

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, 2006

1. FINANCIAL RESULTS	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
Profit before Taxation	8366257	5867455
Less: Provision for taxes	521204	1047042
Less: Provision for Fringe Benefit Tax	1905	----
Adjustment for Deferred Tax	(12327)	----
Profit after Taxation	7830821	4820413
Transfer to Statutory Reserve	(1566164)	(964083)
I. Tax paid for earlier year	(30277)	----
Security Transaction Tax	(47497)	----
Sundry Balances Written off	----	(17622)
Brought Forward from prev yr.	<u>4095671</u>	<u>2,56,963</u>
Balance carried to Balance Sheet	1028554	4095671

2. FUTURE PERFORMANCE

During the year under review, the company have made profit of Rs.7830821/- (PAT) in comparison to that of previous year of Rs. 4820413/- (PAT). 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. 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.

6. 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

7. 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.

8. 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

For and on behalf of the Board

Mulau A. Shah

Date : 9th August, 2006

Sujit A. Shah

Directors



MAROTI & ASSOCIATES

CHARTERED ACCOUNTANTS

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Block-"E", 3rd Floor, Room No.2,
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, 2006** and also the Profit & Loss Account and the Cash Flow Statement 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 as amended, 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;

