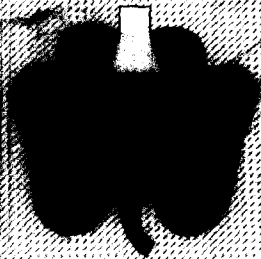


SHAMROCK

*14th Annual Report
2004-2005*



**SHAMROCK
GROUP**

Shamrock Industrial Co. Ltd.



SHAMROCK INDUSTRIAL COMPANY LIMITED

ANNUAL REPORT 2004-2005

- BOARD OF DIRECTORS** : SHRI. KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR
SHRI. KAMLESH R. KHOKHANI
SHRI. JAYENDRA R. KHOKHANI
SHRI. BHARTI. C. CHOKSHI
- AUDITORS** : M/s. R. VIJAYAN & CO.
CHARTERED ACCOUNTANTS
MUMBAI.
- PRINCIPAL BANKERS** : CITI BANK N.A.
ABN AMRO BANK, N.V.
- 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
LIMITED.
1 MITTAL CHAMBERS, NARIMAN POINT,
MUMBAI 400 021.
Tel : 022 22882960
Fax : 022 22873314
- STOCK EXCHANGE** : BOMBAY STOCK EXCHANGE LIMITED

Annual Report 2004-2005

NOTICE

Notice is hereby given that 14th Annual General Meeting of the Company will be held on September 29, 2005 at 11.00 am at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad to transact the following business

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2005 and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Jayendra H. Sheth who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s R. Vijayan & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. Sub-division of Shares

To consider and if thought fit to pass with or without modification, the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, and Article 58 (2) of the Articles of Association of the Company, and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the equity shares of the Company having a nominal face value of Rs. 10/- (Rupees Ten only) per share, be sub-divided into 10 (Ten) equity shares having a nominal face value of Re.1/- (Rupee One Only) per share and the relevant capital clauses in the Memorandum and Articles of Association of the Company be accordingly altered as proposed in the resolutions at Item Nos.6 and 7 of the notice convening this Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also include any Committee thereof duly authorised in this behalf) be and are hereby authorised to issue new share certificates representing the sub-divided shares with new distinctive numbers (except in the case of shares held in demat form) in the aforesaid proportion, subject to the rules laid down in the Companies (Issue of Shares Certificates) Rules, 1960 with an option to either exchange the new share certificates in lieu of cancellation of the old share certificates or without physically exchanging the share certificates, by treating the old share certificates as deemed to be cancelled and also to inform the Registrar & Transfer Agents of the Company and Depositories to take the necessary action to give effect to the above.

RESOLVED FURTHER THAT the Board of the Company be and are hereby authorised to do all such acts, deeds, matters and things including issue of fresh share certificates and execute all such documents, instruments and writings as may be required in the said connection and to delegate all or any of the powers herein vested in them to any Committee of Directors or any Director(s) to give effect to the aforesaid resolution."

5. Increase in Authorised Share Capital

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT on the resolution for sub-division of the nominal face value of equity shares of the Company being duly passed and becoming effective as stated in resolution at Item No.4 of the notice convening this AGM and pursuant to Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company the Authorised Share Capital of the Company stands increased from Rs.8,00,00,000 (Rupees Eight Crore Only) divided into 80,00,000 Equity Shares of Rs.10/- each to Rs.10,00,00,000 (Rupees Ten Crore Only) divided into 10,00,00,000 Equity Shares of Re.1/- each."

6. Alteration of Memorandum of Association

To consider and, if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution :-

"RESOLVED THAT on the resolution for sub-division of the nominal face value of equity shares and increase in the Authorised Share Capital of the Company being duly passed and becoming effective as stated in resolution at Item No.4 & Item No. 5 respectively of the notice convening this AGM, Clause V of the Memorandum of Association of the Company be deleted and in place thereof, the following new Clause V be substituted:

"The Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 10,00,00,000 (Ten Crore) equity shares of Rs.1/- each with the rights, privileges and conditions attaching thereto as are provided



Shamrock Industrial Co. Ltd.

by the regulations of the Company for the time being, with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company."

7. Alteration of Articles of Association

To consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:-
"RESOLVED THAT existing Article 3 of the Articles of Association of the Company be and is hereby amended to read as follows:

"The Authorized Share Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crore Only) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs.1/- (Rupee One) each with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the legislative provisions for the time being in force in this behalf."

8. Raising of Funds through Issue of Securities

To consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to Section 81 and other applicable provisions of the Companies Act, 1956 and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI) and/or any other competent authorities and enabling provisions of the Memorandum & Articles of Association of the Company, the Listing Agreement(s) entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the guidelines issued by the GOI, RBI, SEBI and/or any other competent authorities and clarifications thereof, issued from time to time, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors of the Company (herein after called "The Board" which term shall include any committee constituted/ to be constituted by the Board for exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of Equity shares/ preference shares and/or Foreign currency convertible bonds (FCCBs), American Depository Receipts (ADRs) / Global Depository Receipts (GDRs), Singapore Depository Receipts (SDRs) and/or Fully/ Partially convertible Bonds/ Debentures/Loans and/or Depository shares/ Receipts and/or any other instruments/securities in the nature of shares/Debentures/Bonds and/or warrants, naked or otherwise, convertible into shares or otherwise, either in registered or bearer forms, and/or any such securities convertible into equity shares of Re.1/- each or otherwise, (hereinafter referred to as 'financial instruments') or any combination of the financial instruments in the International/ Domestic Market, through prospectus, offer Letter, Circular, or through any other mode as the case may be from time to time, in one or more tranches, whether in India or outside India with or without premium, whether rupee denominated or denominated in any foreign currency as may be deemed appropriate by the Board for an amount not exceeding Rs.2,00,00,000 (Rupees Two Crore) to the existing shareholders, Indian Public, promoters, strategic investor(s), employees, financial institutions, Banks, mutual funds, foreign investors, non-resident Indians, foreign institutional investors, multilateral agencies, venture capital funds, companies, other bodies corporate, other entities or any other person or one or more combinations thereof, on such terms and conditions (including pricing, rate of dividend, amount of premium, if any, at the time of conversion/redemption, manner of conversion/redemption, conversion/redemption period, and matters incidental thereto) as the Board may in its sole discretion decide.

