

M/s. JALAN CEMENT WORKS LIMITED

Regd. Office: 81, Netaji Subhas Road,
2nd Floor, Room No. 202,
Kolkata-700001

DIRECTOR'S REPORT

TO THE MEMBERS OF

JALAN CEMENT WORKS LIMITED

Your Directors have pleasure in presenting the Annual Report along with the Audited Statements of Accounts and Auditor's Report of the Company for the Financial year ended 31st March, 2008.

FINANCIAL RESULTS :

Your directors report that the working of the company under review has resulted a PROFIT OF Rs.12,50,53,134.63 which has been taken to Balance Sheet after providing for Income Tax, Fringe Benefit Tax etc.

FUTURE PERFORMANCE:

During the year performance of the company was better in comparison to that of the last year. Increase in the share prices are likely to contribute to the profit in the coming years. Your directors are hopeful of much better results in the coming year.

DIVIDEND :

In order to conserve resources for further growth, your directors do not propose any dividend.

FIXED DEPOSIT :

The Company has not accepted any fixed deposit from the public during the year under review.

APPOINTMENT OF DIRECTORS :

In accordance of the Articles of Association of the Company and the provisions of the companies Act,1956, the directors of the company are not eligible for retirement by rotation.

AUDITORS :

BADRI PRASAD SINGHANIA, Chartered Accountant, the Auditor of the company retires and being eligible, offer himself for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The necessary information u/s 217(1)(e) of the Companies Act,1956 as required by the Companies (disclosure of particulars in the report of Board of Directors) Rule ,1988 for Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are not applicable to the company.

RESEARCH AND DEVELOPMENT

NIL

PARTICULARS OF EMPLOYEES :

The requirement of Section 217 (2A) of the Companies Act, 1956 as amended are not applicable since there was no employee receiving the remunerations to the extent laid down therein.

AUDITORS' REPORT :

The notes referred by the Auditors in their report are self explanatory.

DIRECTORS RESPONSIBILITY STATEMENT :**Directors Confirm -**

- (i) That in preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the Assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge the continued faith and confidence reposed by the shareholders in the company.

REGISTERED OFFICE :
81, Netaji Subhas Road,
2nd Floor, R. No.202,
Kolkata - 700 001

Dated: 01/09/2008

BY ORDER OF THE BOARD

Milau - A - Shah

DIRECTOR

Sybil - A - Shah

DIRECTOR

BADRI PRASAD SINGHANIA
Chartered Accountant

65/3, Green Park,
P.O.-Bangur Avenue,
Kolkata-700055
(033-2522-1531

Email ID: badri_singhania@rediffmail.com

AUDITOR'S REPORT

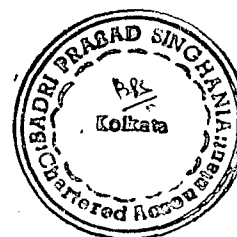
To

The Members of **M/s. JALAN CEMENT WORKS LIMITED.**

I have audited the attached Balance Sheet of M/s. JALAN CEMENT WORKS LIMITED as at 31st March 2008 and the relative Profit & Loss account for the year ended on that both of which I have signed under the reference to this report. These financial statements are the responsibility of the management of the Company. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted the audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the management, as well as evaluating the overall presentation of the financial statements. I believe that my audit provides a reasonable basis of my opinion.

- A. As required by The Companies (Auditor's Report) order, 2003 (as amended) issued by the Central Government in terms of Section 227(4A) of The Companies Act, 1956 on the basis of such checks of the books and records as I considered appropriate and the information and explanations given to me during the course of the audit, I annex hereto a statement on the matters specified in the paragraph 4 & 5 of the said order.
- B. Further As required under Para 3 of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998, I state as under:
- 1 The Company has applied for registration as provided in Section 451A of the Reserve Bank of India Act, 1934.
 - 2 The Company has received the Certificate of Registration No. **B.05.02809** from Reserve Bank of India.
 - 3 The Board of Directors of the Company has passed a resolution for the Non Acceptance of any Public Deposit.
 - 4 The Company has not accepted any Public Deposit during the Financial Year ended on 31st March 2008.
 - 5 The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classifications and provisioning for bad and doubtful debts as applicable to it.



- C. Further to my comments in the annexure referred to in paragraph "A" above :
- I have obtained all the information and explanations which to the best of our knowledge and belief was necessary for the purpose of my audit.
 - In my opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
 - The balance sheet and profit & loss account dealt with by this report are in agreement with the books of accounts.
 - The company in our opinion, has complied with the accounting standards recommended by The Institute of Chartered Accountants of India wherever applicable, unless stated otherwise.
 - On the basis of written representation, None of the Directors is disqualified from being appointed as a director under clause (g) of subsection (1) of Section 274 of the Companies Act, 1956.

Subject to the above and read together with the notes appearing in the schedule '11' of Notes on Accounts, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.

