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17th
Annual Report
2005-2006

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EURO - GOLD

EURO-GOLD JEWELLERY LIMITED

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BOARD OF DIRECTORS

Shri Ashok Kumar Maheshwari	Chairman
Shri Ashvarya Kumar Maheshwari	Managing Director
Shri Rakesh Kumar Agarwal	Director
Shri Arvind Sharda	Director
Shri R.S Verma	Director

AUDITORS

M/s.Krishan K.Gupta & Company
Chartered Accountants
1/3, 10196, Jhandewalan
New Delhi 110055

BANKERS

Central Bank of India
Bank of Baroda

REGISTERED OFFICE

133, GF, Sant Nagar
East of Kailash,
New Delhi 110065

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MARKETING OFFICE

444, Pancharatna,
Opera House,
Mumbai 400004

REGISTRAR & TRANSFER AGENT

Alankit Assignments Limited
205-208, Anarkali Market,
Jhandewallan Extension,
New Delhi - 110 055

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NOTICE

Notice is hereby given that 17th Annual General Meeting of the members of the Company will be held at Saket Cultural Club, New Delhi-110017 on Friday, the 29th Day of September, 2006 at 11.00 AM to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance Sheet as on 31st March, 2006 and the profit & Loss Account for the year ended on the date and the report of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. R. S. Verma , who retires by rotation, and being eligible, offers himself for reappointment.

3. To appoint Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and a proxy need be a member of the Company.

2. Proxies, in order to be effective, should be duly stamped, completed and signed, and must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

3. The register of member and share transfer books of the Company will remain closed from 23rd September, 2006 to 29th September, 2006(both days inclusive)

4. Member desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Director at least seven days before the date of meeting so that the information required may be made available at the meeting.

5. No gifts cash payment will be made to the Shareholders/ proxies for attending the meeting.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 31st August, 2006

(A. K. Maheshwari)
Managing Director

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EURO-GOLD JEWELLERY LIMITED

DIRECTORS' REPORT

ToThe Members,

Your Directors have pleasure in placing before you the 17th Annual Report on the working results of the Company together with the audited statement of the Accounts for the year ended 31st march, 2006.

1. **FINANCIAL RESULTS** **(Rs. in lakhs)** **(Rs. in lakhs)**

	YEAR ENDED 31ST MARCH'06	YEAR ENDED 31ST MARCH'05
Turn Over	32.71	17.04
Profit/(Loss) for the year	00.83	(8.99)

2. **OPERATIONS AND FUTURE PROSPECTS**

Due to non availability of the export orders the operations at the factory at NSEZ NOIDA remained suspended during the year. In order to generate the business the Directors has decided to increase in local sale. In view of the excessive expenses being incurred at the Company's Factory at Noida, at the last Annual General Meeting it was held to dispose off the said factory building and the Board was authorized to sell or otherwise dispose off the said building. The Board is searching for a good buyer.

3. **DIVIDEDND**

Due to losses to the Company no dividend is admissible in this year.

4. **DIRECTORS**

Mr. R. S. Verma, Director of the Company, who retires from the Board by rotation at the 17the Annual general Meeting and being eligible, offers himself for reappointment.

5. **PARTICULARS OF EMPLOYEES & DISCLOSURE OF INFORMATION**

Information as per Sub Section(2A) of Section 217 of the Companies Act, 1956 may be treated as NIL as the Company has no employee falling in this category.

1. **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, Directors state that;

i. in the preparation of the annual accounts, the applicable accounting standards have been followed;

ii appropriate accounting policies have been selected and applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2006 and of the Profit of the Company for that period;

iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956, for safeguarding the assets of the Company and for preventing and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a going concern.

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2. **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, R& D CELL AND EXCHANGE EARNING & OUTGO**

The details required under the Companies (Disclosures of particulars of the Report of Board of Directors) Rules, 1988 are annexed to this report as Annexure I.

3. **AUDITORS AND NOTES ON ACCOUNTS**

M/s Krishan K. Gupta & Company, the Auditors of your Company retire at this Annual Genaral Meeting and are eligible for re appointment. You are requested to appoint Auditors until the conclusion of next Annual General Meeting and fix their remuneration.

The notes on accounts referred to the Auditors Report are self explanatory and therefore do not call for any further comments.

4. **EMPLOYEES**

The Company's relations with its employees remained cordial throughout year.

5. **STOCK EXCHANGE LISTING**

At the last Annual General Meeting it was decided to delist the shares of the Company from Delhi and Calcutta Stock Exchanges. The application for delisting to the abovesaid exchange(s) has already been made and the same are pending . During the year, trading in the shares of the Company has been suspended at Mumbai and the Company is in the process of revocation of suspension of trading of its shares.

6. **CORPORATE GOVERNANCE**

Your Company has taken adequate steps to ensure compliance with the requirement of the Corporate Governance as prescribed under the listing agreement with the Stock Exchange. A separate report on corporate governance along with the report on Management Discussion and Analysis is enclosed as part of the Annual Report. Your Committed to improve the quality of Corporate governance where the focus is on creating value shareholders.

7. **APPRECIATION**

Your Directors thank the Central Bank of India, Bank of Baroda, Semi Government Authorities. Your directors also wish to place on record the appreciation of the sustained efforts, cooperation and assistance of all employees and workers of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 31st August, 2006

(A. K. Maheshwari)
Managing Director

ANNEXURE I

INFORMATION AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPOSRT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

i. Energy conservation measures taken

Since the production during the year remain suspended no electricity was consumed for the purpose of production.