RESOLVED FURTHER THAT for the purposes of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid including the listing of the securities in one or more national and international Stock Exchanges and to settle any question, query, doubt or difficulty that may arise in this regard including the power to allot under-subscribed portion, if any, in such manner and to such person(s) as the Board may deem fit and proper in its absolute discretion to be most beneficial to the Company."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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2. The Register of Members and Share Transfer Books of the Company will remain closed from September 27, 2005 to September 29, 2005 (both days inclusive)
3. Explanatory Statement pursuant to Section 173(2) is enclosed.
4. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting, to the best extent possible.
6. Members holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agents, Computronics Financial Services (India) Limited. **Members holding shares in electronic form must advise their respective Depository Participants about change in address and not to the Company.**

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

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

KALPESH R. KHOKHANI
Chairman & Managing Director

Mumbai, September 6, 2005

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF THE ITEM NOS. 4 TO 8

Item No. 4

The Board of Directors of the Company at its meeting held on September 6, 2005 have decided to reduce the nominal face value of the equity shares of the Company by sub-dividing the equity shares, in order to improve liquidity, to make more attractive and affordable for all class of investors. In view of this, it is proposed that the nominal face value of the equity shares of the Company be reduced from Rs.10/- each to Re.1/- each.

The Board of Directors recommends the resolution for approval of Members.

None of the Directors of the Company is concerned or interested in the said resolutions except to the extent of their shareholding in the Company.

Item No. 5

The Company proposes to further issue, offer and allot certain Equity Shares on rights basis and/or private placement basis and/or preferential basis, as per SEBI (Disclosure and Investor Protection) Guidelines, 2000.

The present Authorised Capital of the Company is Rs.8,00,00,000 consisting of 80,00,000 Equity Shares of Rs.10/- each.

The proposed issue of equity shares will increase the Subscribed and Paid-up Equity Capital beyond the present limit. Hence, a resolution is proposed to increase the limit of Authorised Capital to Rs.10,00,00,000 consisting of 10,00,00,000 Equity Shares of Re.1/- each.

The Board of Directors recommends the resolutions for approval of Members.

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

Item Nos. 6 and 7

Consequent to the sub-division of shares and increase in authorised share capital of the Company, it is necessary to alter the Capital Clause of the Memorandum of Association and the Articles of Association of the Company. The Ordinary Resolution in Item No.6 and the Special Resolution in Item No.7 seek to make corresponding amendment in Clause V of the Memorandum of Association and Articles 3 of the Articles of Association to give effect to the above resolutions.

After the resolution has been adopted by the members, the Company will fix a Record Date for splitting the share certificates. Shareholders holding in electronic form will be allotted sub-divided shares in electronic form (demat mode). Shareholders holding shares in the form of physical share certificates will have the opportunity to either receive sub-divided shares in demat mode or in the form of physical certificates. In view of the fact that the Company's shares are now tradable only in the demat mode and sale in physical form (to the extent permissible), apart from causing delays/ risks associated with postal interception and potential fraud, often also leads to the realisation of a significantly lower price,



Shamrock Industrial Co. Ltd.

it will be in the interest of the members to opt for receiving split shares in lieu of their existing holding in physical form, in the demat mode. Members may like to bear this aspect in mind while exercising their option.

The Board of Directors recommends the resolutions at Item Nos. 6 and 7 of the notice for approval of Members.

The Memorandum and Articles of Association of the Company is available for inspection at the Corporate Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.

None of the Directors of the Company is concerned or interested in the said resolutions except to the extent of their shareholding in the Company.

Item Nos. 8

Your Company proposes to raise resources as a part of the restructuring process of the Company and to augment the long term working capital requirements. To meet the requirement of funds, the Company proposes to offer Equity shares/ preference shares and/or Foreign currency convertible bonds (FCCBs), American Depository Receipts (ADRs) /Global Depository Receipts (GDRs), Singapore Depository Receipts (SDRs) and/or Fully/ Partially convertible Bonds/Debentures/ Loans and/or Depository shares/ Receipts and/or any other instruments/securities in the nature of shares/Debentures/ Bonds and/or warrants, naked or otherwise, convertible into shares or otherwise, either in registered or bearer forms, and/or any such securities convertible into equity shares of Re.1/- each or otherwise in India or in one or more foreign markets to be subscribed in foreign currencies / rupees by foreign / domestic investors, non-residents, foreign institutional investors / foreign companies / foreign banks, NRI's, foreign nationals, companies/corporate bodies or such other entities / persons as may be decided by the Board for an amount not exceeding Rs.2,00,00,000 (Rupees Two Crore).

Section 81 of the Companies Act, 1956, inter-alia, provides that whenever subscribed share capital of the Company is increased by issue and allotment of further shares, such further shares shall be offered to the persons who on the date of offer are holders of the equity shares of the company, in proportion to the capital paid up on that date unless the members in the general meeting decide otherwise by way of special resolution in accordance with Section 81 (1A) of the Companies Act, 1956.

Therefore, your Company proposes that the decision to undertake an offering of securities be taken pursuant to a special resolution passed in accordance with provisions of Section 81 (1), 81 (1A) and all other relevant provisions of the Companies Act, 1956.

