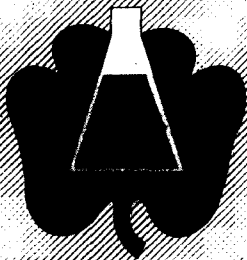


SHAMROCK

*12th Annual Report
2002-2003*



**SHAMROCK
GROUP**

Shamrock Industrial Co. Ltd.


Shamrock Industrial Co. Ltd.

SHAMROCK INDUSTRIAL COMPANY LIMITED

ANNUAL REPORT 2002 - 2003

BOARD OF DIRECTORS	MR. KALPESH R. KHOKHANI- CHAIRMAN & MANAGING DIRECTOR MR. KAMLESH R. KHOKHANI MR. JAYENDRA H. SHETH MRS. CLARINE H. BOLE
COMPANY SECRETARY	MR. PAWAN G. AGRAWAL
AUDITORS	M/S. R. VIJAYAN & CO., MUMBAI
PRINCIPAL BANKERS	DENA BANK B.M.C. BANK LIMITED CITIBANK N.A. GLOBAL TRUST BANK ORIENTAL BANK OF COMMERCE
REGISTERED OFFICE	146, TAKAI ADOSHI ROAD, VILLAGE : DHEKU, TALUKA: KHALAPUR DIST.: RAIGAD, MAHARASHTRA
CORPORATE OFFICE	1008, MAKER CHAMBERS - V, 221, NARIMAN POINT, MUMBAI 400 021
REGISTRAR AND SHARES TRANSFER AGENT	COMPUTRONICS FINANCIAL SERVICES (INDIA) LIMITED UNIT NO. 53-56, ELECTRONIC SADAN NO. 1, SHEEL MAHAPE ROAD, M.I.D.C., T.T.C., NAVI MUMBAI-400 709.
STOCK EXCHANGES	THE STOCK EXCHANGE, MUMBAI THE STOCK EXCHANGE, AHMEDABAD

Annual Report 2003-2004

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of Shamrock Industrial Company Limited will be held at the Registered Office of the Company at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on Saturday, the 27th day of September, 2003 at 12.30 p.m. to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account of the Company for the year ended March 31, 2003 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Jayendra H. Sheth, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors on such remuneration as may be decided by the Board of Directors.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
"RESOLVED THAT Mrs. Clarine H. Bole, who was appointed as an Additional Director of the Company in terms of section 260 of the Companies Act, 1956 w.e.f. 1st November, 2002 and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company whose period of office shall be liable to retirement by rotation."
5. To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:
"RESOLVED THAT subject to the provisions of the Companies Act, 1956 (including any statutory modification (s) or reenactment for the time being in force and as may be enacted hereinafter), Securities Contract (Regulation) Act, 1956 and the rules framed thereunder, SEBI (Delisting of Securities) Guidelines, 2003 and other guidelines issued by SEBI from time to time, Listing agreements and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall deem to include any committee thereof for the time being exercising the power conferred on the Board by this resolution) the consent of the Company be and is hereby accorded to the Board to delist Company's equity shares from The Stock Exchange, Ahmedabad."

Corporate Office:
1008, Maker Chambers-V,
221, Nariman Point,
Mumbai - 400 021.

By order of the Board
For Shamrock Industrial Co. Ltd.
sd/-

KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR

Date: 2nd September, 2003

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY COMPLETED AND STAMPED, MUST REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
2. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed.
3. Information pursuant to Clause 49 VI of the listing agreement in respect of appointment of new director or re-appointment of Director is annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 25th September, 2003 to Saturday, 27th September, 2003 (both days inclusive) for the purpose of ensuing annual general meeting of the Company.
5. As you are aware equity shares of the Company have already been activated for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vide ISIN 'INE022F01015.' Members holding shares in physical form are requested to dematerialise their shares by approaching to any of the Depository Participants (DP).
6. Members holding shares in physical form are requested to notify any change in their address to the Company's Registrar and Transfer Agent, Quoting their Folio Nos. and members holding shares in demat form are requested to notify such change to their respective Depository Participant (DP).
7. As per the provisions of the amended Companies Act, 1956, the facility for making nomination is available to the shareholders in respect of the equity shares held by them. Members who desire to avail of this facility may send Form 2B duly filled in and signed to the Company's Registrar and Transfer Agent.



