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Annual General Meeting on Tuesday, the 18 th September, 2007 at 10.00 A.M. at the Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai- 400 018	

RICOH INDIA LIMITED**BOARD OF DIRECTORS**

Mr. Kazuo Togashi Chairman
Mr. D. C. Singhania
Mr. U. P. Mathur
Mr. I. Uehara
Mr. M. Yoshino
Mr. M. Shiratori

AUDIT COMMITTEE

Mr. U.P.Mathur
Mr. D. C. Singhania
Mr. M. Yoshino

PRESIDENT & CEO

Mr. N. Maitra

COMPANY SECRETARY

Mr. Avneesh Chopra

BANKERS

The Mizuho Corporate Bank Ltd.
The Bank of Tokyo – Mitsubishi UFJ Ltd.

AUDITORS

M/s Sahni Natarajan & Bahl
Chartered Accountants
303, Mansarovar 90, Nehru Place
New Delhi – 110 019

**REGISTRAR & SHARE
TRANSFER AGENTS**

MCS Limited
Srivenkatesh Bhavan
W-40, Okhla Industrial Area, Phase II
New Delhi – 110 020

FACTORY

A- 9, GIDC Electronic Estate
'K' Road, Sector 15, Gandhinagar
Gujarat – 382 044

Block-GP, Sector V,
Salt Lake Electronic Complex,
Kolkata- 700 091.

REGISTERED OFFICE

1104, Arcadia,
195, N.C.P.A. Road,
Nariman Point, Mumbai – 400 021

CORPORATE OFFICE

52 B, Okhla Industrial Estate
Phase III, New Delhi – 110 020

NOTICE

Notice is hereby given that the **14TH ANNUAL GENERAL MEETING** of the Members of **RICOH INDIA LIMITED** will be held at the Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai- 400 018 on Tuesday, the 18th September, 2007 at 10.00 A.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2007 and the Profit 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. U. P. Mathur, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. D. C. Singhanian, 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 **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 384, 385, 386, 387, 388 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 {including any modification(s) or re-enactment(s) thereof for the time being in force} and pursuant to Articles of Association of the Company, all necessary approvals, consent, permission and/or sanctions of the Central Government and all other appropriate authorities, institutions and bodies, to the extent necessary and subject to such conditions and modifications as may be prescribed or imposed by them in granting any such approval, permission, consent or sanction, which may be agreed to, by the Board of Directors of the Company or any Committee thereof, the consent of the Company be and is hereby accorded to the appointment and payment of remuneration (including “Minimum Remuneration” in case of absence or inadequacy of profits) to Mr. N. Maitra, as the Manager of the Company, as defined in Section 2 (24) of the Companies Act, 1956 and to be designated as President and CEO for a period of 3 years w.e.f. 1st April 2007 to 31st March 2010 on the following remuneration as approved and recommended by the Remuneration Committee and upon such terms and conditions as given below:

Remuneration

(a) **Basic Salary:**

Rs 3,60,000 (Rupees Three Lac Sixty Thousand Only) per month.

(b) Special Allowances and Perquisites: -

In addition to salary, the following perquisites / allowances / retiral benefits shall be allowed to the President & CEO, subject however, that in no case the value of such benefits / perquisites / allowances / retiral benefits as enumerated in category A to category D, exceeds Rs 3,90,000 (Rupees Three Lac Ninety Thousand only) per month.

Category-A**i) Housing**

The Company shall provide furnished accommodation to the President & CEO. If the President & CEO has his own accommodation, the Company shall pay house rent allowance.

ii) Leave Travel Concession

The Company shall provide leave travel fare for the President & CEO and his family.

iii) Other Allowances

The President & CEO may be given other allowances, benefits and perquisites as the Company may decide from time to time. The aggregate value of perquisites for the year shall be computed as per the provisions of the Income Tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income Tax Act, the perquisite value of such benefit shall be taken at actual cost.

iv) Medical Reimbursement

Medical expenses actually incurred for self and family, shall be reimbursed by the Company. The value of such reimbursement shall be part of and included in the value of perquisites and allowances as aforesaid.

Category-B

i) The Company shall contribute towards Provident Fund / Superannuation Fund provided that such contributions either singly or put together not exceed the tax free limit prescribed under the Income Tax Act.

ii) In the event the term of the President & CEO expires or terminates earlier for whatever reason, the President & CEO shall be entitled to encash the value of the contributions so made to the Superannuation / Pension / Gratuity fund including accrued interest, if any. However, all such withdrawals shall be subject to such taxes as may be applicable as per the Income Tax Act, 1961 or any other Act / Law for the time being in force.

iii) The Company shall pay Gratuity as per rules of the Company.

iv) Leave on full pay and allowances as per rules of the Company.

Category-C

The Company shall provide car with driver at the entire cost of the Company for use of Company's business. The Company shall provide telephone facility at the residence of the President & CEO at the entire cost of the Company.

Category-D

Performance Linked Bonus:

The President & CEO will be eligible for performance linked bonus as determined by his superior from time to time. However, the same shall be included in the overall limit specified under clause (b) above.

Minimum Remuneration:

During the currency of the tenure of the President & CEO, if the Company has no profits or its profits are inadequate in any financial year, the remuneration determined as payable by the Company, within the aforesaid limits, shall become the minimum remuneration payable to the President & CEO.

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

“RESOLVED THAT Mr. Kazuo Togashi, who was appointed as an Additional Director with effect from 28th June 2007 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, liable to retire by rotation.”

7. 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 to the Companies Act, 1956, Mr. M. Shiratori be and is hereby re-appointed as Whole Time Director of the Company for a period of three years with effect from 1st August 2007 not liable to retire by rotation.”

“RESOLVED FURTHER THAT Mr. M. Shiratori will draw remuneration by way of Salary and perquisites (Housing, LTA, Medical Reimbursement, Other Allowances Telephone, Club Fee, Personal Accident Insurance, Car, Petrol, Driver, Provident Fund, Gratuity, Superannuation) the aggregate of which shall not exceed a sum of Rs 76,32,000/- (Rupees Seventy Six Lacs Thirty Two Thousand Only) per annum, as approved & recommended by Remuneration Committee subject to the over all limit as per the provisions of Schedule XIII.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to execute agreement with Mr. M. Shiratori on behalf of the Company within the above said terms and conditions, subject to such modifications thereof as may be agreed to by the Board and Mr. M. Shiratori.”

“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 & 7 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 11th September 2007 to 18th September 2007 (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, Okhla Industrial Estate, Phase-III, New Delhi - 110020.**
- 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.

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

Place: New Delhi
Date: 31st July 2007

(Avneesh Chopra)
Company Secretary

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

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 & 7 of the accompanying notice dated 31st July 2007.

Item No. 5

The Board of Directors of the Company has at its meeting held on 30th March 2007 appointed Mr. N. Maitra as the President and CEO (Manager under the provisions of the Companies Act, 1956) effective from 1st April 2007 for a period of 3 years, subject to the superintendence, control and direction of the Board. On approval of the Remuneration Committee which was accorded at its meeting held on 7th June 2007, the Company has entered into the Employment Agreement with Mr. N. Maitra. The relevant details are as under:-

Statement, pursuant to the provisions of Part II of Schedule XIII to the Companies Act, 1956**I GENERAL INFORMATION:-**

Nature of Industry

Office Automation

Date or expected date of commencement of commercial production

Not Applicable

Financial performance:-

Amount in Rs. 000's

Financial Parameters	Year 2006-07 <i>Audited</i>	Year 2005-06 <i>Audited</i>	Year 2004-05 <i>Audited</i>
Net Sales	1932367	1672254	1527386
Net Profit/(Loss) as per Profit & Loss Account	280608	159744	157934
Amount of Dividend Paid	Nil	Nil	Nil
Rate of Dividend Declared	NA	NA	NA
Export performance and net foreign exchange collaborations	-	-	-

Foreign Investment or collaborators, if any : 73.60% (Promoter Holding)

II INFORMATION ABOUT THE APPOINTEE:**1) Background details.**

Mr. N. Maitra is a qualified professional. He is B.SC (Engg) with an experience of 32 years in the filed of Sales & Marketing including almost 14 years in the office automation industry. He joined the Company on 7th October 1998 as Sr. Vice President and on 1st October 2003 was promoted to the rank of Managing Director of the Company. The said position was held by him till 7th July 2005. Pursuant to the re-organisation and restructuring of the Company after the merger with erstwhile Gestetner (India) Limited he was appointed as Executive Consultant & Project Head -Transition Management to facilitate the process of merger. Over the years, Mr. Maitra has contributed significantly towards achieving year on year growth & profitability of the Company.

2) Past Remuneration

Organization	Designation	Duration	Salary & Perquisite (Rs)	Commission (Rs)	Contribution to P.F and other Funds (Rs)	Total (Rs)
Ricoh India Limited	Executive Consultant & Project Head– Transition Management	1st April, 2006 to 31st March, 2007	4755009	-	601840	5356849

3) Recognition and Reward

Some of the significant achievements are mentioned below:

- Sustained efforts to bring down the cost of operations. This has been achieved by bringing in overall operational efficiency, increase in productive levels, retention and training of key managerial talents.
- Successful integration of merger of the Company with erstwhile Gestetner (India) Limited. As the head of Transition Management he has contributed immensely towards integrating culture, process, systems of the Company with erstwhile Gestetner (India) Limited
- Design and Implementation of new systems and process, which lead to marked improvement in the operational efficiency.