- In the case of Balance Sheet of the State of the Company's Affairs as at 31st March, 2008 ;
- In the case of the Profit & Loss Account of the PROFIT of the company for the year ended on that date;
- In the case of Cash Flow Statement , of the Cash Flows for the year ended on that Date.

Place: Kolkata
Dated: 01/09/2008



Badri Prasad Singhania
(BADRI PRASAD SINGHANIA)
Chartered Accountant
M.No. 058970

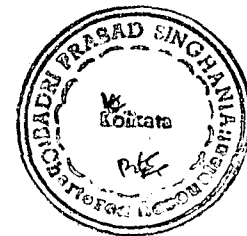
ANNEXURE

Referred to in Paragraph "A" of the Auditors Report to the members of M/s. **JALAN CEMENT WORKS LIMITED** on the Accounts for the year ended 31st March, 2008.

- (i) (a) The company has maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
 (b) The Fixed Assets are physically verified by the management at reasonable intervals having regard to the size of the company and the nature of assets and no discrepancies have been noticed during such verification
 (c) The company has not disposed off any of its assets during the year.
- (ii) (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 explanation given to us, the procedures of physical verification followed by the management are reasonable & adequate in relation to the size of the company and the nature of its business.
 © On the basis of our examination of the records of the 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.
- (iii) The Company has not taken loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Other sub-clauses of this clause are not applicable to this company. However, the company has granted unsecured loans to parties covered in the register u/s 301 of the Act. No. of parties involved is 1(one) and the amount involved is Rs. 50,00,480/-
- (iv) The company has an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and for the sale of goods and services. There is no failure to correct major weaknesses in internal control systems.
- (v) There is no transactions exceeding the value of Rs. Five Lacs in respect of each party that need to be entered into a register in pursuance of section 301 of the Act.
- (vi) The company has not accepted any deposit from the public within the meaning of the provisions of Section 58A and 58AA or any other relevant provisions of the Act, and the rules framed there under.
- (vii) The company has an internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-Section (1) of Section 209 of the Act.

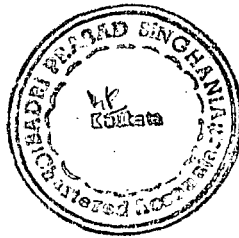


- (ix) On the basis of our examination of records and according to the information and explanations given to us, no undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales-tax, Wealth Tax, Service Tax Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities outstanding as at 31st March, 2008 for a period of more than six months from the date they became payable There is nothing to report under clause (ix)(b).
- (x) The company has no accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year immediately preceeding financial year.
- (xi) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) The company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities, hence clause (xii) is not applicable.
- (xiii) As per the information & explanations given to us the provisions of any special statute applicable to Chit Fund do not apply to the company. The company is also not a nidhi /mutual benefit fund/society.
- (xiv) The company is dealing or trading in shares, securities, debentures and other investments, proper records have been maintained of the transactions and contracts and timely entries have been made therein . The shares ,securities, debentures and other securities have been held by the company, in its own name except to the extent of the exemption, if any granted u/s 49 of the Act.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The company has not taken any term loans, hence clause (xvi) is not applicable to the company.
- (xvii) The funds raised on short-term has not been used for long term investment and vice versa.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) The company has not issued any debentures, hence clause (xix) is not applicable.



- (xx) The company has not raised money by public issue, hence clause(xx) is not applicable.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Kolkata
Dated: 01/09/2008



Badri Prasad Singhania
(BADRI PRASAD SINGHANIA)
Chartered Accountant
M. No. 058970

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M/s. JALAN CEMENT WORKS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2008

<u>SOURCES OF FUNDS:</u>	<u>SCHEDULE</u>	<u>2007-08</u>	<u>2006-07</u>
Share Capital	1	32,480,000.00	32,480,000.00
Reserve & Surplus	2	233,319,197.08	122,216,686.45
Unsecured Loans	3	30,495,150.90	0.00
		296,294,347.98	154,696,686.45
<u>APPLICATION OF FUNDS:</u>			
Fixed Assets	4	610,543.00	616,499.00
Investments	5	88,246,094.19	150,578,923.80
<u>Current Assets, Loans & Advances</u>			
Stock-in-Trade	6	203,184,422.38	0.00
Sundry Debtors		0.00	0.00
Cash & Bank Balances	7	5,563,326.41	1,034,663.65
Loans & Advances	8	15,621,823.00	4,490,565.00
		224,369,571.79	5,525,228.65
<u>Less:</u>			
Current Liabilities & Provisions	9	16,931,861.00	2,045,965.00
Net Current Assets		207,437,710.79	3,479,263.65
<u>MISCELLANEOUS EXPENDITURE</u> (to the extent not written off or adjusted)			
Preliminary Expenses		0.00	22,000.00
		296,294,347.98	154,696,686.45
Significant Accounting Policies & Notes on Accounts	11		