Shamrock Industrial Co. Ltd.

ANNEXURE TO NOTICE

A. EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item no. 4

Mrs. Clarine H. Bole who was appointed as an additional Director on 1st November, 2002 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 107 of the Articles of Association of the Company holds office only upto the date of forthcoming Annual General Meeting but is eligible for appointment as a Director. The Company has received a notice from a member proposing the candidature of Mrs. Clarine H. Bole for office of Director of the Company.

The Board recommends passing of the aforesaid ordinary resolution at Item No. 4 of the notice.

None of the Directors of the Company, except Mrs. Clarine H. Bole, is in any way concerned or interested in the said resolution.

Item no. 5

Initially the Company's Equity Shares were listed on following Four Stock Exchanges:

1. The Stock Exchange, Mumbai (Regional Stock Exchange)
2. The Stock Exchange, Ahmedabad
3. Jaipur Stock Exchange Limited and
4. Madras Stock Exchange Limited

Consequent upon the special resolution passed by the members at the Extra-ordinary General Meeting held on 2nd March, 2002 for voluntary delisting of the Company's Equity shares from any one or more stock exchanges other than regional stock exchange, the Company got its equity shares delisted from Jaipur Stock Exchange Limited and Madras Stock Exchange Limited.

In the meanwhile Securities and Exchange Board of India, vide the SEBI (Delisting of Securities) Guidelines issued in February, 2003 has done away with the requirement of offering an exit option to the members situated in regions of stock exchanges from which Company's shares are proposed to be delisted. Payment of listing fee to The Stock Exchange, Ahmedabad is not justified in view of no trading of equity shares of the Company on this stock exchange. As a cost cutting measure it is now proposed to seek the approval of the members once again for delisting the equity shares of the Company from the Stock Exchange, Ahmedabad as per new SEBI (Delisting of Securities) Guidelines, 2003.

The equity shares of the Company will continue to be listed on The Stock Exchange, Mumbai. With the extensive networking of The Stock Exchange, Mumbai, the members of the Company already have the access to online dealing of the equity shares of the Company across the country. The proposed delisting will not adversely affect the investors and is in the interest of the Company. The Board recommends passing of the aforesaid special resolution at Item No. 5 of the notice.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

B. INFORMATION ON DIRECTORS RE-APPOINTMENT / APPOINTMENT AS PER SUB-CLAUSE VI A OF CLAUSE 49 OF THE LISTING AGREEMENT.

Information about directors being re-appointment / appointment at the ensuing Annual General Meeting is as under :

Mr. Jayendra H. Sheth :

Mr. Jayendra H. Sheth was appointed first time on the Board of Directors of this Company on 1st August 1999. He is liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Mr. Jayendra H. Sheth aged 63 years has been associated with reputed chemical companies. He was also President of Chemical Association for a period of two years.

Mrs. Clarine H. Bole :

Mrs. Clarine H. Bole was appointed as additional Director of the Company w.e.f. 1st November, 2002. Her term expires at the ensuing Annual General Meeting. Mrs. Clarine H. Bole aged 48 years has been associated with Shamrock group of Companies since 14 years. With extensive knowledge of accounts and her long term of experience in the same field her appointment as director is beneficial to the Company.

Corporate Office:
1008, Maker Chambers-V,
221, Nariman Point,
Mumbai - 400 021.

Date: 2nd September, 2003

By order of the Board
For Shamrock Industrial Co. Ltd.
sd/-

KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR

DIRECTORS' REPORT

To
The members of
Shamrock Industrial Company Limited

The Directors hereby present their Twelfth Annual Report together with the audited financial statements of accounts for the year ended 31st March 2003.

FINANCIAL RESULTS

PARTICULARS	2002-2003	(Rs. In Lacs) 2001-2002
Sales and Other Income	7.71	62.28
Profit / (Loss) before Depreciation, Interest and Tax	(820.74)	(55.94)
Depreciation	1.70	1.70
Interest	0.34	0.62
Profit / (Loss) Before Tax	(818.70)	(53.62)
Less : Deferred Tax	-	1.53
Profit / (Loss) after Deferred Tax	(818.70)	(55.15)
Balance brought forward from previous year	159.10	216.00
Balance before transitional adjustment	(659.60)	160.85
on account of Deferred tax		
Less : Transitional adjustment on account of Deferred Tax	-	1.75
Balance carried forward	(659.60)	159.10

TURNOVER

During the year under consideration, the company could not engage in any activity due to lack of sufficient funds. The overall income for the year 2002-2003 was Rs. 7.71 Lacs as against Rs. 62.28 Lacs in the previous year. The loss for the year was at Rs. 818.70 lacs against loss of Rs.55.15 Lacs in the previous year.