4) Job Profile and his suitability:

The Board of Directors of Ricoh India Limited has appointed Mr. N. Maitra as President & CEO of the Company (Manager under the provisions of the Companies Act, 1956) under section 269 read with Schedule XIII, 198, 309, and other applicable provisions of the Companies Act, 1956 for a period of three years w.e.f. 1st April 2007. It may kindly be noted that keeping in mind the marked improvement in the performance of the Company and consequent upon the merger of GIL and RIL, the operations and profitability of the Company have been enlarged. The Company is a dominant player in the Indian office automation market. Since the operations and activities of the Company have enlarged manifold an experienced person like Mr. N. Maitra is required, who has expertise in Sales, Marketing, Human Resources and Commercial aspects of business.

5) Remuneration proposed

Remuneration

(a) Basic Salary:

Rs 3,60,000 (Rupees Three Lac Sixty Thousand Only) per month.

(b) Special Allowances and Perquisites: -

In addition to salary, the following perquisites / allowances / retiral benefits shall be allowed to the President & CEO, subject however, that in no case the value of such benefits / perquisites / allowances / retiral benefits as enumerated in category A to category D, exceeds Rs 3,90,000 (Rupees Three Lac Ninety Thousand only) per month.

Category-A**i) Housing**

The Company shall provide furnished accommodation to the President & CEO. If the President & CEO has his own accommodation, the Company shall pay house rent allowance.

ii) Leave Travel Concession

The Company shall provide leave travel fare for the President & CEO and his family.

iii) Other Allowances

The President & CEO may be given other allowances, benefits and perquisites as the Company may decide from time to time. The aggregate value of perquisites for the year shall be computed as per the provisions of the Income Tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income Tax Act, the perquisite value of such benefit shall be taken at actual cost.

iv) Medical Reimbursement

Medical expenses actually incurred for self and family, shall be reimbursed by the Company. The value of such reimbursement shall be part of and included in the value of perquisites and allowances as aforesaid.

Category-B

i) The Company shall contribute towards Provident Fund / Superannuation Fund provided that such contributions either singly or put together not exceed the tax free limit prescribed under the Income Tax Act.

ii) In the event the term of the President & CEO expires or terminates earlier for whatever reason, the President & CEO shall be entitled to encash the value of the contributions so made to the Superannuation / Pension / Gratuity fund including accrued interest, if any. However, all such withdrawals shall be subject to such taxes as may be applicable as per the Income Tax Act, 1961 or any other act / law for the time being in force.

iii) The Company shall pay Gratuity as per rules of the Company.

iv) Leave on full pay and allowances as per rules of the Company.

Category-C

The Company shall provide car with driver at the entire cost of the Company for use of Company's business. The Company shall provide telephone facility at the residence of the President & CEO at the entire cost of the Company.

Category-D

Performance Linked Bonus:

The President & CEO will be eligible for performance-linked bonus as determined by his superior from time to time. However, the same shall be included in the overall limit specified under clause (b) above.

Minimum Remuneration:

During the currency of the tenure of the President & CEO, if the Company has no profits or its profits are inadequate in any financial year, the remuneration determined as payable by the Company, within the aforesaid limits, shall become the minimum remuneration payable to the President & CEO.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

Position	Company	Remuneration	Experience and Qualification
Managing Director*	Xerox India Limited	Rs. 5692624	-

*(Source Annual Report 2006)

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: NIL

III OTHER INFORMATION:

1. Reasons for loss/inadequacy of profits: The past Losses as shown in the balance sheet of 2004-05 are on account of Losses brought forward since 1997-98, from the erstwhile joint venture between Ricoh and RPG. Since the time that Ricoh Co. Ltd. Japan, has taken over the management and control of Ricoh India Ltd., the profits of the Company have shown a gradual and steady improvement. Subsequent to merger with erstwhile Gestetner (India) Limited the past losses have been written off and the Company has posted a net profit of Rs 10.30 Crores and Rs.19.70 Crores in the financial year ended 31st March 2006 and 31st March 2007 respectively.

2. Steps taken or proposed to be taken for improvement:

Among the various steps stated above, the Company has undertaken following steps to improve profitability:

- To make available to the Indian markets, technologically superior products and services conforming to International standards and at a competitive price.
- Increase brand awareness and brand equity through advertisement campaign.
- Train and develop Company's employees and dealer employees to improve Customer Service and improve Customer Satisfaction.
- Promote low cost operations.
- Improve coverage for products to reach wider segment.
- Focus on revenue enhancement and expense efficiency.

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

None of the Directors of the Company is concerned or interested in the resolution.

Item No. 6

The Board of Directors of the Company has appointed Mr. K. Togashi as an Additional Director w.e.f. 28th June 2007, 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. K. Togashi for the office of Director under the provision of section 257 of the Companies Act, 1956.

Mr. K. Togashi has been associated in various capacities, with Ricoh Company Limited, Japan, for the last 35 years and has worked in Japan, Netherlands, Germany, Switzerland, Austria, Spain, Italy, Portugal, Greece and Turkey. Currently, he is Corporate Senior Vice President and the General Manager of the International Business Group. Mr. Togashi Graduated from Keio University, Japan in Faculty of Literature. His induction in the Board of Directors will further accelerate the future growth prospects of the Company.

Mr. Togashi 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.

Item No. 7

Mr. M. Shiratori was appointed as Additional Director of the Company w.e.f 3rd March 2006 and thereafter appointed as Whole Time Director of the Company without any remuneration. However, considering his immense contribution and enhancement of responsibilities, the Board of Directors have decided to re-appoint Mr. M. Shiratori, as Whole Time Director for 3 years w.e.f 1st August 2007 not liable to retire by rotation. It was further decided by the Board of Directors to pay remuneration to Mr. M. Shiratori as per the provisions of the Companies Act, 1956 read with Schedule XIII.

The remuneration proposed to be paid to Mr. M. Shiratori is by way of Salary, allowances and perquisites (Housing, LTA, Medical Reimbursement, Other Allowances Telephone, Club Fee, Personal Accident Insurance, Car, Petrol, Driver, Provident Fund, Gratuity, Superannuation) the aggregate of which shall not exceed a sum of Rs. 76,32,000/- (Rupees Seventy Six Lacs Thirty Two Thousand Only) per annum, as approved & recommended by Remuneration Committee subject to the over all limit as per the provisions of Schedule XIII.

After obtaining the approval of members, the Company will enter into an agreement with Mr. M. Shiratori on the above said terms and conditions incorporating therein such modifications as may be agreed to by the Board and Mr. M. Shiratori.

Mr. M. Shiratori has been associated in various capacities, with Ricoh Co, Limited Japan, for the last 27 years and has worked in Japan, United Kingdom, Netherlands and United States. Since 2003 he has been deputed to Ricoh India Ltd.

Mr. M. Shiratori, Graduated from Sophia University, Japan. His presence in the Board of Directors will further accelerate the future growth prospects of the Company. The Board of Directors of the Company recommends the passing of the resolution by the Shareholders as set out in item No. 7 of the notice.

None of the Directors of the Company, except Mr. M. Shiratori is concerned or interested in the resolution.

This explanation may be treated as an abstract under section 302 of the Companies Act.

Place: New Delhi
Date: 31st July 2007

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. D. C. Singhania	Mr. U. P. Mathur	Mr. K. Togashi	Mr. M. Shiratori
Date of Birth	15 th October 1932	29 th March 1937	28 th November 1949	21 st March 1957
Date of Appointment	30 th July 2001	08 th July 2005	28 th June 2007	3 rd March 2006
Qualification	B.A., Bachelor of Law	M. Com, Bachelor of Law, Associate Member of the Institute of Company Secretaries of India	Faculty of Literature Keio University in the year 1972	Graduate from Sophiya University in the year 1980
Expertise in specific functional areas	Corporate, Commercial, Arbitration Laws	Corporate Laws	International Business and Marketing	International Marketing
List of Companies in which outside Directorship held as on 31st March, 2007	NIL	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, 2007	NIL	NIL	NIL	Nil

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 14th Annual Report on the business and operations of the Company together with the Audited Accounts for the period ended 31st March 2007.