To the extent that any part of the above mentioned fund rising plan includes issue of securities linked to or convertible into Equity Shares of the Company, the holders of the said securities would be entitled to convert their respective securities into Equity Shares of your Company, ranking pari passu in all respects with the existing Equity Shares of the Company.

Your Directors recommend the above resolution as special resolution for your approval.

None of the Directors of the Company is concerned or interested in the said resolutions except to the extent of their shareholding in the Company.

Corporate Office :

1008, Maker Chambers-V,
221, Nariman Point,
Mumbai – 400 021.

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

KALPESH R. KHOKHANI
Chairman & Managing Director

Mumbai, September 6, 2005

ADDITIONAL INFORMATION

Mr. Jayendra H. Sheth, born in January 1940, having 35 years experience in Chemical Industry and also possesses excellent managerial skills; as such his presence on the board will enhance smooth functioning of the company.

Mr. Jayendra H. Sheth, is neither holding Directorship in any other Company (excluding private and foreign companies) nor does he occupies Committee membership in any of the companies.

He is not holding any shares in the Company.

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DIRECTOR'S REPORT

To,

The Members

The Directors present their Fourteenth Annual Report with the Audited Statement of Accounts for the year ended March 31, 2005.

FINANCIAL RESULTS

PARTICULARS	(Rs. in lacs)	
	2004-2005	2003-2004
Sales & other Income	0.25	0.76
Profit/(Loss) before Depreciation, Interest & Tax	(10.02)	(16.28)
Depreciation	1.30	1.45
Interest	0.00	0.07
Profit /(Loss) before Tax	(11.32)	(17.80)
Less : Deferred Tax	—	—
Profit /(Loss) after Deferred Tax	(11.32)	(17.80)
Balance brought forward from previous year	(677.40)	(659.60)
Balance before transitional adjustment on account of Deferred Tax	(688.72)	(677.40)
Less : Transitional adjustment on account of Deferred Tax	—	—
Balance carried forward	(688.72)	(677.40)

OPERATIONS

During the year under review, the Company could not engage in any activity due to lack of sufficient funds. The overall income for the year 2004-2005 was Rs. 0.25 lacs as compared to Rs.0.76 lacs in the previous year. The loss for the year was at Rs. 11.32 lacs against loss of Rs.17.80 lacs in the previous year.

DIVIDEND

Your Directors regret their inability to recommend any dividend for the year under consideration.

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.

FINANCIAL RESTRUCTURING

Due to depleting Net Performing Assets (NPA) of the Company and as a part of the financial restructuring process, your Directors propose to raise resources in the form of equity / preference share capital to augment the long-term working capital requirements of the Company. The Directors are also in the process of identifying strategic partners / financial institutions to meet the above requirements.

RECOVERY SUIT FILED BY DENA BANK

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

MANAGEMENT DISCUSSION & ANALYSIS

Industry Environment

The Indian pharmaceutical industry is revitalizing the national economy and scaling new heights in the world markets. The Indian bulk drug industry in particular has provided a major thrust in making the pharmaceutical sector more visible and quality driven global player.

The global Pharma business is growing rapidly. The participation of MNC's in the pharmaceutical industry is expected to rise up after implementation of WTO guidelines and the New Patent Act, which recognizes product patent as against the existing process patent in the country. However, domestic companies would continue to dominate the bulk drug segment since India has become a preferred sourcing destination for most multinational pharmaceutical giants. They increasingly source their requirement of dosage forms, bulk drugs and intermediaries as these products are available relatively less expensive from India.

Segment-wise performance Bulk Drug

Your Company only operates in this one segment.

Opportunities, Threats, Risks and Concerns

The rapid growth of pharmaceutical industry has made it difficult for the Company to stand firm in the current market as the major share in the Indian Pharmaceutical Sector is held by a few pharma giants and also the increased competition from the high-tech MNC's has made it even more difficult for your Company to stand in the market.

Your Company is optimistic about the long-term opportunities while at the same time meeting the short-term challenges. Your Company will respond to the challenges by enhancing customer focus and continue to invest in building an efficient sales and delivery engine. Your Company will also pursue new opportunities and will ensure adequate internal preparedness to take maximum advantage of such opportunities going forward.



Shamrock Industrial Co. Ltd.

Internal Control System

The Company has installed an adequate system of internal controls in all spheres of its activity. The Management regularly reviews the internal controls and takes appropriate steps to implement the suggestions and observations.

Human Resources

As on March 31, 2005, the Company had 2 employees on its rolls. There have been very cordial relations between the employees and the management.

Outlook

With the various initiatives taken by the Company to re-formulate its business policy, which is regularly reviewed by the Board of Directors, and the implementation of cost control measures, the Company looks forward to a favorable year.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits under the provisions of Section 58 A of the Companies Act, 1956 and the rules made there under.

CORPORATE GOVERNANCE

The report on Corporate Governance as well as the Auditors' Certificate regarding compliance of conditions of corporate governance as per Clause 49 of the Listing Agreement forms part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management conform that, to the best of their knowledge -

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and of the loss of the Company for the year under review;
- iii) the Directors have taken proper and sufficient care to the best of their knowledge and ability 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 accounts on a going concern basis.

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

The Company is not engaged in any activities thereof, there is no information to be submitted as required under Section 217 (1) (e) of the Companies Act, 1956, read with 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 review.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not given, as there were no employees drawing remuneration prescribed under the said section.

DIRECTORS

As per the Articles of Association of the Company, Shri Jayendra H Sheth, retires by rotation and being eligible, offers himself for re-appointment, which your Directors consider to be in the interests of the Company and therefore commend it for your approval. Brief profile of Mr. Sheth is provided elsewhere in this Annual Report as additional information.