AS PER MY REPORT OF EVEN DATE

mulan. a. shah. *Sujit. A. shah.*

Place : Kolkata
Dated: 01/09/2008

Director

(BADRI PRASAD SINGHANIA)
Chartered Accountant
M.No. 058970



M/s. JALAN CEMENT WORKS LIMITED.**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2008**

<u>INCOMES</u>	<u>SCHEDULE</u>	<u>2007-08</u>	<u>2006-07</u>
Sales		129,612,078.33	0.00
Closing Stock		203,184,422.38	0.00
Speculation Income		2,854.40	0.00
Interest (TDS Rs.32749/-, P.Y.-NIL)		156,800.00	0.00
Dividend		2,265,340.00	1,727,219.00
Short Term Profit on shares		4,586,416.66	0.00
Long Term Profit on shares		145,178,290.97	13,831,282.50
		484,986,202.74	15,558,501.50
<u>EXPENDITURES</u>			
Opening Stock		0.00	0.00
Purchases		350,832,103.90	0.00
Brokers Note/Stamp Charges		71,870.33	0.00
Interest paid on Loan		7,250,196.00	0.00
Service Tax		281,739.76	0.00
Security Transaction Tax		898,189.25	0.00
Transaction charges		25,022.03	0.00
Administrative & Other charges	10	504,249.63	467,965.92
Financial Charges		4,747.21	5,785.12
Depreciation		42,950.00	42,938.00
Preliminary Expenses W/off		22,000.00	42,500.00
		359,933,068.11	559,189.04
Net Profit Before Tax		125,053,134.63	14,999,312.46
Less: Provision for Income Tax		(13,903,730.00)	(1,489,129.00)
Less: Provision for Fringe Benefit Tax		(1,637.00)	(2,377.00)
Ajustment for Deferred Tax		1,808.00	(9,692.00)
Security Transaction Tax		0.00	(94,964.53)
Profit/Loss after Tax		111,149,575.63	13,403,149.93
Less: Statutory Reserve(as per RBI)		(22,229,915.00)	(2,699,623.00)
Profit after Tax & Stat. Transfer		88,919,660.63	10,703,526.93
Balance B/F from Previous year		20,986,080.45	10,282,553.52
Less: I. Tax pd for Ast. Yr.:2005-06		(26,641.00)	0.00
Less: I. Tax pd for Ast. Yr.:2006-07		(20,424.00)	0.00
Balance C/F to Balance Sheet		109,858,676.08	20,986,080.45
Earning Per Share(EPS) (on nominal value of Rs.10/- each)			
Basic(Rs.)		34.22	4.13
Diluted(Rs.)		34.22	4.13
Significant Accounting Policies & Notes on Accounts	11		

AS PER MY REPORT OF EVEN DATE

Mulan A. Shah *Syjit D. Shah*

Director

Director

Place : Kolkata

Dated: 01/09/2008

B. S. Singhania
(BADRI PRASAD SINGHANIA)

Chartered Accountant

M.No. 058970



M/s. JALAN CEMENT WORKS LIMITED**SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE
THE ENDED 31ST MARCH, 2008**

Schedule-1	31.03.2008	31.03.2007
Share Capital		
Authorised:		
3250000 Equity shares of Rs.10/- each	32,500,000.00	32,500,000.00
Issued, Subscribed & Paid up		
3248000 Eq. shares of Rs.10/- each fully paid up in cash	32,480,000.00	32,480,000.00
Schedule-2		
Reserve & Surplus		
Statutory Reserve	27,460,521.00	5,230,606.00
Share Premium	96,000,000.00	96,000,000.00
Profit & Loss Account	109,858,676.08	20,986,080.45
	233,319,197.08	122,216,686.45
Schedule-3		
Unsecured Loans:		
B.Arunkumar Capital & Credit Services P. Ltd.	30,495,150.90	0.00
Schedule-4		
Fixed Assets		
Gross Block	729,994.00	693,000.00
Less: Gross Depreciation	(119,451.00)	(76,501.00)
(Detail as per separate statement)	610,543.00	616,499.00
Schedule-5		
Investments:		
In Listed Companies	18,108,594.19	106,141,423.80
In Unlisted Companies	70,137,500.00	44,437,500.00
(as per Sheet enclosed)	88,246,094.19	150,578,923.80
Market value of Quoted Shares/Securities	29,643,685.10	213,061,787.00
Schedule-6		
Stock in-Trade	203,184,422.38	0.00
(as taken, valued & certified by management)		
(as per Sheet enclosed)		
Schedule-7		
Cash & Bank Balances		
Cash in Hand(as certified)	226,790.06	481,249.06
Balance with Schedule Bank in Current A/c.:		553,414.59
HDFC Bank Ltd.-stephen House Br.	775,166.35	
Axis Bank Ltd.-Sarat Bose Road Br.	499,900.00	
RIC-Term Deposit-Axis Bank Ltd.	4,061,470.00	0.00
	5,563,326.41	1,034,663.65