FINANCIAL HIGHLIGHTS

The Performance of the Company for the financial year ended 31st March 2007 is summarised below:

(Rs. In Lacs)

Particulars	For the year ended 31st March, 2007	For the year ended 31st March, 2006
Net Sales	19323.67	16722.54
Other Income	1086.60	255.84
Total Income	20410.27	16978.38
(Increase)/Decrease in Stock in Trade	1226.38	(1552.94)
Material Cost	9019.05	9738.59
Staff Cost	2872.92	2806.95
Other Expenditure	3700.08	3139.08
Profit Before Restructuring Cost, Interest & Depreciation	3591.84	2846.70
Restructuring Cost	-	554.06
Interest & bank Charges	198.34	129.97
Depreciation	229.26	207.07
Amortisation of Goodwill	358.16	358.16
Profit/(Loss) Before Tax	2806.08	1597.44
Provision for Tax:		
Current Tax	(640.00)	(970.00)
Earlier years	(47.63)	-
Deferred tax	(108.57)	469.74
Fringe benefit Tax	(39.81)	(66.40)
Net Profit/(Loss) after Tax	1970.07	1030.78
Balance B/F from Previous year	1197.89	116.11
Appropriations:		
Proposed dividend	-	-
Balance Carried Forward	3167.97	1197.89

Business Overview

The economic indicators state that India has achieved a real GDP growth of 9.2 per cent for 2006-07. Coming as it does, after a growth of 9 per cent in the previous year, we are now seeing a compounded annual growth rate in excess of 8 per cent over the last four years — and 8.6 per cent over the last three years. The FDI inflows in 2005-06 grew by 50 per cent to about US\$8.3 billion and could touch US\$10 billion for 2006-07, as stated by the government. The favorable factors of the robust Indian economy have witnessed good demand and registered strong growth in the Office Automation Industry.

The market trend suggests that more and more consumers more particularly from business segments are adopting multi-function products as a cost-effective option to enhance their productivity. The technological advancement has lead to reduction in the demarcation between the printer-based and the copier-based devices. Strong competition has resulted in lower price realizations and players in the Office Automation Industries have to make extra efforts to position and reposition their brand portfolios. Your Company is taking adequate steps to face these challenges.

Performance Overview

The year under review has been yet another year of strong performance of your Company with 16% growth in revenues and commendable unit growth of Digital Products. The performance of the Company is evidence of the fact that the strategic decisions taken in the past such as merger of Gestetner (India) Limited with the Company have yielded positive results for the Company. We believe the Company is rightly poised for the quantum jump and will be able to satisfy the diversified need of the Customers.

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 recommend payment of dividend for the year 2006-07.

STRATEGIC INITIATIVES

The Board of the Directors of the Company have decided to prematurely redeem on or before September 30, 2007, the 5,00,000 7.5% Cumulative Preference Shares of Rs 100/- each. Further, in view of the premature redemption of preference shares by the Company, the Preference Shareholders have intimated/confirmed to the Company to waive off the arrears of fixed cumulative dividend (past and current years) payable by the Company. The financial impact of the same will be visible during the financial year 2007-08.

INTERNAL AUDIT SYSTEMS

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 the 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 is 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

Practicing 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. Singhanian
- 3) Mr. Masayoshi Yoshino

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Article 119 of the Article of Association of the Company Mr. D. C. Singhanian and Mr. U.P Mathur retire by rotation and being eligible offer themselves for reappointment. Mr. K. Yoshida has placed his resignation as Director of the Company w.e.f 28th June 2007. The Board places on record its appreciation for the valuable services rendered by Mr. K. Yoshida as Chairman and Director of the Company. The Board of Directors in their meeting held on 28th June 2007 has appointed Mr. Kazuo Togashi as Additional Director & Chairman 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.

PRESIDENT & CEO

Consequent to the resignation by Mr. K. Swetharanyan from the post of President & CEO of the Company the Board of Directors of the Company has effective 1st April 2007, appointed Mr. N. Maitra as the President & CEO of the Company. The Board places on record its appreciation for the valuable services rendered by Mr. K. Swetharanyan.

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 2007, 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 2007 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 quality in sales and service is the key to its success. The commitment to quality is also borne by the fact the Company's Total Quality System confirm 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.

CEO/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 co-operation 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 the year under review.

For and on Behalf of the Board of Directors

Place : New Delhi
Dated: 31st July 2007

M. Shiratori
(W.T. 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

	2006-07	2005-06
A. Power and Fuel Consumption		
1. Electricity		
a) Purchased		
Unit (KWH)	164622	120051
Total amount (Rs. In lakhs)	10.32	10.49
Rate per unit (Rs.)	6.27	8.73
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 primary product being exported is the Stencil Duplicator. The Stencil Duplicator market remains weak on account of the increasing penetration of technological products. However, efforts have been undertaken by the company to procure orders from African Countries.

(i) Exports on FOB basis, during the year were Rs. 335.84 lacs as against Rs. 258.33 lacs in 2005-06.

(ii) Total foreign exchange earnings and outgo:

Earnings	Rs. in Lacs	Rs. in Lacs
Exports	335.84	258.33
Others	23.99	40.47
Total Earnings	359.83	298.80
Outgo	Rs. In Lacs	Rs. In Lacs
Raw Materials	2.30	3.72
Finished Goods & Spare Parts	6913.77	6915.69
Travelling & Others	7.69	6.52
Total Outgo	6923.76	6925.93

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 31.03.2007

Name	Designation & Nature of Duties	Gross Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement of Employment	Age (Years)	Previous Employment
K. Swetharanyan	President & CEO	7033137	B.E. (Mech.), MBA	34	01.04.2000	58	Managing Director (erstwhile Gestetner India Limited.)
N. Maitra	Executive Consultant & Project Head-Transition Management	5356849	B.Sc (Engg)	32	07.10.1998	53	Asstt. Vice President Sterling Tree Magnum (I) Limited
Pradeep Narula	Vice President HR & Corp. Affairs	2917566	B.Sc, LLB MBA, ACS, AICWA	26	21.06.2001	52	Vice President (F) Chadha Sugar Ltd.

1. All appointments are contractual in accordance with terms and conditions as per Company rules.
2. Gross Remuneration comprises Salary, allowances, medical reimbursement, rent/ cost on accommodation, LTA, Company's contribution to provident, pension and gratuity funds, monetary value of other perquisites computed on the basis of Income Tax Act and rules, leave encashment and performance bonus, where applicable..
3. None of the above mentioned persons hold more than 2% of the equity shares of the company either by himself or along with 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

As has been shared in the Directors' report, during the year 2006-07, the Company has made commendable progress with 16% growth in revenues and high box unit sales. The following are the major financial achievements of the year under review: -

- Bank Borrowings repaid in full.
- Debt DSO reduced from 51 days to 47 days.
- Inventory MOS reduced from 4.4 to 2.5.
- General Reserves increased by Rs.200 Million.

The profits of the Company have witnessed substantial growth on quarter-to-quarter basis as compared to the corresponding year 2005-06.

For the year ended on 31st March, 2007, net profit was Rs. 2806.08 lacs as against a net profit of Rs. 1597.44 lacs for the previous year. The net profit of Rs. 2806.08 lacs is after taking into account exceptional items like Credit balance written back of Rs. 939.57 lacs on account of customs duty liability.

Financial Review for the year ended 31st March, 2007:

1. **Other Income:** Other Income includes a custom duty liability of earlier years written back amounting to Rs. 939.57 lacs after the decision made in favour of the company by the Hon'ble Supreme Court during the current year.
2. **Material Consumed:** Material consumption as a % of sales for the period under review was higher at 53% as compared to 49% for the previous year ended on 31st March, 2006. The material consumption cost varies because of product mix and drop in sale price due to competitive pressure.
3. **Interest:** Interest cost showed an increase and was at Rs. 198.34 lacs as compared to Rs. 129.97 lacs for the previous year. The increase in the interest cost is on account of short period loans taken by the Company for the payments made for Employee separation scheme (VRS) of Rs. 554.06 lacs and part redemption of preference share capital of Rs. 750 lacs during the previous year. Further hardening of the interest rates during the end of the current year also contributed towards the increase. However the company was able to repay all its borrowings before the close of the financial year due to good collection inflows.
4. **Personnel Cost:** Personnel cost as % to sales, excluding VRS expenses incurred during the previous year, reduced from 17% for the previous year to 15% during the period under review. This was primarily due to the reduction in the number of employees on account of employee separation scheme taken out during the previous year.
5. **Manufacturing, Selling and other expenses:** Manufacturing, selling and other expenses as % of sales was at the same level of 18.7% during the period under review as compared to the previous accounting year level of 18.4% of sales. The cost cutting and rationalization steps undertaken by the company is the prime reason for such operational efficiency.

