

SHREE SALASAR INVESTMENTS LIMITED**DIRECTORS' REPORT**

Your Directors' have pleasure in presenting herewith their 25th Annual Report together with the Audited Accounts for the financial year ended on 31st March, 2005.

FINANCIAL RESULTS:

	Year ended 31 st March 2005	Year ended 31 st March 2004
Profit before Tax	23,224	23,636
Deduct:		
Provision for Tax	4,000	1,900
Provision for tax for earlier years	—	64,774
Profit/(Loss) for the year	<u>19,224</u>	<u>(43,038)</u>

The Profit of Rs.19,224/- has been carried to the balance sheet and thus an accumulated surplus of Rs.23,403/- appear in the Balance Sheet.

DIVIDEND:

In view of the nominal profit, the Directors have not recommended any dividend for the financial year ended on 31st March, 2005.

INVESTMENTS:

The market value of the Company's investments in the shares and securities as per Schedule 4 given in the Balance Sheet is Rs.7,31,363/-. Besides the Company holds investments in unquoted shares of Rs.50,000/-

DIRECTORS:

Mr.M.P..Mansinghka retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your directors confirm that

- in the preparation of the annual accounts the applicable accounting standards has been followed.

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- ii. they had 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 as on 31st March, 2005 and of the profit of the company for the year ended on 31st March, 2005.
- iii. they had 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. they had prepared the accounts on "going concern basis".

FIXED DEPOSITS:

The company has no deposit within the meaning of Non-Banking financial Companies (Reserve Bank) Directions, 1977.

TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT:

Since the Company is not a manufacturing Company the provisions of Section 217(1) (e) of the Companies Act, 1956 are not applicable. Likewise the question of environment and pollution control does not arise.

FOREIGN EXCHANGE:

There was no Foreign Exchange earning nor any foreign outgoing as such during the year under report.

PARTICULARS OF EMPLOYEES:

The company had no employee of the category specified under section 217(2A) of the Companies Act, 1956.

AUDITORS:

The Auditors, M/s. Shankarlal Jain & Associates retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

M.P. MANSINGHKA
Chairman

Place: Mumabi
Date: 03.08.2005

Shankarlal Jain And Associates

Chartered Accountants

12, Engineer Building, 265, Princess Street, Mumbai - 400 002. ■ E-mail : sljain@vsnl.com

Tel. : 2203 6623, 2206 5739 ■ Fax : 91-22-2208 6269

AUDITORS' REPORT

TO THE MEMBERS OF Shree Salasar Investments Ltd.

We have audited the attached Balance Sheet of **Shree Salasar Investments Ltd.**, as at 31st March, 2005 and also the Profit and 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 paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) 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.
- iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of.
- iv) In our opinion, the Balance Sheet and Profit and 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.

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