

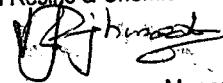
ANNUAL REPORT & ACCOUNTS

2005 - 2006

Report  junction.com



For Allied Resins & Chemicals Ltd.



Manager

ALLIED RESINS & CHEMICALS LTD.



ALLIED RESINS & CHEMICALS LTD.

Board of Directors : Mr. Suraj Ratan Mundhra
Chairman & Managing Director

Mr. Bimal Kumar Ghose

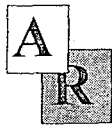
Mr. Ujjwal Banerjee

Corporate Office : 13, Camac Street,
Kolkata - 700 017.

Auditors' : M/s. L.B. Jha & Co.
Chartered Accountants
8, Netaji Subhas road
Calcutta - 700 001.

Works : 1. Rampur, P.O. Govindapur
Budge Budge Trunk Road,
24 Parganas.
2. 47, Hide Raod Extension
Kolkata - 700 088.

Installation : 134, M.G. Road,
Budge Budge
24 Parganas.



ALLIED RESINS & CHEMICALS LTD.

Allied Resins & Chemicals Limited

13, Camac Street, Calcutta - 700 017

Notice Of Annual General Meeting

Notice is hereby given that the forty Seven Annual General Meeting of Allied Resins & Chemicals Ltd. will be held on Friday, the 29th day of September, 2006 at 10.00 a.m at its Corporate Office at 13, Camac Street, Kolkata - 700 017 to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2006, the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B.K. Ghose, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

For and on behalf of the Board

S.R. MUNDHRA
CHAIRMAN & MANAGING DIRECTOR

Corporate Office :
13, Camac Street,
Calcutta - 700 017.
Dated the 7th day of August, 2006



ALLIED RESINS & CHEMICALS LTD.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED -TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of members and the share transfer books shall remain closed from 26th September, 2006 to 29th September, 2006 (both days inclusive).
3. The Proxy Form, duly completed, must reach the Corporate Office of the Company not less than 48 hours before the commencement of the meeting.
4. Members/proxies should bring the attendance slip duly filled in for attending the meeting.



ALLIED RESINS & CHEMICALS LTD.

Directors' Report

Your Directors have pleasure in placing before you the 47th Annual Report and Audited Accounts of the company for the financial year ended March 31, 2006.

1. Financial Results

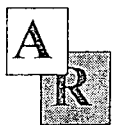
Rs. in Lacs

| Particulars | 2005-06 | 2004-05 |
|-------------------------------|------------|------------|
| Total Income | 5647.49 | 3672.29 |
| Operating Profit/(loss) | 84.81 | 6.73 |
| Interest | 7122.92 | 5887.32 |
| Depreciation | 443.73 | 440.16 |
| Profit/(loss) before Tax | (7513.19) | (6320.75) |
| Profit/(loss) after Tax | (7513.19) | (6320.75) |
| Profit/(loss) brought forward | (30789.07) | (24468.32) |
| | (38302.26) | 30789.07 |

2. Performance Of The Company

During the year under review the company has recorded a substantial growth in the volume of sale as well as marginal operating profit of Rs. 84.81 lacs. The company cannot improve its margins due to shortage of working capital as well as purchase of raw material at a higher cost due to financial sickness of the company.

...contd.



ALLIED RESINS & CHEMICALS LTD.

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3. *Rehabilitation*

Company has filed an application before the Hon'ble Calcutta High Court under Section 391 of the Companies Act, 1956 with the object of obtaining sanction of the Compromise Scheme

Under the Compromise Scheme Company has proposed the following terms and conditions for the payment of dues of secured creditors :

1. ARCL will pay 50% of principal outstanding in full and final settlement of your entire dues.
2. 20% of the amount shall be paid immediately on receipt of letter of intent from you (LOI to be issued immediately after the approval of the scheme by the Hon'ble High Court).
3. The balance will be paid in 36 equal monthly installments.
4. There shall be no interest for the period of first 12 months.
5. The interest will be charged from the 2nd year @ 8.5% p.a.

