)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**47,772**	1,707
Cash and cash equivalents (opening balance) *		
Cash and bank balances	**131,549**	92,041
Cash and bank balances aquired under the Scheme of Arrangement	**-**	37,801
	131,549	129,842
Cash and cash equivalents (closing balance)#		
Cash and bank balances	**179,321**	131,549
	179,321	131,549

* includes Rs.16538 (Previous year Rs.21615) unavailable cash on account of margin money.
# includes Rs. 38447 (Previous year Rs. 16538) unavailable cash on account of margin money.
# includes Rs. 317 (Previous year Rs. 317) unavailable cash on account of blocked accounts.

(a) The above cash flow statement has been prepared in accordance with the "Indirect method" as set out in the Accounting Standard 3 - Cash Flow Statements, issued by the Institute of Chartered Accountants of India.

(b) Cash and cash equivalents consist of cash on hand and balances with scheduled and non scheduled banks.

(c) This is the Cash Flow Statement referred to in our report of even date.

For SAHNI NATARAJAN & BAHL
Chartered Accountants

(Dinesh Bahl)
Partner
M.No. 80412
Date : June 27,2006
Place: New Delhi

FOR AND ON BEHALF OF BOARD

M. Shiratori
Whole Time Director

D.C.Singhania
Director

U.P.Mathur
Director

K. Swetharanyan
President & CEO

Manoj Kumar
VP- Finance

A. Chopra
Company Secretary

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE SCHEDULE VI PART IV

COMPANIES ACT, 1956

I. Registration Details

Registration No.	74694		State Code	11	(Refer Code List)
Balance Sheet Date	31 (Date)	03 (Month)	2006 (Year)		

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Rights Issue	Bonus Issue	Private Placement
NIL	NIL	NIL	NIL

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

Total Liabilities	Total Assets		
680043	680043		
Sources of Funds			
Paid - Up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans
447674	120509	111860	NIL
Application of Funds			
Net Fixed Assets	Investments	Net Current Assets	
200062	4	461162	
Misc. Expenditure	Accumulated Losses	Deferred Tax Assets	
Nil	Nil	18814	

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

Turnover	Total Expenditure
1697838	1538094
+ - Profit/Loss Before Tax	+ - Profit/Loss After Tax
+ 159744	+ 103078

Please Tick Appropriate box (+) for Profit (-) for Loss

Earning per Share in Rs.	Dividend
2.50	Nil

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

Item Code No.(ITC Code)	Product Description
90091200.10	PHOTO COPYING APPARATUS
85172100	FASCIMILE MACHINE
90091200.10	ELECTRONIC WHITE BOARD
847210.00	DUPLICATING MACHINE
847340.00	STENCIL CUTTERS
484630.00	DUPLICATOR STENCIL
481620.01	DUPLICATING PAPER
321511.03	ROTARY INK OTHERS
847160.00	INPUT OR OUTPUT UNIT

FOR AND ON BEHALF OF BOARD

M. Shiratori Whole Time Director	**D.C.Singhania** Director	**U.P.Mathur** Director
K. Swetharanyan President & CEO	**Manoj Kumar** VP- Finance	**A. Chopra** Company Secretary