6. **Depreciation:** Depreciation (excluding goodwill amortization) as % to sales was at the same level of 1.2% during the period under review.
7. **Profit After tax (including 'Other Income'):** Profit after tax stood at Rs. 1970.07 lacs as compared to Rs. 1030.78 lacs from the previous year.
8. **Reserves and Surplus:** Reserves increased from Rs 1205.09 lacs as on 31st March, 2006 to Rs. 3175.17 Lacs as on 31st March 2007 on account of profit for the current period under review.
9. **Earning per Share:** EPS for the current financial year is Rs 4.86 as against Rs. 2.50 last year. The Other income for the period under review includes credit balances written back, amounting to Rs. 1028.65 lacs , which includes Rs. 939.57 lacs on account of custom duty liability written back, which in turn has increased the profit attributable to the equity shareholders & correspondingly a higher EPS for the current year.
10. **Shareholders funds/Net worth:** During the current financial year, the Net-worth of the Company stood at Rs. 7651.90 lacs as compared to Rs. 5681.83 lacs in the previous financial year.
11. **Borrowings:** The Company's had NIL borrowings as at 31st March, 2007 as compared to Rs. 1118.60 lacs as at 31st March, 2006. A reduction could be achieved due to good collection inflows and better management of the working capital .
12. **Fixed Assets:** The net increase in Gross block of fixed assets and capital work in progress is Rs. 161.39 lacs. The increase in fixed assets has occurred mainly on account of purchase of new computer hardware, software & office equipments and capitalisation of the Company's stock in trade, used for the purpose of Facilities Management / rental contracts entered into with various Government/Private corporate etc. These assets have been funded from internal accruals only.
13. **Inventories:** Finished goods inventory stands at 2.5 months of total cost of sales as against 4.4 months in the previous accounting year. The reduction in inventory is on account of well planned inventory management processes and operations during the year.
14. **Debtors:** Debtors, excluding lease receivables , represent 47 days of total sales as at 31st March, 2007 as against 51 days as at 31st March, 2006. 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', net of provision, have reduced from Rs. 264.74 lacs to Rs. 245.08 lacs.
15. **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, 2006 is on account of increase in bank balances by Rs. 758.85 lacs, which are commensurate with the increased collection activity at the end of the current year. Bank deposits increase of Rs. 53.09 lacs is due to issuance of bank guarantees during the year.
16. **Loans & Advances:** The loans and advances as on 31st March, 2007 stood slightly reduced at Rs. 2540.51 lacs as compared to Rs. 2572.41 lacs in the previous financial year out of which a sum of Rs. 682.16 lacs is as balances with Government authorities . The increase in advance income tax and other deposits paid during the year has almost been offset by adjustment of advance income tax payments of earlier years against their respective provision for tax lying under current liabilities . Balances lying with Government authorities are all considered good and recoverable in cash or in kind for value to be received.

17. Current Liabilities and provisions: The current liabilities and provisions of Rs. 5109.75 lacs as on 31st March, 2007 are lower as compared to Rs. 6589.84 lacs in the previous accounting year. The reduction is on account of adjustment of provision for tax for earlier years being adjusted against respective advance income tax paid for those years. Further the company has managed well to keep its accounts payables well within the limits considering the increase in its operations. Employee related liabilities stood at Rs. 282.05 lacs as at 31st March, 2007 as compared to Rs. 337.37 lacs as at the end of previous financial year. The decrease is mainly due to decrease in gratuity liability by approx. Rs. 100 lacs during the current year as compared to the previous year, since a major outflow had taken place from the gratuity fund due to settlement of all employee separation cases during the previous year.

18. 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. 2361.36 lacs on account of sales tax cases (previous accounting year - Rs. 1799.63 lacs), Rs.1256.47 lacs pertains to Delhi Sales Tax. It is pertinent to mention here that most of these demands were raised by the Delhi Sales Tax department after reopening the assessment years of the period 1989-90 onwards in the year 1999 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 is likely to result in demand worth Rs. 1084 lacs being dropped and cases decided in Company's favour.

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 various 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. However the Company does not foresee immediate threat on this account. The reason for this is that Ricoh Group, of which your Company is a part is one of the pioneers in this technology and it is constantly introducing newer technology & products to meet the changing customer and market demands. Further Ricoh's commitment to support the Indian Operations is evident from their willingness to share all new products and upgrades with India, simultaneous to their launch worldwide.

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

Primary customers of the Company are in the government sector where the risk of insolvency is minimal. However, as the company strives to move to the private sector through indirect sales channel route, it is imperative that proper systems, processes and internal controls are put in place. The 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 foreign exchange risk on account of fluctuation of foreign currency exchange rates could affect operating results, financial position and cash flows. We manage our exposure to these market risks through our regular operating and financing activities and, when appropriate, through the use of derivative financial instruments. 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 thus un-hedged. The contracts with respect to the operating activities generally have maturities of less than six months.

Interest Rate Risk

The Company's Secured loans are at fixed interest rates. Accordingly, we do not perceive any interest rate risk. The Company has fully repaid its Bank Borrowing in the year under review.

HUMAN RESOURCES DEVELOPMENT

The Human Resources agenda for 2006-07 focused on acquisition and retention of talent, enhancing people capabilities and skill sets. The Human Resource Department of the Company keeps evaluating its HR policies and practices so as to enable and empower all employees, and strives to make "Ricoh" an employer of choice.

INTERNAL CONTROL SYSTEM

The Management Information & Review System is an important tool of our control mechanism. Clearly defined, roles, responsibilities and objectives are set out at the beginning of the year for all senior and middle level managerial positions, which are aligned with the overall Corporate Objectives. 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. The team of Internal Auditors 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 half-yearly basis. Material deviations from the annual planning and budgeting, if any are reported on quarterly basis to the Board. An effective budgetary control process on all capital expenditure ensures that actual spending is in line with the capital budget.

FUTURE OUTLOOK & FOCUS FOR 2007-08**Business Outlook**

Vigorous growth with strong macroeconomic fundamentals has characterized developments in the Indian economy in 2006-07. Growth of 9.0 per cent and 9.2 per cent in 2005-06 and 2006-07, respectively, by most accounts, surpassed expectations. The GDP growth is driven by Manufacturing and Service sectors. Infrastructure, Technology, Utilities and Communication are the key elements in taking the country forward and maintaining its growth momentum.

The economic indicators suggest that over all demand of products & services including Office Automation Products remains robust. The Company focus is on shifting to become an Office Solution Provider rather than being Office Equipment Supplier. The Multi Function Products (MFPs), which is Printer / Scanner / Fax / Copier, (including color MFPs) are the key drivers of this industry. More and more companies are now realising that the use of MFPs have not only helped the Companies to reduce cost but also helped in increasing their productivity.

The Company will continue to introduce new models in near future and is confident to meet the customer's demanding expectations and other challenges with the parent company's continued product and operational support. The Company will continue to focus on expanding its network and channel base.

In the year under review the service revenue has grown by 11% vis a vis last year. Being a customer-centric organisation, the Company continues to lay special emphasis on customer service and customer satisfaction.

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 and other factors such as litigation and labour negotiations.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Transparency in all dealings and providing better products and services without compromising in any way on integrity and regulatory compliances have been the basic objective of corporate governance in the Company. The philosophy of corporate governance seeks to enhance shareholder value keeping in view the needs and interest of stakeholders.

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

As on 31st March 2007, the Board of Directors of the Company consists of six directors, who are eminent persons with considerable professional expertise and experience. In the year under review, Mr. K. Yoshida Non-Executive Director, was the Chairman of the Board and have resigned from the position w.e.f. 28th June 2007. The Board of Directors in its meeting held on 28th June 2007 has accepted the resignation of Mr. K. Yoshida and has appointed Mr. K. Togashi as Additional Director and 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, 5 Board Meetings were held one each on 27th June 2006, 27th July 2006, 30th October 2006, 31st January 2007 and 30th March 2007. 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	5	Nil	No	Nil	Nil	Nil
Mr. D. C. Singhanian	NED/ID	5	5	No	Nil	Nil	Nil
Mr. I. Uehara	NED	5	Nil	Yes	Nil	Nil	Nil
Mr. M. Yoshino	NED	5	Nil	Yes	Nil	Nil	Nil
Mr. U.P.Mathur	NED/ID	5	5	Yes	Nil	Nil	Nil
Mr. M. Shiratori	ED	5	4	Yes	Nil	Nil	Nil
Mr. K Togashi**	NED	Nil	Nil	Nil	Nil	Nil	Nil

* Resigned and Ceased to be Director w.e.f. 28th June 2007

** Appointed w.e.f. 28th June 2007

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 for discussion and information at the meeting.

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 sitting fee paid to Mr. D C Singhania and Mr. U. P. Mathur only. The details of sitting fee paid to Directors during the financial year 2006-07 are as under:

Name	Sitting Fee paid (Rs.)
Mr. K. Yoshida	Nil
Mr. D. C. Singhania	45000
Mr. I. Uehara	Nil
Mr. M. Yoshino	Nil
Mr. U.P.Mathur	55000
Mr. M. Shiratori	Nil

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 Corporate Affairs, if required.

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 personnel 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. Masayoshi Yoshino. Mr. U. P. Mathur is the Chairman of the Audit Committee. During the year the committee held 4 meetings on 27th June 2006, 27th July 2006, 30th October 2006 and 31st January 2007. The attendance records during the year were as under:

Name of the Members	No. of Meetings attended
Mr. U. P. Mathur	4
Mr. D. C. Singhania	4
Mr. M. Yoshino	Nil

All members of the Audit Committee are financially literate. 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 19th September 2006.

The Company Secretary acts as the secretary of the committee. The Auditors and the internal auditors 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 objectives. The remuneration policy is in consonance with the existing Industry practice.

The present Committee Composition and Attendance details are as under:

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

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE MEETING

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 18 complaints during the year. All the complaints were redressed by the Company. 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 24 times during the year. There are no shares pending transfer.

GENERAL BODY MEETINGS

The 14th Annual General Meeting of the Company will be held at 10.00 A.M. on Tuesday, the 18th September 2007 at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400 018 .