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 re-appointment. A certificate has been obtained from them to the effect that the appointment, if made will be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956. The Audit Committee and your Board recommended their re-appointment.

Explanation pursuant to Section 217(3) of the Companies Act, 1956 :

The Company initially planned to start Bulk Drug Project but due to severe handicaps including lack of financial support, the Company was unable to start the operations. However in view of continuous negotiations for finance with various banks, financial institutions and other parties, the Board of Directors is hopeful that the Company will be able to start the Bulk Drug Project. As far as outstanding bank loans are concerned the Board of Directors is hopeful that Company will get favourable judgement for cases filed with Debt Recovery Tribunal, Mumbai. Hence the accounts of the Company are prepared on going concern basis.

ACKNOWLEDGEMENT

Your Directors thank esteemed shareholders, customers and business associates for the faith reposed in the Company and in its management. Your Directors place on record their deep appreciation of the dedication and commitment of your Company's employees.

For and on behalf of the Board of Directors

Kalpesh R. Khokhani

Chairman & Managing Director

Place : Mumbai

Date : September 6, 2005

Annual Report 2004-2005

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

The Company views sound corporate governance as an integral part of its efforts to enhance shareholders' value. The Company believes in adopting the philosophy of professionalism, transparency and accountability in all areas.

BOARD OF DIRECTORS

The Board comprises of 4 Directors, 3 of them are Non-executive and 2 of them are Independent Directors as on March 31, 2005.

Composition

Director Category

Shri Kalpesh R. Khokhani	Executive & Non-Independent
Shri Kamlesh R. Khokhani	Non- Executive & Non- Independent
Shri Jayendra H. Sheth	Non- Executive & Independent
Smt. Bharti C. Chokshi	Non- Executive & Independent

Participation and Interest of Directors

Since the commencement of financial year 2004-2005 till March 31, 2005, a total of 5 Board Meetings were held on the following dates viz. April 29, 2004, July 29, 2004, September 1, 2004, October 29, 2004 and January 31, 2005. The maximum time gap between two board meetings did not exceed the limits prescribed in Clause 49 of listing agreement. The following table gives details of participation of the directors of the Company in Board Meetings and AGMs of the Company and interests of these directors in other companies:

Director	Participation of Directors		Interest of Directors in Other Companies		
	Board Meetings	Last AGM	Directorship	Committee Membership	Committee Chairmanship
Shri Kalpesh R. Khokhani	5	YES	NIL	NIL	NIL
Shri Kamlesh R. Khokhani	5	YES	NIL	NIL	NIL
Shri Jayendra H. Sheth	5	YES	NIL	NIL	NIL
Smt. Bharti C. Chokshi	5	YES	4	NIL	NIL

AUDIT COMMITTEE

The functions of Audit Committee include: -

- Overseeing of the Company's financial reporting process and disclosure of its financial information.
- Recommending the appointment/removal of external auditor, fixation of audit fee and also approval for payment for any other service.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing the Company's financial and risk management policies.

Composition

The Audit Committee was reconstituted on December 15, 2003 due to resignation of Smt. Clarine H. Bole, Chairperson. During the year under review, 3 meetings of the Audit Committee were held, the dates April 29, 2004, September 1, 2004 and January 31, 2005.

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Smt. Bharti C. Chokshi	Chairperson	3
Shri Kamlesh R. Khokhani	Member	3
Shri Jayendra H. Sheth	Member	3



Shamrock Industrial Co. Ltd.

REMUNERATION COMMITTEE

The Remuneration Committee has been constituted to recommend the remuneration package to the Directors including Executive Directors. The remuneration committee of the Company comprises of Smt. Bharti C. Chokshi as a Chairperson and Shri Kamlesh R. Khokhani and Shri Jayendra H. Sheth all being Non-executive Directors as the other members of the Committee. The Directors were not paid any remuneration during the year under review. 1 (One) meeting of the remuneration committee was held during the year on September 1, 2004.

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Shareholders / Investors' Grievance Committee is headed by Smt. Bharti C. Chokshi, a Non-Executive Director. The Committee has delegated the power to approve the transfer to the Registrar & Transfer Agent. The shareholders of the Company are serviced by Computronics Financial Services (India) Limited, the Registrar & Transfer Agent. The Committee also monitors redressal of investors' grievances. The total number of complaints received and replied to the satisfaction of shareholders during the year under review was 10 (Ten). There were no complaints pending as on March 31, 2005.

GENERAL BODY MEETING

The details of last 3 Annual General Meetings were as under:

Particulars	Date & Time	Venue	Special Resolutions Passed
11 th Annual General Meeting	September 27, 2002 12.00 noon	Raigad	Nil
12 th Annual General Meeting	September 27, 2003 12.30 p.m.	Raigad	Nil
13 th Annual General Meeting	September 29, 2004 11.00 a.m.	Raigad	Nil

No resolution was passed by postal ballot in the last year. No resolution is proposed to be passed by postal ballot at the ensuing AGM.

Disclosures

1. Related party transactions to be disclosed as per Accounting Standard – 18 (AS-18) issued by the Institute of Chartered Accountants of India have been given in Annexure to Note No.14 of Schedule 14 on notes to the Accounts in the Annual Report.
2. There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.
3. There were no penalties or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets at any time during last 3 years.

