

JALAN CEMENT WORKS LIMITED**DIRECTOR'S REPORT**

To

The Members,

Your Directors have pleasure in presenting the Annual Report of the Company together with Audited Accounts for the year ended on 31st March, 2005.

1. FINANCIAL RESULTS**CURRENT YEAR****PREVIOUS YEAR**

Rs.

Rs.

Profit before Taxation	5867455	3163
Provision for taxes	<u>1047042</u>	<u>1134</u>
Profit after Taxation	4820413	2029
Transfer to Statutory Reserve	(964083)	(406)
Sundry Balances Written off	(17622)	--
Brought Forward from prev yr.	<u>2,56,963</u>	<u>255340</u>

Balance carried to Balance Sheet

4095671

2,56,963

2. FUTURE PERFORMANCE

During the year under review, the company have made profit of Rs.4820413/- (PAT) in comparison to that of previous year of Rs. 2029/-. Your Directors have made investments in some profitable areas during the current financial year and are hopeful of maximising the profitability in current Financial Year.

3. DIVIDEND

In view of nominal profit, your Directors do not recommend any dividend for the year.

4. AUDITORS :

The retiring Auditors **MAROTI & ASSOCIATES**, Chartered Accountants, Kolkata hold office till the conclusion of the Annual General Meeting and is eligible for reappointment.

5. DIRECTORS :

Shri Raj Kumar Agarwal retires by rotation and being eligible, offers himself for re-appointment.

6. PERSONNEL :

Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the company and hope that their continued support will help in achieving the goals of the Company. In accordance with the requirement of Section 217(2A) of the Companies Act, 1956, it is stated that no employee of the company is in receipt of remuneration aggregating to Rs.24,00,000/- or more for the year and Rs.2,00,000/- or more for the part of the year.

7. STATUTORY INFORMATION :

Particulars required to be furnished by the companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 :

1. CONSERVATION OF ENERGY : Nil
2. TECHNOLOGY ABSORPTION & ADOPTION : Nil
3. FOREIGN EXCHANGE EARNING & OUTGO : Nil

8. RESPONSIBILITY STATEMENT :

i. In preparation of the annual accounts, the applicable Accounting Standards have been followed.

ii. The Directors have selected such accounting policies and have applied them consistently and made judgments 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.

iii. The Directors have taken proper and sufficient care 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 detecting fraud and other irregularities.

iv. The Directors have prepared the annual accounts on going concern basis.

9. ACKNOWLEDGEMENTS :

The Board wishes to place on record their gratitude for the co-operation and assistance received from all those who contributed by some means or other for the performance of the company and expect the same in the future.

Place : Kolkata
Board

For and on behalf of the

Mulan A. Shali

Date : 8th August, 2005

Sgt. B. Shau
Directors

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MAROTI & ASSOCIATES

CHARTERED ACCOUNTANTS

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Kolkata-700 001

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AUDITORS' REPORT

To
The Shareholders
JALAN CEMENT WORKS LIMITED

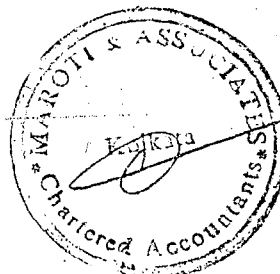
We have audited the attached Balance Sheet of JALAN CEMENT WORKS LIMITED, as at 31st March 2005 and also the Profit & Loss Account for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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.

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 paragraph 4 and 5 of the said order to the extent it is applicable to the Company.

Further to our comments in the Annexure referred to in paragraph above, we state that :-

1. 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 ;
2. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books ;
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account ;



4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 ;

5. On the basis of written representations received from the Directors, as on 31st March, 2005, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2005 from being appointed as Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956 ;

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies, and 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 :-

i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2005 ; and

ii) In the case of the Profit & Loss Account, of the Profit for the Year ended on that date.

For MAROTI & ASSOCIATES
(CHARTERED ACCOUNTANTS)

Place : Kolkata

Date : 08.08.2005



M. K. Maroti
(Proprietor)

ANNEXURES TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on 31st March 2005.

1. There is no Fixed Assets. Therefore, the provisions of clause 4(i) of the Companies(Auditor's Report) Order,2003 are not applicable to the Company.
2. (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanation given to us, the procedure 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. On the basis of our examination of the record of inventories, we are of the opinion that the Company is maintaining proper records of inventories. No material discrepancies have been noticed on physical verification of inventories with book records and the same have been properly dealt with in the books of accounts.
3. (a) The Company had neither taken loan from Companies covered in the Register maintained under Section 301 of the Companies Act,1956 and nor granted any loan to the Companies 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 are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase and sale of investment in shares and mutual funds. During the course of our audit no major weakness has been noticed in the internal control.
 - 5.a) Based on our audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that required to be entered in to the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanation given to us each of the above transaction is below Rs.5 Lakhs and hence transaction made at prices which are reasonable having regard to the prevailing market price at the relevant time does not arise.
6. The Company has not accepted any deposits from the public.