Location and time, where last three AGMs held:				Number of Special Resolutions Passed
Financial Year	Date	Venue	Time	
2005-06	19 th September 2006	The Indian Merchants Chamber, Conference Hall (Walchand Hirachand Hall) 4th Floor, 76 Veer Nariman Road, Churchgate, Mumbai - 400 020	9.30 A.M	1
2004-05	8 th September 2005	- as above-	10.00 A.M	3
2003-04	17 th September 2004	- as above-	10.00 A.M	2

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

Financial Year	Particulars
2005-06	1. Appointment and Payment of Remuneration to Mr. M. Shiratori as Whole Time Director.
2004-05	1. Appointment and Payment of Remuneration to the Managing Director or 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 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.

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 reported to Audit Committee regularly. There are no materially significant related party transactions of the Company, which have conflict with the interests of the Company at large. Transactions with Senior Managerial Personnel are reported in case there is any personal interest involved. 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 the 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 has 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. Free Press Journal in English and Navshakti 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 : 18th September 2007
Time : 10.00 a.m.
Venue : Sunville Banquets, 9 Dr Annie Besant Road, Worli Mumbai - 400 018

Financial Year : 1st April to 31st March
Book Closure : 11th September 2007 to 18th September 2007
 (both days inclusive)
Dividend Payment : The Board of Directors has not recommended any dividend for the F. Y. 2006-07.
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

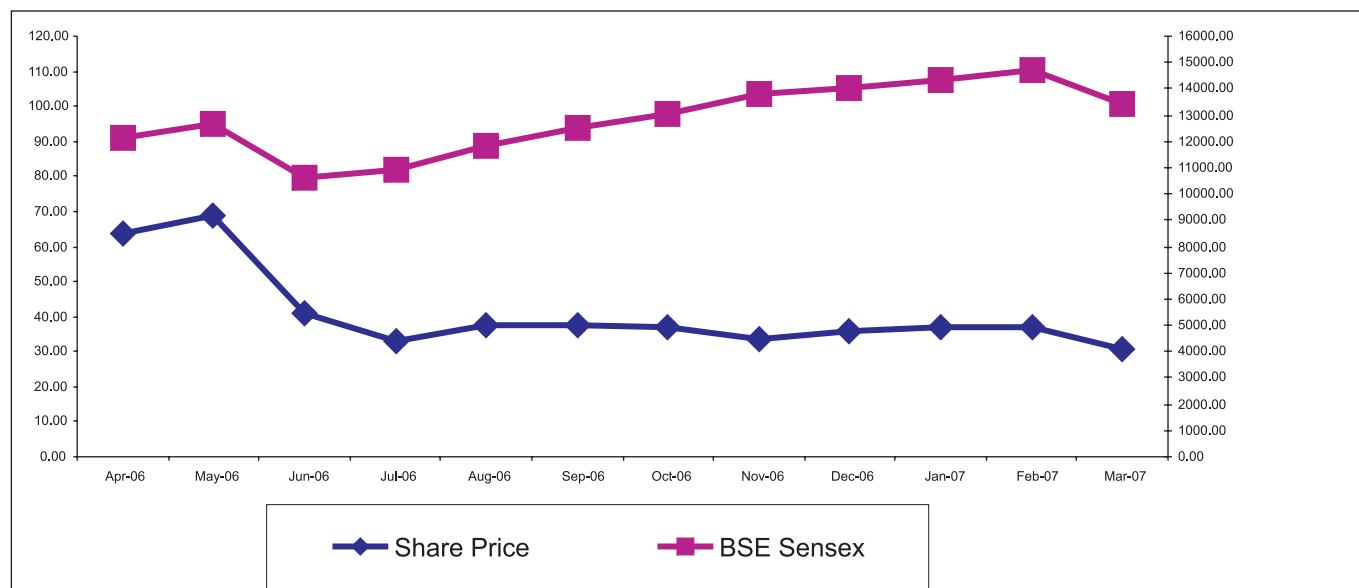
The monthly high and low quotation and the volume of shares traded on BSE are as under

Period	Highest Rs.	Lowest Rs.	Volume No.
April-06	63.55	46.50	633273
May-06	68.90	36.20	4560764
June-06	40.80	23.00	844614
July-06	32.75	24.50	247158
August-06	37.75	25.10	808690
September-06	37.80	31.00	714626
October-06	37.25	31.30	422825
November-06	33.55	25.60	578663
December-06	35.55	23.10	567955
January-07	36.70	24.50	757730
February-07	36.90	27.00	1233447
March-07	30.65	24.00	695462

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 2006-07.

Share Price of the Company – Its Performance at BSE from April 06 to March, 07



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.

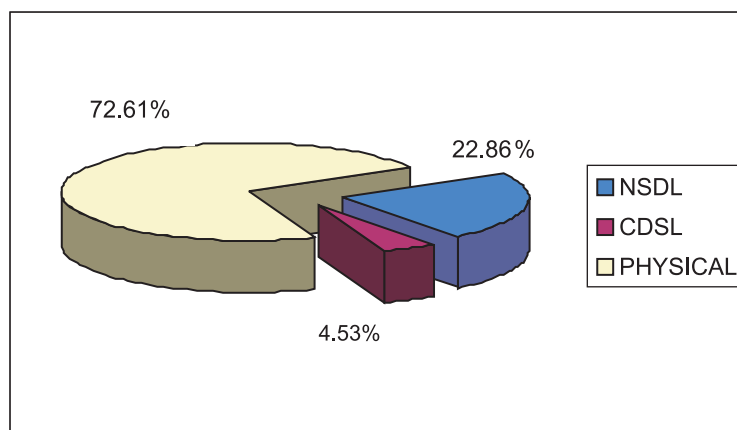
Distribution of Shareholding:

Shareholding of Nominal Value of Rs.	Folio		Shares	
	Nos.	Percentage %	Nos.	Percentage
Upto 5000	12841	77.70	2267871	5.70
5001 to 10000	2095	12.68	1545020	3.88
10001 to 20000	928	5.62	1343735	3.38
20001 to 30000	260	1.57	673166	1.69
30001 to 40000	92	0.56	328743	0.83
40001 to 50000	81	0.49	384477	0.97
50001 to 100000	134	0.81	966457	2.43
100001 and above	95	0.57	32258692	81.12
Total	16526	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, 2007, 27.39% of the Company's share capital had been converted into dematerialized mode .

Status of Dematerialization as on March 31st, 2007



The Company's shares are regularly traded on the Stock Exchange, Mumbai, 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, 2007, 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 and E-mail ID for Investors:

Corporate Office:

52-B, Okhla Industrial Estate
Phase III, New Delhi- 110020
E-mail: ril.secretarial@ricoh.co.in

Registered Office:

1104, Arcadia, 195, N.C.P.A. Road,
Nariman Point
Mumbai – 400 021

New Delhi
31st July 2007

M. Shiratori
(W. T. Director)

D. C. Singhania
(Director)

U. P. Mathur
(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, 2007 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, 2007, no investor grievances are pending for a period exceeding one month 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 : 31-07-2007**

Declaration on Compliance of Code of Conduct

We, M. Shiratori, Whole Time Director and N. Maitra 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
Date : 31-07-2007

N. Maitra
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, 2007 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, 2007, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007 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, 2007;
 - 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

(SURESH MALIK)
PARTNER
Membership No. 82224
Place: New Delhi
Date: June 28, 2007

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 off 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.
 - (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 eaknesses 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, 2007 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.

Particulars	Financial Year to which the matter pertains	Amount (Rs.)	Forum where dispute is pending
Sales Tax/Trade Tax	1984-85, 1993-94, 1995-95, 1995-96, 1997-98, 1998-99, 1999-00, 2001-02, 2002-03.	14,731,217	Sales Tax Appellate Tribunal
	2000-01, 2001-02	2,154,218	Assistant Commissioner Appeal
	1998-99, 1999-00, 2000-01, 2003-04, 2004-05	91,722,301	Joint Commissioner Appeal
	1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 1997-98, 1998-99, 1998-99, 1999-00, 1999-00, 2001-02, 2001-02, 2002-03, 2003-04, 2004-05, 2004-05, 2004-05	125,646,852	Additional Commissioner Appeal
	1981-82, 1986-87, 1987-88, 1992-93, 1998-99, 1998-99, 2000-01, 2001-02, 2001-02, 2001-02.	1,882,057	Deputy Commissioner of Trade Tax Appeal
Income Tax Act, 1961	2002-03, 2003-04	25,453,442	CIT Appeal
	2000-01	2,626,546	Income Tax Appellate ribunal

Note: The Company has deposited Rs. 64,982,073 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)

SURESH MALIK
(Partner)
Membership No. 82224

Place: New Delhi
Date: June 28, 2007.