MEANS OF COMMUNICATIONS

- a) Quarterly financial results of the company are forwarded to the Stock Exchange, Mumbai and published in Asian Age and Dainik Sagar. Half yearly report is not sent to each household of shareholders. However, the results of the company are published in the Newspapers.
- b) The Company has not made any presentation to any institutional investors or to any analysts during the year.
- c) The Company does not have a website.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting (Date, time and venue)	Thursday, September 29, 2005 at 11.00 a.m. 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad.
Book Closure Date	Tuesday, September 27, 2005 to Thursday September 29, 2005 (both days inclusive)
Listing on Stock Exchanges	Bombay Stock Exchange Limited Listing fees have been paid upto the year ending March 31, 2006.
Stock Code	531240
ISIN	INE022F01015

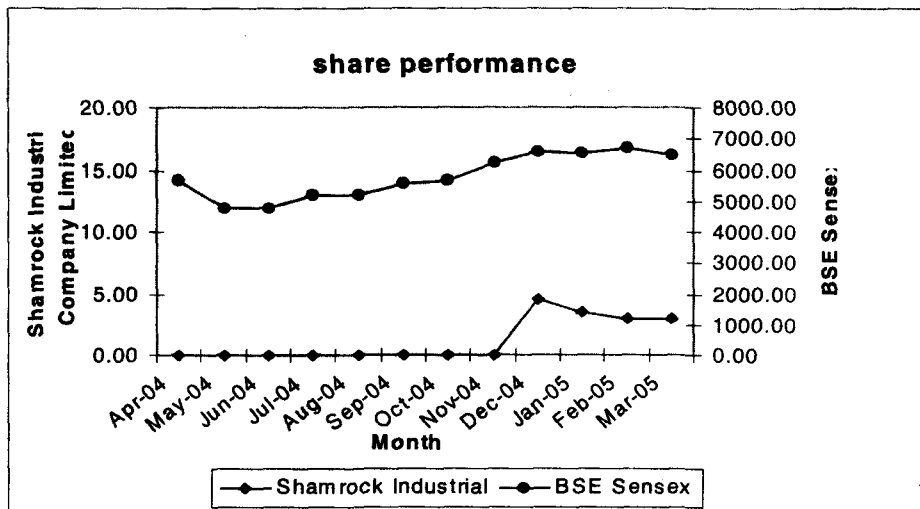
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Stock Price Data at BSE

Stock Price Data at BSE (Month wise)	High	Low
	Rs.	Rs.
April 2004	NIL	NIL
May 2004	NIL	NIL
June 2004	NIL	NIL
July 2004	NIL	NIL
August 2004	NIL	NIL
September 2004	NIL	NIL
October 2004	NIL	NIL
November 2004	NIL	NIL
December 2004	6.97	2.20
January 2005	4.55	3.01
February 2005	4.60	2.89
March 2005	3.59	2.72

Graph

- Share Price / BSE (Monthly Closing)



REGISTRAR & SHARE TRANSFER AGENTS

The Company has appointed Computronics Financial Services (India) Limited as its Registrar & Share Transfer Agents. Shareholders are advised to approach Computronics Financial Services (India) Limited on the following address for any shares and demat related queries and problems:

Computronics Financial Services (India) Limited

1, Mittal Chambers,
Nariman Point,
Mumbai 400 021.
Tel.:022-22882960
Fax:022-2287 3314



Shamrock Industrial Co. Ltd.

Share Transfer System

Share transfers in physical form are registered and returned within the stipulated time, if documents are clear in all respects.

Dematerialisation of Shares

All requests for dematerialisation of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within the stipulated time. Up to 31.3.2005, 16.43% equity shares of the Company have been dematerialized.

- With NSDL	809791
- With CDSL	81909

Total No. of Shares dematerialized upto 31.03.2005	891700
--	--------

DISTRIBUTION OF SHAREHOLDING

The broad shareholding distribution of the Company as on March 31, 2005 with respect to categories of investors was as follows:

Category of Investors	Percentage of Shareholding	
	As on March 31, 2005	As on March 31, 2004
Promoters	56.413	56.431
FIs/ MFs/ Banks	0.00	0.00
Bodies Corporates	10.537	10.147
Resident Individuals	29.334	29.618
NRIs/ OCBs/ FIIs	3.716	3.804
Any other (Please Specify)	0.00	0.00
Total	100.000	100.000

The broad shareholding distribution of the Company as on March 31, 2005 with respect to size of holdings was as follows:

Range (No. of Shares)	No. of Shareholders	% of total shareholders	No. of Shares per Category	% of total shares
1 to 5000	1079	54.855	275683	5.078
5001 to 10000	604	30.707	477575	8.798
10001 to 20000	157	7.982	240695	4.434
20001 to 30000	24	1.220	60849	1.121
30001 to 40000	22	1.118	76800	1.415
40001 to 50000	6	0.305	28200	0.519
50001 to 100000	27	1.373	181687	3.347
100001 & Above	48	2.440	4086925	75.288
Total	1967	100.000	5428414	100.000

Address for Correspondence

Shareholders are requested to direct all share related correspondence to Computronics Financial Services (India) Limited and only non-share related correspondence and complaints regarding Computronics Financial Services (India) Limited to the Compliance Officer at the registered Office of the Company. Shareholders holding shares in electronic form (dematerialized) should address all share related correspondence to the respective depository participants only.

Auditors' Certificate

The Certificate dated September 6, 2005 is issued by M/s R. VIJAYAN & Co., Chartered Accountants, Statutory Auditors on compliance of the Corporate Governance requirements by the Company is annexed herewith.

For and on behalf of the Board of Directors
Kalpesh R. Khokhani
 Chairman & Managing Director

Place : Mumbai
 Date : September 6, 2005

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The members of **Shamrock Industrial Co. Ltd.**

We have examined the compliance of conditions of corporate governance by Shamrock Industrial company Limited for the year ended 31st march, 2005 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The Compliance of the conditions of Corporate governance is the responsibility of the, management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clauses. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by guidelines notes issued by the Institute of Chartered Accountants of India, we have to state that according to the statements placed before the Board of Directors, there were no investor grievance remaining unattended / pending for more than 30 days.