EXPORT

Due to non co-operation from its current bankers on giving financial assistance for several orders on hand, your Company has been unable to fulfil several export orders thereby affecting export sales.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

BULK DRUG PROJECT

The Company has not been able to start Bulk Drug Project due to inadequacy of finance and on account of time and cost overrun.

RECOVERY SUIT FILED BY DENA BANK

As informed earlier, the claim filed by Dena Bank amounting to approximately Rs. 6.75 crores in the Debt Recovery Tribunal, Mumbai is still pending.

DELISTING OF SHARES FROM MADRAS STOCK EXCHANGE AND JAIPUR STOCK EXCHANGE

Consequent upon the special resolution passed by the members at the Extra-ordinary General Meeting held on 2nd March, 2002 for voluntary delisting of the Company's Equity shares from any one or more stock exchanges other than regional stock exchange, the Company got its equity shares delisted from Jaipur Stock Exchange Limited and Madras Stock Exchange Limited under SEBI Guidelines for voluntary delisting of securities dated 29.4.98. Payment of listing fee to these stock exchanges was not justified in view of no trading of equity shares of the Company on these stock exchanges. Further due to financial losses, imperativeness to reduce the operating and other costs, the Board of Directors deemed it appropriate to delist the equity shares from the said stock exchanges.

In view of no trading of equity shares of the Company on The Stock Exchange, Ahmedabad it is now proposed to seek the approval of the members once again for delisting the equity shares of the Company from this Stock Exchange under new SEBI (Delisting of Securities) Guidelines, 2003. Members attention is invited to Item No. 5 of the Notice of AGM.

CORPORATE GOVERNANCE

The Clause No. 49 of the Listing Agreement under the heading Corporate Governance is applicable to the Company from this financial year ending on 31st March, 2003. Accordingly the report on Management Discussion and Analysis, Corporate Governance as well as the Auditors' Certificate regarding compliance of conditions of corporate governance form part of this Annual report.



SHAMROCK INDUSTRIAL CO. LTD.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

The company is not engaged in any activities therefore, there is no information to be submitted as required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in respect of conservation of energy and technology absorption. There were no foreign exchange earnings and outgoing during the period under report.

DIRECTORS

The Board appointed Mrs. Clarine H. Bole as Additional Director w.e.f. 1st November, 2002. She holds office upto the date of the ensuing Annual General Meeting of the Company. The Board recommends her appointment as Director at the ensuing annual general meeting of the Company.

In accordance with the requirements of the section 256 of Companies Act, 1956 and Articles of Association of the Company, Mr. Jayendra H. Sheth, Director is liable to retire by rotation and is eligible for reappointment. The Board recommends his re-appointment at the ensuing annual general meeting.

AUDIT COMMITTEE

Audit Committee of the Company comprised of Mr. Kalpesh R. Khokhani, Managing Director, Mr. Kamlesh R. Khokhani and Mr. Jayendra H. Sheth, Directors. In order to comply with Clause 49 of the listing agreement the constitution of audit committee was changed by the Board of Directors at its meeting held on 10th December, 2002 so that the audit committee comprises of all non-executive directors. Accordingly Mrs. Clarine H. Bole, Director was appointed as new member and Mr. Kalpesh R. Khokhani, Managing Director being Executive Director was cease to be member of the committee.

AUDITORS

The auditors M/s R. Vijayan & Co., Chartered Accountants, will retire as statutory auditors of the Company at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with Section 224 (1B) of the Companies Act 1956. The Board recommends their re-appointment.

The explanation contained in the Notes to Accounts may be treated as the explanation submitted by the Board of Directors as contemplated u/s - 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

In terms of the provisions of section 217(2A) of the Companies Act 1956 read with (Particulars of Employees) Rules 1975, as amended, the company had not employed any person who was in receipt of remuneration for such sum as is prescribed under the said Section either throughout the financial year or part thereof.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed;
2. Appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs at the end of the financial year and of the loss of the Company for the financial year ended 31st March, 2003;
3. 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 detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Yours directors thank esteemed shareholders, customers and business associates for the faith reposed in the company and its management.