RICOH INDIA LIMITED**BALANCE SHEET AS AT MARCH 31, 2007**

	Schedule	As at March 31,2007 Rs.'000	As at March 31,2006 Rs.'000
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	447,674	447,674
Reserves and surplus	2	317,517	120,509
Loan Funds			
Secured Loans	3	-	111860
Total		765,190	680,043
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross block	4	429,617	414,873
Less : Depreciation		264,012	214,836
Net block		165,605	200,037
Capital Work in Progress		1,419	25
		167,024	200,062
Investments	5	4	4
Deferred Tax Asset (Refer Note 16 to Shedule 19)		7,958	18,814
Current Assets, Loans and Advances			
Inventories	6	232,599	354,826
Sundry debtors	7	359,325	328,758
Cash and bank balances	8	255,205	179,321
Loans and advances	9	254,051	257,241
		1,101,180	1,120,146
Less: Current Liabilities and Provisions			
Current liabilities	10	408,149	505,903
Provisions	11	102,827	153,081
		510,975	658,984
Net current assets		590,204	461,162
Total		765,190	680,043
Significant accounting policies	18		
Notes to accounts	19		

Schedule 1 to 19 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**M.Shiratori**
Whole Time Director**I.Uehara**
Director**M.Yoshino**
Director**D.C. Singhanian**
Director**U.P.Mathur**
Director**(SURESH MALIK)**
Partner
Membership No. 82224
Place: New Delhi
Date : June 28, 2007**N.Maitra**
President & CEO**Manoj Kumar**
VP- Finance**A.Chopra**
Company Secretary

RICOH INDIA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2007

	Schedule	Year Ended March 31,2007 Rs.'000	Year Ended March 31,2006 Rs.'000
INCOME			
Sales and other income	12	2,042,534	1,687,256
Less: Excise duty paid		1,507	2,843
		2,041,027	1,684,413
EXPENDITURE			
Cost of goods and materials	13	1,024,543	818,565
Employees' remuneration and benefits	14	287,292	336,101
Manufacturing, selling and distribution expenses	15	176,654	140,047
Other expenses	16	185,518	166,801
Interest & finance charges	17	19,834	12,997
Exchange loss (Net)		7,836	7,059
Depreciation		22,926	20,707
Amortisation of Goodwill		35,816	35,816
		1,760,419	1,538,094
Profit for the Year before tax		280,608	146,319
Add: Profit on sale of Nasik Unit		-	13,425
Profit before Tax		280,608	159,744
<u>Provision for Taxation:</u>			
On Normal profit		(64,000)	(95,335)
On profit on sale of Nasik Unit		-	(1,665)
For earlier years		(4,763)	-
Deferred Tax		(10,857)	46,974
Fringe benefit tax		(3,981)	(6,640)
Profit after Tax		197,007	103,078
Brought forward from the previous year		119,789	16,711
Balance carried to balance sheet		316,797	119,789
Significant accounting policies	18		
Notes to accounts	19		

Schedule 1 to 19 form an integral part of the final accounts

Earning Per Share -Basic & Diluted **4.86** 2.50

(Equity shares, par value Rs.10/- each)

(Refer Note 12 to Schedule 19)

As per our report of even date attached

For SAHNI NATARAJAN & BAHL

Chartered Accountants

For and on Behalf of Board

M.Shiratori
Whole Time Director

I.Uehara
Director

M.Yoshino
Director

D.C. Singhania
Director

U.P.Mathur
Director

(SURESH MALIK)

Partner

Membership No. 82224

Place: New Delhi

Date : June 28, 2007

N.Maitra
President & CEO

Manoj Kumar
VP- Finance

A.Chopra
Company Secretary

RICOH INDIA LIMITED
Schedules to the Balance Sheet as at March 31, 2007

Schedule 1	Year ended	Year ended
SHARE CAPITAL	March 31, 2007	March 31, 2006
	Rs.'000	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.	50,000	50,000
(Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		
Total	500,000	500,000
Issued and Subscribed Capital		
39,768,161 (previous year 39,768,161)		
Equity Shares of Rs.10/- each	397,682	397,682
500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/-each	50,000	50,000
(Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		
Total	447,682	447,682
Paid up Capital		
39,766,961 (previous year 39,766,961)		
Equity Shares of Rs.10/- each	397,670	397,670
(Of the above 28,989,792 are issued in pursuant to a scheme of arrangement without payment being received in cash)		
Add : Forfeited shares	4	4
	397,674	397,674
500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/-each	50,000	50,000
(Previous Year 500,000 7.5% Cumulative Redeemable Preference Shares of Rs.100/- each)		
Total	447,674	447,674

NOTES :

1. Of the above 18,310,578 (previous year 18, 310,578) 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 10,959,792) 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	As at	As at
RESERVES & SURPLUS	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Capital Reserve	720	720
Profit & Loss Account	316,797	119,789
	317,517	120,509
Schedule 3		
SECURED LOANS		
Loans from banks		
Cash credit	-	1,860
Working capital demand loans	-	110,000
(Cash credit and Working Capital Demand Loans from banks are secured by joint hypothecation of stock-in-trade and book debts)		
Total	-	111,860

SCHEDULE 4 FIXED ASSETS

Rs'000

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTIZATION			IMPAIRMENT LOSS				WDV as at		
	As on 1.4.06	Additions	Deductions	As on 31.3.07	As on 1.4.06	Additions	Deductions	As on 31.3.07	As on 1.4.06 (Accumulated loss for earlier years)	Additions	Deductions	As on 31.3.07	31.3.06
Goodwill	179,082	-	-	179,082	71,632	35,816	-	107,449	-	-	-	71,633	107,449
Leasehold Land	10,790	-	-	10,790	2,265	113	-	2,378	-	-	-	8,412	8,525
Factory Buildings	40,655	-	-	40,655	13,772	1,386	-	15,158	-	-	-	25,497	26,884
Plant & Machinery	41,862	1,576	2,805	40,633	37,892	722	2,246	36,368	640	-	73	3,698	3,330
Furniture,Fixtures, Office Equipments and Computers	94,117	18,905	7,313	105,708	59,382	10,099	6,564	62,918	-	-	-	42,791	34,734
Machines capitalized *	42,247	5,169	-	47,416	25,498	10,141	-	35,639	-	-	-	11,777	16,749
Vehicles	6,121	-	788	5,333	3,753	465	681	3,536	-	-	-	1,797	2,368
TOTAL	414,874	25,649	10,906	429,617	214,194	58,742	9,491	263,445	640	-	73	165,605	200,039
Capital WIP												1,419	25
TOTAL												167,024	200,064
Previous year	401,654	28,365	15,145	414,873	169,254	56,523	11,582	214,194	640	-		640	200039

1. * During the period under review, the company has capitalised 45 (Previous year 31) Digital copier machines from its stock.

RICOH INDIA LIMITED
Schedules to the Balance Sheet as at March 31, 2007

Schedule 5 INVESTMENTS	Year ended March 31, 2007 Rs.'000	Year ended March 31, 2006 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 1,000 equity shares of Rs. 10 each of Co-operative Stores Ltd., New Delhi, fully paid up	3	3
Less: Provision for diminution in value of investment	10 9	10 9
	1	1
	4	4
Aggregate book value of investments		
Unquoted	4	4
Quoted	-	-
	4	4
Schedule 6 INVENTORIES	As at March 31,2007 Rs.'000	As at March 31,2006 Rs.'000
(At lower of cost and net realisable value)		
Stores	3	10
Spare parts *	109,738	193,201
Finished goods **	120,138	157,638
Raw materials and components	2,598	3,665
Work-in -process	122	312
	232,599	354,826

* includes goods in transit Rs.15,571 (Previous year Rs.21,203)

** includes goods in transit Rs. 14,386 (Previous year Rs.10,450)

RICOH INDIA LIMITED

Schedules to the Balance Sheet as at March 31, 2007

Schedule 7 SUNDRY DEBTORS	As at March 31,2007 Rs.'000	As at March 31,2006 Rs.'000
Debts outstanding for a period exceeding six months		
Unsecured -		
Considered good	24,508	26,474
Considered doubtful	3,700	6,700
	28,209	33,175
*Other debts - Unsecured considered good	334,816	302,284
	363,025	335,458
Less: Provision for doubtful debts	(3,700)	(6,700)
	359,325	328,758

* Includes Rs.69,431 towards Lease Receivable (Pr. Year Rs.58,986)

* Includes Rs.1661 (previous year Rs.837) due from Ricoh Co.Ltd.,Japan, Rs. 51 (previous year Rs.nil)due from Ricoh Malaysia, Sdn Bhd, Rs. 637 (previous year Rs. nil) due from Ricoh Hong Kong , Rs 2036 (previous year Rs.nil) due from NRG International Ltd., Rs. 869(previous year nil) due from Ricoh Corporation USA, Rs.1625 (previous year nil) due from Ricoh South America Dist. Cen, Rs. 125 (previous year nil) due from Gestetner (pty) Ltd., Rs. 153 (previous year nil) due from Gestetner of Ceylon Ltd., Companies under the same management as defined in section 370 (1-B) of the Companies Act, 1956.