We further state that such compliance is neither an assurance as to future viability of the Company nor the effectiveness with which the management has conducted the affairs of the Company.

For R. Vijayan & Company
Chartered Accountants

Place : Mumbai
Date : 6th September, 2005

R. Vijayan
(Proprietor)



Shamrock Industrial Co. Ltd.

AUDITOR'S REPORT

TO THE MEMBERS OF

SHAMROCK INDUSTRIAL CO. LIMITED

01. We have audited the attached Balance Sheet of **SHAMROCK INDUSTRIAL CO. LIMITED**, as at **31st MARCH 2005**, the profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed there to. 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.
02. We have 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 also includes examining, on a test basis, evidence supporting. 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.
03. As required by the Companies (Auditors 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 annex hereto a statement on the matters specified in paragraph 4 & 5 of the said order.
04. Further to our comments in the annexure referred to in paragraph 1 above:
 - a) 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.
 - b) 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 the books.
 - c) The Balance Sheet, Profit & Loss account and cash flow statement dealt with this report are in agreement with the books of accounts of the Company.
 - d) **The accounts of the company has been prepared on the basis of the going concern. However in view of long suspension of the Bulk Drug Project of the Company and huge liabilities of the financial institutions and bank, we are unable to express our opinion on its liability to continue as a going concern. In event of he same not being held to be a going concern and various assets and liabilities required to re-adjusted with respect to their realizable value, the impact whereof has not been ascertained and thereof cannot be commented upon by us.**
 - e) In our opinion the balance Sheet, profit & Loss Account and cash flow statement except as mentioned in the notes in the schedule 14, **note no.5 regarding non provision of interest payable on loan taken from the banks**, comply with the mandatory accounting standards to the extent applicable referred to in sub-section (3c) of the section 211 of the Companies Act, 1956.
 - f) On the basis of written representations received from the directors, and taken on record by the Board of Director, we report that, none of the directors are disqualified as on **31st March, 2005** from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - g) Subject to our comments in para 4(d) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with "**NOTES**" on accounts give the information required by the Companies Act, 1956, in the manner so required subject to **notes in schedule 14 relating to non provision of bank interest payable on outstanding dues to the banks** give true and fair view in conformity with the accounting principle generally accepted in India:
 - (i) In the case of Balance Sheet of the state of affairs of the company as at 31st MARCH, 2005.
 - (ii) In the case of the Profit & Loss Account of the LOSS of the company for the year ended on that date.
 - (iii) in the case Cash Flow statement of the Cash flow for the year ended on that date.

For **R. Vijayan & Company**
Chartered Accountants

Place: Mumbai
Date : 6.09.2005

[**R. Vijayan**]
Proprietor

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ANNEXURE TO THE REPORT OF THE AUDITORS TO THE MEMBERS OF SHAMROCK INDUSTRIAL CO. LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2005.

- 1)
 - a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
 - b) all the fixed assets of the company have been physically verified by the Management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the company and nature of its assets. We are informed that no material discrepancies were noticed by the management on such verification.
 - c) The company has not disposed off substantial part of fixed during the year.
- 2)
 - a) The company has not granted any loans to companies firms or other parties covered in the Register, maintained u/s. 301 of the Companies Act, 1956. There is one party covered in the registered maintained u/s. 301 of the companies Act, 1956 from whom the company has taken loan. Maximum amount involved during the year was Rs. 13,63,144/70-. And the year end balance of such parties was Rs. 13,63,144/70
 - b) The rate of interest and other terms and conditions on which loans have been taken by the company are not, prima facie, prejudicial to the interest of the company.
 - c) In respect of such loans taken by the Company, where stipulations have been made, they have generally repaid the principal amount as stipulated and have been regular in payment of interest.
 - d) During the year, the company has not given any loans, hence question of having overdue amount of more than Rs. 1 Lac does not arise.
- 3) 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 business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 4)
 - a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into the Register in purchase of Section 301 of the Companies Act, 1956 have been so entered.
 - b) According to the information and explanation given to us, there are no transactions exceeding Rs.5 Lacs each have been made in pursuance of contracts or arrangements entered in the registered maintained u/s. 301 of the Companies Act, 1956.
- 5) The Company has not accepted any deposit from the public and as such the provision of section 58-α & 58-AB of the Companies Act, 1956 and the rules framed there under Have no application to the Company.
- 6) In our opinion the company has internal audit system commensurate with the size and nature of the business.
- 7) The maintenance of cost records has not been prescribed in the case of the Company for the period under Section 209(1)(d) of the Companies Act, 1956.
- 8)
 - (a) according to the records of the company provident fund dues have been regularly deposited during the year with the appropriate authorities. As regards to other statutory dues applicable, it have been generally regularly deposited during the year with the appropriate authorities.
 - (b) according to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.
 - (c) According to the records of the company and the information and explanation given to us upon our inquiries in this regards disputed dues in respect of Income Tax unpaid as at the last day of the financial year is as follows.

Statutes	Forums before whom pending	Amount
a. Block Assessment	Tribunal	1,57,59,845/-
b. A.Y. 1998-99	Tribunal	8,12,215/-
c. A.Y. 2001-02	CIT (α)	31,45,337/-
- 9) The Company has accumulated losses of Rs. 6,88,72,402/- (Rupees Six Crores Eighty Eight Lacs Seventy Two Thousand Four Hundred Two Only) at the end of the financial year and has incurred cash losses in the current financial year and in the immediately preceding financial year.
- 10) On the basis of records examined by us and the information and explanation given to us, the company has defaulted in repayment of dues to the Dena Bank Rs. 6,07,12,450/- and Rs. 2,61,44,596/- to Bombay Mercantile Co-op. Bank since 31st March, 2001.
- 11) Based on our examinations of records and informations and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- 12) According to the informations and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- 13) According to the informations and explanations given to us and an overall examination of the Balance Sheet of the Company, we report that no funds raised on short terms have been used for long term investments. No long term funds have been used to finance short term assets.
- 14) On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company has been noticed or reported during the year.
- 15) Looking to the nature of activities being carried on by the company also considering the nature of matters referred to in various clauses of the Companies (Auditor's Report) Order, 2004, clauses (2), (13), (14) and (16) of paragraph of aforesaid order are in our opinion, not applicable to the company.