Your directors place on record their deep appreciation of the dedication and commitment of your company's employees.

Corporate Office:
1008, Maker Chambers-V,
221, Nariman Point,
Mumbai - 400 021.

Date: 2nd September, 2003

By order of the Board
For Shamrock Industrial Co. Ltd.

sd/-
KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company initially planned to start the Bulk Drug Project. But due to severe handicaps including lack of financial support, the Company is unable to start the operations. With adequate financial support the position would have been better. However the management is endeavouring to minimise and overcome its inherent logistic handicaps and is evaluating various options to start the Bulk Drug Project. Due to Company's goodwill in the International Market, it continuously receives offers for export of pharmaceuticals products.

During the year under consideration company incurred losses of appx. Rs. 818 lakhs on account of writing off of stock and on account of sale of investments.

The suit filed by Dena Bank against the Company in Debt Recovery Tribunal, Mumbai for recovery of its dues is still pending. The management is expecting the verdict for the same by end of the Current year.

REPORT ON CORPORATE GOVERNANCE

The Company pursuant to the code of Corporate Governance introduced by the Securities and Exchange Board of India (SEBI) furnishes its Report as under :

1. COMPANY'S PHILOSOPHY:

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and enhance shareholders value, keeping in view the interest of its various stakeholders by short and long term actions.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company is comprised of four Directors:

Mr. Kalpesh R. Khokhani - Promoter, Non-Independent and Executive Director

Chairman and Managing Director)

Mr. Kamlesh R. Khokhani - Promoter, Non-Independent and Non-Executive Director

Mr. Jayendra H. Sheth - Independent and Non-Executive Director

Mrs. Clarine H. Bole - Independent and Non-Executive Director

Attendance of each director at the Board Meetings, last Annual General Meeting and Number of other Directorship, Membership and Chairmanship of committee in various companies :

Sl. No.	Name of Director	F.Y.2002-03		As on Date		
		Attendance at		No. of other Directorships	Committee Position	
		BM	AGM			Member
1.	Kalpesh R. Khokhani	14	Yes	NIL	NIL	NIL
2.	Kamlesh R. Khokhani	14	Yes	NIL	NIL	NIL
3.	Jayendra H. Sheth	14	Yes	NIL	NIL	NIL
4.	Clarine H. Bole*	6	Yes - as member	NIL	NIL	NIL

* Appointed as Additional Director w.e.f. 1.11.2002

No. of Board Meetings held and dates on which held:

During the Year Company has held 14 Board Meetings as against the minimum requirement of 4 meetings. The meetings were held on 30.4.2002, 26.6.2002, 10.7.2002, 31.7.2002, 20.8.2002, 30.8.2002, 31.8.2002, 31.10.2002, 1.11.2002, 20.11.2002, 10.12.2002, 15.1.2003, 30.1.2003, 27.2.2003.

3. COMMITTEES OF THE BOARD

The important Committees constituted by the Board of Directors of the Company are as under :

A. AUDIT COMMITTEE

Audit Committee of the Company comprised of Mr. Kalpesh R. Khokhani, Managing Director, Mr. Kamlesh R. Khokhani and Mr. Jayendra H. Sheth, Directors. In order to comply with Clause 49 of the listing agreement the constitution of audit committee was changed by the Board of Directors at its meeting held on 10th December, 2002 so that the audit committee comprises of all non-executive directors. Accordingly Mrs. Clarine H. Bole, Director was appointed as new member and Mr. Kalpesh R. Khokhani, Managing Director being Executive Director was cease to be member of the committee. Mrs. Clarine H. Bole is Chairperson for the said committee. Mr. Pawan G. Agrawal, Company Secretary is the Secretary to the Committee. The constitution of Audit Committee also meet with the requirements under Section 292A of the Companies Act, 1956.

The committee deals with accounting policies and commercial matters, financial reporting and internal control systems and covers matter covered in the listing agreement.

During the year the Committee met 5 times. The meetings were held on 30.4.2002, 31.7.2002, 30.8.2002, 31.10.2002 and 30.1.2003. All committee members then were present at all the meetings.