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ii. Additional investments and proposals being implemented for reduction of consumption of energy.
N.A.

iii. Impact of the measures at (a) and (b) above
NIL

iv. total energy consumption and energy consumption per unit of production as per prescribed Form 'A' of the Annexure

NOT APPLICABLE TO THE COMPANY

B. TECHNOLOGY ABSORPTION

FORM B

e. (form for disclosure of particulars with respect of absorption)

RESEARCH & DEVELOPMENT

1. Specified areas in which R & D carried out by the Company
None
2. Benefit derived as a result of the R & D
NIL
3. Future Plan of action
None
4.

Expenditure on R & D	Current Year	Previous Year
Capital	Nil	Nil
Recurring	Nil	Nil
Total	Nil	Nil
Total R & D Expenditure as a % of total Turnover	Nil	Nil

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a. Efforts, in brief made towards Technology absorption, adaptation and innovation
Nil

b. Benefit derived as a result of above (1)
Nil

c. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

a. Technology imported	Nil
b. year of import	Nil
c. has technology been fully absorbed	Nil
d. if not absorbed, areas where this hs not taken place, reasons therefore and future plans of action.	Nil

C. FOREIGN EXCHANGE EARNING AND OUTGO

e. activities relating to export, initiatives taken to increase export, development of new export markets for products and services, and export plans.
No Activities

f. Total Foreign Exchange used and earned

	Current Year	Previous Year
Total Foreign Exchange used	Nil	Nil
Total Foreign Exchanged Earned	Nil	Nil

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REPORT ON CORPORATE GOVERNANCE

Pursuant to the Clause 49 of the Listing Agreement, a report on Corporate governance is given below:

A. MANADATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in and practices good corporate governance. The Company's philosophy is aimed at assisting the management of the Company in efficient conduct of the business and in meeting its obligations to all its stakeholders.

2. BOARD OF DIRECTORS (As on 31.3.2006)

The Board of Directors comprises of two Promoter Executive Directors and three independent Non Executive Directors.

During the financial year under review Six Board Meeting were held on 31.7.2005, 31,8,2005, 29.10.2005, 30.1.2006 & 27.4.2006. attendance of each director at the Board Meeting is as follows;

Name of Director	Category of Directorship	No. of Board Meetings	Attendance at last AGM held on 30.09.05	No. of other Companies in which Director	No. of Committees (other than EUROGOLD Jewellery Ltd.)
Mr. Ashok Kumar Maheshwari	E.D. Promoter	6	No	Nil	Nil
Mr. Ashvarya Kumar Maheshwari	E.D. Promoter	6	Yes	Nil	Nil
Mr. Rakesh Kumar	Independent Director	4	Yes	Nil	Nil
Mr. Arvind Sharda	Independent Director	5	No	Nil	Nil
Mr. R. S. Verma	Independent Director	3	Yes	Nil	Nil

3. AUDIT COMMITTEE

Date of appointment: 7 march, 2003

Name of Member of Audit Committee	Category of Directorship	No. of Meetings
Ashok Kumar Maheshwari	E. D. Promoter/Chairman	4
Mr. Rakesh Kumar	Independent Director	4
Mr. R. S. Verma	Independent Director	3

4. REMUNERATION COMMITTEE

The Company has not formed any remuneration committee.

REMUNERATION OF DIRECTORS: The Company is not paying any remuneration to its directors.

SITTING FEE: No sitting fee is being paid to the NED for attending the Board/Committee meeting.

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5. **INVESTOR/SHAREHOLDERS COMMITTEE**

Date of appointment: 5 July, 1995

Name of Member of Audit Committee	Category of Directorship	No. of Meetings
Ashok Kumar Maheshwari	E. D. Promoter/Chairman	4
Mr. Arvind Sharda	Independent Director	4
Mr. R. S. Verma	Independent Director	4

No material complaint were received by the Company during the year under review. However intimation as to the transfer/ change of address has been effected within 30 days of its receipt. Minor complaints were resolved immediately by providing the required documents to the shareholders.

6. **GENERAL BODY MEETING**

The last three Annual general meeting were held as under :

Financial Year	Date	Time	Location
2002-2003	27.9.2003	11.00 A.M.	Saket Cultural Club, Saket, New Delhi-110017
2003-2004	27-9-2004	11.00 A.M.	Saket Cultural Club, Saket, New Delhi-110017
2004-2005	30-9-2005	11.00A.M.	Saket Cultural Club, Saket, New Delhi-110017

All the resolutions set out in the respective Notices were passed by the Shareholders.
No special resolutions were required to be put through postal ballot last year. And in all these meeting no special resolution was passed for which Clause 49 of the listing Agreement or Section 192A of the Companies Act has recommended / mandated postal ballot.

7. **DISCLOSURES**

1. There were no transactions of material nature with its promoters. The Directors of the Management their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.
2. there were no instances of non compliances nor have any penalties, strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years.

8. **MEANS OF COMMUNICATION**

Half yearly report sent to each Household of shareholders.	:	No. results are being published in the Newspaper
Quarterly Results	:	No. results are being published in the Newspaper
Any Websites where displayed	:	No
News papers in which results are published	:	The Pioneer
Whether Management Discussion And Analysis is the part of the Annual report	:	Yes

General Shareholder information

AGM Date, time and Venue	:	Friday, 29th September, 2006 at 11.00 AM at Saket Cultural Club, Saket, New Delhi-110017

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