For **R. Vijayan & Company**
Chartered Accountants

[**R. Vijayan**]
Proprietor

Place: Mumbai
Date: 6.09.2005



Shamrock Industrial Co. Ltd.

BALANCE SHEET AS AT MARCH 31, 2005

PARTICULARS	Sch No.	CURRENT YEAR AMOUNT		PREVIOUS YEAR AMOUNT	
		(RS.)	(RS.)	(RS.)	(RS.)
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Share Capital	1		54284140.00		54284140.00
Reserves & Surplus	2		23531400.00		23531400.00
DEFERRED TAX ADJUSTMENT					
A. Deferred Tax Liabilities		327261.00		327261.00	
B. Deferred Tax		1008.00	328269.00	0.00	327261.00
LOANS					
Secured Loans	3		86857044.74		86857044.74
Unsecured Loans			1363144.70		955142.00
TOTAL			166363998.44		165954967.74
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	4	11922241.95		11922241.95	
Less: Depreciation		1013633.37		883418.84	
Net Block			10908608.58		11038823.11
Capital Work in Progress			34235645.21		34235645.21
INVESTMENTS					
	5		19085990.00		19085990.00
CURRENT ASSETS, LOANS & ADVANCES					
Inventories				0.00	
Sundry Debtors	6	35085223.50		35065223.50	
Cash & Bank Balances	7	157808.98		940654.98	
Loans, Advances & Deposits	8	5209955.93		5298518.48	
		40432988.41		41304396.96	
Less: Current Liabilities & Provisions	9	7176447.77		8026484.77	
		7176447.77		8026484.77	
			33256540.64		33277912.19
MISCELLANEOUS EXPENDITURE					
(To the extent not written off)	10		4811.35		576214.48
PROFIT & LOSS ACCOUNT			68872402.66		67740402.75
TOTAL			166363998.44		165954967.74
NOTES FORMING PART OF ACCOUNTS	14				0.00

**AS PER OUR REPORT OF EVEN DATE
FOR R. VIJAYAN & COMPANY
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

sd
**R. VIJAYAN
(PROPRIETOR)**

sd
**KALPESH R. KHOKHANI
MANAGING DIRECTOR**

sd
**KAMLESH R. KHOKHANI
DIRECTOR**

PLACE : MUMBAI
DATE : 6.9.2005

PLACE : MUMBAI
DATE : 6.9.2005

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2005

PARTICULARS	Sch No.	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
INCOME			
Sales			
Export			0.00
Local			0.00
		0.00	0.00
Other Income	11	25384.95	75825.00
Increase in stock	12	0.00	0.00
Total (A)		25384.95	75825.00
EXPENDITURE			
Cost of Goods Purchased		0.00	0.00
Administrative & Selling Overheads	13	1027060.13	1704041.76
Finance Charges		110.20	7165.32
Depreciation		130214.53	144758.82
		0.00	0.00
Total (B)		1157384.86	1855965.90
PROFIT BEFORE TAXATION (A-B)		-1131999.91	-1780140.90
Less: Taxes:			
Current Tax			0.00
Deferred Tax			0.00
NET PROFIT AFTER TAXATION		-1131999.91	-1780140.90
Less: Adjustment of Previous Year		0.00	0.00
		-1131999.91	-1780140.90
Add: Surplus of Previous Year			
Brought Forward		-67740402.75	-65960261.85
BALANCE CARRIED FORWARD			
TO BALANCE SHEET		-68872402.66	-67740402.75

NOTES FORMING PART OF THE ACCOUNTS¹⁴

**AS PER OUR REPORT OF EVEN DATE
FOR R. VIJAYAN & COMPANY
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

sd
R. VIJAYAN
(PROPRIETOR)

sd
KALPESH R. KHOKHANI
MANAGING DIRECTOR

sd
KAMLESH R. KHOKHANI
DIRECTOR

PLACE : MUMBAI
DATE : 6.9.2005

PLACE : MUMBAI
DATE : 6.9.2005



Shamrock Industrial Co. Ltd.

SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
	(RS.)	AMOUNT (RS.)	(RS.)	AMOUNT (RS.)
SCHEDULE : 1				
SHARE CAPITAL				
AUTHORISED CAPITAL				
8000000 Equity Shares of Rs. 10/- each		80000000.00		80000000.00
ISSUED & SUBSCRIBED CAPITAL				
7443244 Equity Shares of Rs. 10/- each		74432140.00		74432140.00
PAID-UP CAPITAL				
5428414 Equity Shares of Rs. 10/- each		54284140.00	0.00	54284140.00
(Previous year : 5428414 Equity Shares of Rs.10/- each)				
		<u>54284140.00</u>		<u>54284140.00</u>
SCHEDULE : 2				
RESERVES & SURPLUS				
Share Premium		10435200.00		10435200.00
Share Forefeiture		13096200.00		13096200.00
		<u>23531400.00</u>		<u>23531400.00</u>
SCHEDULE : 3				
SECURED LOANS				
1. LONG TERM LOANS				
Car Loan With Citibank			0.00	
				0.00
2. SHORT TERM LOANS				
a. Foreign Bill Crystallised				
With Dena Bank	5471430.00	5471430.00		5471430.00
		5471430.00		5471430.00
b Packing Credit Loan				
With Bombay Mercantile Co. Op. Bank	12641679.00	12641679.00		12641679.00
		12641679.00		12641679.00
c. Bank Overdraft				
With Dena Bank (IFB) 516	55241018.86	55241018.86		55241018.86
		55241018.86		55241018.86
d. Letter of credit with Bombay Mercantile Co-op. Bank				
(a) Local	13502916.88		13502916.88	
		13502916.88		13502916.88
		<u>86857044.74</u>		<u>86857044.74</u>