Schedule 8 CASH AND BANK BALANCES	As at March 31,2007 Rs.'000	As at March 31,2006 Rs.'000
Cash in hand	1,008	924
Cheques in hand	174,304	101,279
Balance with scheduled banks:		
-in current accounts	35,666	38,108
-in fixed deposit accounts		
-in dividend accounts	154	245
-in deposit accounts	43,756	38,447
(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
	255,205	179,321

* Refer Note 18 to Schedule 19

RICOH INDIA LIMITED**Schedules to the Balance Sheet as at March 31, 2007**

Schedule 9	As at	As at
LOANS AND ADVANCES	March 31,2007	March 31,2006
(Unsecured and considered good)	Rs.'000	Rs.'000
Advances recoverable in cash or in kind or for value to be received	69,376	72,410
Sundry Deposits	49,913	47,345
Taxes paid	84,999	114,427
Balances with government authorities	68,216	41,912
	272,504	276,094
Less: Provision for doubtful advances	(18,453)	(18,853)
	254,051	257,241
Schedule 10	As at	As at
CURRENT LIABILITIES & PROVISIONS	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Current Liabilities		
Sundry creditors		
Small scale industrial undertakings	249	1,138
Others	213,145	352,926
Unclaimed dividend	154	245
Advances from customers	30,428	24,995
Security deposits from dealers	16,615	14,573
Hire purchase liabilities *	374	471
Other liabilities	147,183	111,532
Interest accrued but not due	-	23
	408,149	505,903
* Rs.107 (Previous Year Rs.97) due within a year.		
Schedule 11	As at	As at
PROVISIONS	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Provision for Taxation	64,000	112,704
Provision for Fringe Benefit Tax	10,621	6,640
Provision for Gratuity	9,365	19,247
Provision for leave Encashment	14,584	11,948
Provision for Bonus	-	46
Provision for Managerial PF	4,257	2,496
	102,827	153,081

RICOH INDIA LIMITED

Schedules to the profit & loss for the year ended March 31, 2007

Schedule 12	Year ended	Year ended
SALES AND OTHER INCOME	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Sales	1,080,791	905,219
Income from rental,maintenance,sale of spares and other services	853,083	769,878
	1,933,874	1,675,097
Other income		
Profit on sale of Fixed Assets	518	58
Profit on sale of Investments	119	2,968
Interest from Bank	2,197	1,712
(Gross of tax deducted at source Rs. 458 (previous year Rs.319)		
Credit balance written back (includes Rs.93,957		
(previous year nil) towards custom duty liability written back)	102,865	2,346
Miscellaneous income	2,960	5,075
	2,042,534	1,687,256
Schedule 13	Year ended	Year ended
COST OF GOODS AND MATERIALS	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Raw materials and components		
Opening stock	3,665	2,838
Purchases	20,154	24,319
Closing stock	2,598	3,665
	21,221	23,492
Change in work-in-process		
Opening stock	312	187
Closing stock	122	312
	190	(125)
Change in finished goods		
Opening stock	157,638	91,348
Purchases	615,346	580,629
Less: Increase/(Decrease) in excise duty on opening &		
closing stock of finished goods	417	2,153
Closing stock	120,138	157,638
	653,264	516,492
Components for sale and service of field machines		
Opening stock	193,201	105,149
Purchases	266,405	366,759
Closing stock	109,738	193,201
	349,868	278,707
	1,024,543	818,565

RICOH INDIA LIMITED**Schedules to the profit & loss for the year ended March 31, 2007**

Schedule 14	Year ended	Year ended
EMPLOYEES' REMUNERATION AND BENEFITS	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Salaries ,wages and bonus (inclusive of VRS expenses of Rs.nil (previous year Rs.55,406)	242,072	280,885
Contribution to provident and other funds*	30,691	37,995
Staff welfare expenses	14,529	17,220
	287,292	336,101

* The Gestetner Duplicators Pvt.Ltd.Provident Fund Trust had estimated amount of Rs.2,759 (previous year Rs.1981) as interest shortfall for the year ended 31March 2005.Accordingly,this amount had been charged to profit and loss account during the previous year.

Schedule 15	Year ended	Year ended
MANUFACTURING, SELLING AND DISTRIBUTION EXPENSES	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Stores & spare parts consumed	235	339
Power & fuel	429	1,192
Advertisement and business promotion	53,674	42,525
Commission on sales	87,772	67,040
Carriage, freight and octroi	34,544	28,952
	176,654	140,047

Schedule 16	Year ended	Year ended
OTHER EXPENSES	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Repairs to Plant and machinery	198	93
Repairs to Building	299	248
Repairs and maintenance - others	3,260	5,012
Rent	39,197	36,619
Power	8,477	7,514
Rates and taxes	4,121	2,875
Insurance	4,542	3,050
Communication Expenses	25,845	25,279
Printing and stationery	7,680	6,520
Traveling and conveyance expenses	30,121	37,217
Legal and professional charges	13,912	12,637
Loss on sale of fixed assets	250	291
Purchase of services	21,032	14,864
Advances, deposits, bad debts written off	13,685	3,965
Merger Expenses	-	2,192
Miscellaneous expenses	12,899	8,426
	185,518	166,801

RICOH INDIA LIMITED

Schedules to the profit & loss for the year ended March 31, 2007

Schedule 17	Year ended	Year ended
INTEREST AND FINANCE CHARGES	March 31,2007	March 31,2006
	Rs.'000	Rs.'000
Interest and Other charges		
- On fixed period loans	6,598	1,849
- On others	13,236	11,148
	19,834	12,997

Schedule 18

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.

Finished goods

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.

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:

- 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.
- 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.
- 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 19 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	28,080	42,488
b Sales tax demands disputed by the Company *	236,136	179,963
c Rent cases	11,324	9,824
* Does not include an amount of Rs. nil (Previous year 2,627 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.64,982 K which have shown in loans & advances under "Balance with Government Authorities".		
2 Arrears of fixed cumulative dividend on preference shares (exclusive of Dividend Distribution Tax).	11,250	7,500
3 Auditors' remuneration *	2,000	2,025
As auditors'	-	90
Other services	100	140
Tax audit	150	150
Taxation matters	128	41
Out of pocket expenses		
* exclusive of service tax.		

4 (a) Capacities and production :

	Licensed Capacity # (p.a.)		Installed Capacity * (p.a.)		Actual production	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
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	2,278	2,398
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.

5. Material consumed includes write down of slow / non-moving inventory amounting to Rs.943K (previous year Rs.2,502 K)

6 Value and quantitative break up of consumption of raw material and packing materials

Particular	Unit	31-Mar-07		31-Mar-06	
		Quantity	Amount (Rs. '000)	Quantity	Amount (Rs. '000)
Metal	Tonnes	-	-	-	-
Chemicals	Tonnes	-	-	-	-
Paper and Tissues	Litres	-	-	-	-
	Rolls	-	-	-	-
	Tonnes	-	-	-	-
Container and packing Components	Pieces	-	567	-	681
	-	*	20,654	*	22,811
			21,221		23,492

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

SCHEDULE 19
NOTES TO THE ACCOUNTS
7 Value of imported / indigenous raw materials and components, spare parts and percentage of each to the total consumption.

	2006-07		2005-06	
	Percentage	Value Rs. ' 000	Percentage	Value Rs. ' 000
Raw Material and components				
Imported	2	387	3	701
Indigenous	98	21,069	97	23,130
	100	21,456	100	23,831

	Current year Rs. ' 000	Previous year Rs. ' 000
8 CIF Value of imports		
Raw material and components	230	372
Finished goods and spares parts	691,377	691,569
9 Expenditure in foreign currency :		
Travelling	769	652
10 Earnings in foreign exchange		
Export of goods on FOB basis	33,584	25,833
Others	2,399	4,047

11 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.

12 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:

SCHEDULE 19

NOTES TO THE ACCOUNTS

	Rs.in '000 Year ended 31st March,2007	Rs.in '000 Year ended 31st March,2006
Profits after Taxation	197,007	103,078
Less: Dividend on 7.5% (previous year 7.5%)		
Cumulative Preference Shares	3,750	3,750
[5,00,000 (500,000) shares of Rs. 100/- each]		
Profit for the year attributable to equity shareholders	193,257	99,328
Weighted Average Number of equity shares outstanding at the beginning of the year	39,766,961	10,777,169
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 % Cumualtive 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 Earning Per Share	39,766,961	39,766,961
Earning Per Share-Basic & Diluted (Rs. Per Equity Share of Rs. 10/- each)	4.86	2.50

13 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 31.03.2007
(Rs.in'000)

Lease Recoverable (Gross)	112,615
Unearned Finance Income	43,184
Lease Recoverable (Net)	69,431

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:

	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)	57,586	55,029	-
Lease Recoverable (Net)	32,850	36,581	-

Operating Lease :

The company gives photocopiers on cancellable operating lease for a period for substantially less than 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.

SCHEDULE 19**NOTES TO THE ACCOUNTS****14 Managerial remuneration :**

Key Managerial Personnel	For the year ended 31.03.07 RS.in '000	For the year ended 31.03.06 RS.in '000
Salary *	4,688	5,387
Contribution to provident and other funds #	534	601
Perquisites	1,811	1,745
	7,033	7,733
Director's sitting fees	100	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.

15 Related party transactions**(i) Related parties where control exists**

Ricoh Company Limited, Japan (Holding company)

(ii) Related parties with whom transactions have taken place during the yearFellow subsidiaries

Ricoh Europe B.V.