4. *Future Prospects :*

In view of the encouraging response from the export market, company's future appears to be quite bright. Its R&D is continuously developing new products. Given the required working capital support, the company will be able to increase the capacity utilization and cut down the costs resulting in increase in turnover and profits.

5. *Fixed Deposits*

During the year, the company has not accepted any fresh fixed deposit from the public.

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ALLIED RESINS & CHEMICALS LTD.

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6. Directors

Mr. U. Banerjee retires by rotation and being eligible, offers himself for reappointment.

7. Human Resources

Your company despite the disquieting situation has tried its best to look after and maintain its human resources - all of whom have provided unflinching support to the Management.

8. Auditors' Report

The Auditors' observations are self-explanatory and are suitably explained in the notes on the accounts.

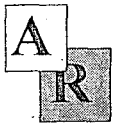
9. Auditors

The Auditors M/s. L.B.Jha & Co, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

10. Information Pursuant To Section 217 Of The Companies Act, 1956.

Information pursuant to Section 217(2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable. Informations pursuant to Section 217(1)(e) of the said Act, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 form part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all the shareholders of the Company, excluding the aforesaid information - which can be available at the Registered Office for inspection by the interested shareholders.

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ALLIED RESINS & CHEMICALS LTD.

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11. Directors' Responsibility Statement

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your directors confirm :

1. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed to the extent possible alongwith proper explanation relating to material departures ;
2. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2006 and of the loss of the company for that period ;
3. that the Directors have taken proper and sufficient care for 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 detecting fraud and other irregularities; and ;
4. that the directors have prepared the annual accounts on a going concern basis.

12. Appreciation

Your Directors place on record their appreciation for continued support from the Shareholders, Customers, Suppliers, Banks, Financial Institutions and above all, the dedicated workforce, who have made themselves fully committed for the company's revival.

13, Camac Street,
Kolkata - 700 017.

For and on behalf of the Board

Dated : August 7, 2006

S.R.MUNDHRA
CHAIRMAN & MANAGING DIRECTOR

For Allied Resins & Chemicals Ltd.

Manager



ALLIED RESINS & CHEMICALS LTD.

ATTENDANCE SLIP*Allied Resins & Chemicals Limited**13, Camac Street, Calcutta - 700 017*

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT.

I hereby record my presence at the 47th Annual General Meeting of the company held on 29th September, 2006 at 10.00 a.m at Corporate office 13, Camac Street, Kolkata – 700 017.

| | | |
|-----------------|--|-----------|
| REGD. FOLIO NO. | | Signature |
| | Name of the Shareholder (in block capitals) | |
| | | Signature |
| | Signature of the Shareholder or Proxy | |

PROXY FORM*Allied Resins & Chemicals Limited**13, Camac Street, Calcutta - 700 017*

I/We

Of

Being a Member/Members of Allied Resins & Chemicals Ltd. hereby appoint.

of or failing him of or failing him of as my/our Proxy to attend and vote for

me/us and on my/our behalf at the 46th Annual General Meeting of the Company to be held on 29th September, 2006 at 10.00 a.m.

As witness my/our hand this day of2006

Signed by the said

Revenue
Stamp

Note : The proxy must be deposited at the Corporate Office of the Company not less than 48 hours before the time for holding the Meeting.



DG-1 & EG-3 GILLANDER HOUSE
8, NETAJI SUBHAS ROAD
KOLKATA-700 001
TEL : +91-33-2242 5858/5407/4277
FAX : +91-33-2242 0650/2230 2846
E-mail : lbj@lbjha.com
Website : www.lbjha.com

Ref. SA-A-5R

AUDITORS' REPORT
TO
THE MEMBERS OF ALLIED RESINS & CHEMICALS LTD.

1. We have audited the attached Balance Sheet of ALLIED RESINS & CHEMICALS LIMITED as at 31st March 2006 and the related Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (The 'Act'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the attached Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report - are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report comply with the applicable Accounting Standards referred to in the sub-section (3C) of Section 211 of the Companies Act, 1956 except that Accounting Standard 15, 22 and 28 regarding accounting for retirement benefits, accounting for taxation and impairment of assets have not been complied with.



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