

Value Based Fund Ltd

Report of the Directors

The directors are pleased to submit their annual report and the audited financial statements for the year ending 30th June 2007.

The company's main activities have been investment in securities and other assets. The company has made a profit after tax of Rs 766,267.10 for the year under review. A dividend of Rs 15.00 per share was paid to shareholders registered at the close of business on December 25, 2006.

BY ORDER OF THE BOARD

Secretary

1st December 2007

Auditors Report

I have audited the accounts of Value Based Fund Ltd as set out on pages 2 and 3.

I have conducted the audit in accordance with accounting and auditing standards.

In my opinion, the accounts give a true and fair view of the affairs and the financial position of the company and they comply with the Companies Act 2001.

D. Beejan

This 1st^h December, 2007.

Value Based Fund Ltd

Balance Sheet as at June 30

Assets	2006	2007
	Rs	Rs
Investments at Mkt Val	1,452,256.79	1,326,558.74
Fixed Income Securities		661,127.84
Current Assets		
Savings Acct	54,951.64	57,244.81
Current Acct	1,255.75	1,365.75
Trading Acct	(18,900.00)	
Less Current Liabilities		
Creditors		0.00
Tax Due		1,870.00
Net Current Assets	37,307.39	56,740.56
Total Assets	1,489,564.18	2,044,427.14
Financed By		
Share Capital	177,050.00	177,050.00
Advances from Shareholders		
Shareholders Funds	177,050.00	177,050.00
Reserves		
Capital Reserve	777,627.65	1,530,998.56
Revenue Reserve	534,886.53	336,378.58
	1,312,514.18	1,867,377.14
Total Financing	1,489,564.18	2,044,427.14

Value Based Fund Ltd

Profit and Loss Account for the year ended June 30

	2006 Rs	2007 Rs
Income		
Dividends	60,075.26	64,995.36
Interests	18,368.59	12,466.69
Realised Gain/Loss	85,196.53	699,200.05
	<u>163,640.38</u>	<u>776,662.10</u>
Expenses		
General Expenses	1,700.00	2,200.00
Preliminary Exp written off		
Company Licence	2,000.00	2,000.00
Interest and Bank Charges	3,244.00	4,325.00
	<u>6,944.00</u>	<u>8,525.00</u>
Profit Before Tax	156,696.38	768,137.10
Taxation		<u>1,870.00</u>
Profit After Tax		766,267.10
Balance B/F	463,386.68	534,886.53
	<u>620,083.06</u>	<u>1,301,153.63</u>
Dividends Paid		<u>265,575.00</u>
To Capital Reserve	85,196.53	699,200.05
Balance C/F	534,886.53	336,378.58

Notes to the Accounts

- 1 Investments are stated at Market Value
- 2 Creditors represent amount due for trading in securites(2006) and expenses
- 2 Tax is 15% on interest income