GR Advanced Material Limited

NRG - Dist. Holland

NRG International Limited

NRG Gestetner South Africa (Pty) Limited

Ricoh Malaysia Sdn Bhd

Ricoh Hong Kong

Ricoh Corporation USA

Ricoh South America Dist.Cen

Gestetner (Pty) Limited

Gestetner of Ceylon Limited

Key managerial personnel

Mr.K.Swetharanyan, President & CEO

SCHEDULE 19

NOTES TO THE ACCOUNTS

	For the year ended 31 March,2007	For the year ended 31 March,2006
(iii) Transactions with related parties during the year		
Key Managerial personnel		
- Managerial remuneration (exclusive of payment to relative) (Includes director's sitting fees Rs.100 (previous year Rs.75))	7,133	7,808
Holding company		
Purchase of finished goods,spares and components	644,038	624,365
Sale of finished goods	0	102
Interest Expense	8,622	6,199
Commission earned	1,282	3,672
Warranty LSF Allowance	1,117	586
Fellow subsidiaries		
Purchase of finished goods	19,649	39,554
Sale of finished goods	5,498	1,086
(iv) Outstanding balances		
Creditors		
- Ultimate holding company	192,289	211,667
- Key managerial personnel	-	-
- Fellow subsidiary	2,523	7,724
Amount receivable from subsidiary	891	-
		16
	As at 31.03.07	As at 31.03.06
16 Components of Deferred Tax Asset (Net) as on 31st March, 2007 are follows:		
Deferred Tax Assets		
Custom Duty	-	31,624,152
VRS Expenses	13,400,746	19,485,934
Leave Encashment	4,908,853	3,988,014
Provision for Doubtful debts and Advances	134,640	8,601,252
Merger Expenses	816,415	1,150,827
Superannuation & Managerial PF	990,164	265,250
Others	-	9,619,948
TOTAL	20,250,818	74,735,377
Deferred Tax Liability		
Depreciation	(9,733,215)	(53,361,048)
Other Assets	(2,559,879)	(2,559,879)
TOTAL	(12,293,094)	(55,920,927)
Net Deferred Tax Asset/ (Liability)	7,957,724	18,814,450

SCHEDULE 19**NOTES TO THE ACCOUNTS****17 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 separately 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.

Rs. '000

	SEGMENTS				TOTAL			
	DIRECT CHANNEL		INDIRECT CHANNEL		TOTAL SEGMENT		OTHER INCOME	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
External Revenue	1,092,116	1,019,356	840,250	652,898	1,932,366	1,672,254	108,660	25,584
TOTAL REVENUE	1,092,116	1,019,356	840,250	652,898	1,932,366	1,672,254	108,660	25,584
Segment Expenses								
Cost of Good Sold DC	579,041	477,353			579,041	477,353		
Cost of Good Sold(IDC)			445,502	341,212	445,502	341,212		
Dealer Commission			59,024	44,948	59,024	44,948		
TOTAL EXPENSES - B	579,041	477,353	504,526	386,160	1,083,567	863,513		
SEGMENT RESULT	513,075	542,003	335,724	266,738	848,799	808,741	108,660	25,584
Unallocated corporate expenses								
OPERATING PROFIT								
Interest expense								
Depreciation & Amortization								
NET PROFIT								
OTHER INFORMATION								
CAPITAL EMPLOYED								
Segment Assets-Segment Liabilities								
as per reasonable estimate								
Segment Assets	342,700	393,926	253,700	297,426			596,400	691,352
Segment Liabilities	116,500	140,686	105,100	114,811			221,600	255,497
Capital employed	226,200	253,240	148,600	182,615			374,800	435,855
Unallocated Assets							390,390	132,328
Total Capital employed							765,190	568,183

- 18** 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.
- 19** 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 2007:
- a) Ghosh Engg Co
 - b) Franco Spring Co
 - c) Ami Cook Wares
 - d) Lucky Packaging Industries
 - e) Classic Blowtechnik Pvt.ltd.
- 20** Other income for the period ended 31st March,2007 includes custom duty liability written back for earlier years amounting to Rs.93,957 K since the case was decided in favour of the Company by the Honourable Supreme Court during the year.
- 21 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, 2007**

PARTICULARS	Year ended 31st March 2007 Rs.'000	Year ended 31st March 2006 Rs.'000
A.CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS)BEFORE TAX	280,608	159,744
Adjustments For :		
Depreciation / Amortisation	58,742	56,523
Loss/(profit) on sale of fixed assets	(268)	(13,192)
Provision for bad debts/Bad debts	-	3,000
Profit on sale of Investments (net)	-	(2,968)
Interest paid	19,834	12,997
Interest Received	(2,197)	(1,712)
Unrealised Foreign exchange loss/(gain)	(1,577)	2,090
Operating profit/(loss) before working capital changes	355,142	216,482
Adjustments for :		
(Decrease)/Increase in current liabilities and provisions	(219,152)	15,519
(Increase)/Decrease in inventories	122,227	(155,282)
(Increase)/Decrease in sundry debtors	(30,567)	(6,314)
Decrease/(increase) in loans and advances	61,696	(41,048)
Cash generated from operations	289,346	29,357
(Advance tax paid)/Refund of direct taxes	(58,815)	(79,909)
NET CASH (USED) IN OPERATIONS (A)	230,531	(50,552)
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(26,445)	(28,390)
Sale of fixed assets	1,010	15,158
Investments in Mutual funds (net)	-	81,800
Profit on sale of Investments (net)	-	2,968
NET CASH (USED) IN INVESTING ACTIVITIES (B)	(25,435)	71,536
C.CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(19,857)	(13,976)
Interest Received	2,505	720
Increase/(Decrease) in secured loans	(111,860)	40,044
NET CASH FROM FINANCING ACTIVITIES (C)	(129,212)	26,788
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	75,884	47,772
Cash and cash equivalents (opening balance) *		
Cash and bank balances	179,321	131,549
	179,321	131,549
Cash and cash equivalents (closing balance) #		
Cash and bank balances	255,205	179,321
	255,205	179,321

* includes Rs.38,447 (Previous year Rs.16,538) unavailable cash on account of margin money.

includes Rs 43,756 (Previous year Rs. 38,447) 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

(SURESH MALIK)**Partner****Membership No. 82224****Place: New Delhi****Date : June 28, 2007**

M.Shiratori
Whole Time Director

N.Maitra
President & CEO

For and on Behalf of Board

I.Uehara
Director

M.Yoshino
Director

D.C. Singhania
Director

U.P.Mathur
Director

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** **03** **2007**
Date Month Year

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

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

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

Total Liabilities **765190** Total Assets **765190**
Sources of Funds
Paid - Up Capital **447674** Reserves & Surplus **317517** Secured Loans **NIL** Unsecured Loans **NIL**
Application of Funds
Net Fixed Assets **167024** Investments **4** Net Current Assets **590204**
Misc. Expenditure **Nil** Accumulated Losses **Nil** Deferred Tax Assets **7958**

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

Turnover **2041027** Total Expenditure **1760419**
+ - Profit/Loss Before Tax **+** **280608** + - Profit/Loss After Tax **+** **197007**

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

Earning per Share in Rs. **4.86**

Dividend ☐

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

Item Code No.(ITC Code) **84433930**
Product Description **PHOTO COPYING APPARATUS**

Item Code No.(ITC Code) **84433100**
Product Description **COLOUR PRINTER**

Item Code No.(ITC Code) **84729020**
Product Description **DIGITAL DUPLICATOR**

For and on Behalf of Board

M.Shiratori
Whole Time Director

I.Uehara
Director

M.Yoshino
Director

D.C. Singhania
Director

U.P.Mathur
Director

N.Maitra
President & CEO

Manoj Kumar
VP- Finance

A.Chopra
Company Secretary

DP ID*	
Client ID*	

RICOH INDIA LIMITED

Registered office : 1104, Arcadia, 195, N.C.P.A. Road,
Nariman Point, Mumbai - 400 021

Regd. Folio No.	
No. of Shares Held	

ATTENDANCE SLIP

I hereby record my presence at the 14th Annual General Meeting of the Company at the Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai- 400 018 on Tuesday, the 18th day of September, 2007 at 10.00 A.M.

NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS)

[illegible]

NAME OF THE PROXY (To be filled in if the Proxy attends instead of the Member)

[illegible]

SIGNATURE OF THE MEMBER OR PROXY PRESENT)

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----- ✂ ----- (Please cut here and bring the above Attendance slip to the meeting) ----- ✂ -----

DP ID*	
Client ID*	

RICOH INDIA LIMITED

Registered office : 1104, Arcadia, 195, N.C.P.A. Road,
Nariman Point, Mumbai - 400 021

Regd. Folio No.	
No. of Shares Held	

PROXY FORM

I/We _____
of _____ in the district of _____
being a member/members of RICOH INDIA LIMITED hereby appoint _____
_____ of _____ in the district of _____
_____ or failing him _____
_____ of _____ in the district of _____
_____ as my/our proxy to attend and vote for me/us
on my/our behalf at the 14th Annual General Meeting of the Company to be held at the Sunville Banquets
9, Dr Annie Besant Road, Worli, Mumbai- 400 018 on Tuesday, the 18th day of September, 2007 at
10.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2007.

FOR OFFICE USE ONLY

PROXY NO.

Signature _____

Revenue Stamp

Note : The form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.

** Applicable for Investors holding shares in electronic form.*