NOTES :

1. LONG TERM LOANS FROM BANKS ARE SECURED BY WAY OF MORTGAGE AND CHARGE ON COMPANY'S IMMOVABLE PROPERTIES ,BOTH PRESENT AND FUTURE AND HYPOTHECATION OF THE COMPANY'S INVENTORY AND BOOK DEBTS PRESENT AND FUTURE WHEREVER SITUATED AND GUARANTEED BY DIRECTORS.

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SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE : 4 DETAILS OF FIXED ASSETS FOR THE PERIOD 2004-2005

SR NO.	NAME OF THE ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		AS ON 1.4.2004	ADDITION	DEDUCTION	AS ON 31.3.2005	UP TO 31.3.2004	FOR THE YEAR	DEDUCTION UP TO 31.3.2005	AS ON 31.3.2005	AS ON 31.3.2004
1	LAND	7,729,298.00	-	-	7,729,298.00	-	-	-	7,729,298.00	7,729,298.00
2	FURNITURE & FIXTURE	632,310.00	-	-	632,310.00	357,148.88	40,026.00	397,174.88	235,135.12	275,161.12
3	OFFICE EQUIPMENT	391,237.00	-	-	391,237.00	194,821.06	24,765.82	219,586.88	171,650.12	196,415.94
5	FAX MACHINE	15,500.00	-	-	15,500.00	4,282.83	982.00	5,264.83	10,235.17	11,217.17
6	PRE-OPERATING EXP.	2,756,346.95	-	-	2,756,346.95	-	-	-	2,756,346.95	2,756,346.95
7	COMPUTER	397,550.00	-	-	397,550.00	327,166.07	64,440.71	391,606.78	5,943.22	70,383.93
	TOTAL	11,922,241.95	-	-	11,922,241.95	883,418.84	130,214.53	1,013,633.37	10,908,608.58	11,038,823.11
	PREVIOUS YEAR	12,336,161.95	80,920.00	413,920.00	11,922,241.95	906,613.52	144,758.00	167,953.50	883,418.84	11,038,823.00

**31.3.2005
(RS.)**

**31.3.2004
(RS.)**

SCHEDULE "5"

UN-QUOTED

IN GOVT. SECURITIES

KISAN VIKAS PATRA

1,000.00

1,000.00

IN FULLY PAID EQUITY SHARES

OTHERS

333 SHARES OF RS. 10/- EACH IN
BMC BANK LIMITED.

9,990.00

9,990.00

47750 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK FINLEASE LIMITED

4,775,000.00

4,775,000.00

77000 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK PHARMACEUTICALS P. LIMITED

7,700,000.00

7,700,000.00

130000 EQUITY SHARES OF RS. 10 EACH IN
SHAMROCK ADVTG. & PUBLISHING CO. PVT. LTD.

1,300,000.00

1,300,000.00

31000 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK EXPORTS PVT. LIMITED

3,100,000.00

3,100,000.00

220000 EQUITY SHARES OF RS. 10 EACH IN
SHAMROCK TEXYFAB LIMITED

2,200,000.00

2,200,000.00

BOOK VALUE AS AT 31.3.2005

19,085,990.00

19,085,990.00

MARKET VALUE AS AT 31.3.2005

UN-QUOTED

BMC BANK LIMITED.

9,990.00

KISAN VIKAS PATRA

1,000.00

10,990.00



Shamrock Industrial Co. Ltd.

SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
	(RS.)	AMOUNT (RS.)	(RS.)	AMOUNT (RS.)
SCHEDULE : 6				
SUNDRY DEBTORS				
(Unsecured considered good)				
Debts over six months	35267929.75		35267929.75	
Debts less than six months	0.00		0.00	
	<u>35267929.75</u>		<u>35267929.75</u>	
Less advance from customers	202706.25		202706.25	
		<u>35065223.50</u>		<u>35065223.50</u>
SCHEDULE : 7				
CASH & BANK BALANCES				
Cash on hand		33808.80		806493.80
BALANCES IN BANK				
With Schedule Banks	21418.77		21418.77	
With other Banks	14531.81		24692.81	
Margin with banks	<u>88049.60</u>		<u>88049.60</u>	
		124000.18		134161.18
		<u>157808.98</u>		<u>940654.98</u>
SCHEDULE : 8				
LOANS & ADVANCES				
a. Advances recoverable in Cash or Kind		4589512.47		4676878.02
b. Deposits		188123.46		189320.46
c. Others		<u>432320.00</u>		<u>432320.00</u>
		<u>5209955.93</u>		<u>5298518.48</u>
SCHEDULE : 9				
CURRENT LIABILITIES & PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors		<u>7176447.77</u>		<u>8026484.77</u>
		<u>7176447.77</u>		<u>8026484.77</u>
SCHEDULE : 10				
MISCELLANEOUS EXPENDITURE				
(To the Extent Not Written Off)				
a. Preliminary Expenses	67330.35		129849.35	
Less: Written off During the Year	<u>62519.00</u>		<u>62519.00</u>	
		4811.35		67330.35
b. Public Issue Expenses	508884.13		1017764.13	
Less: Written off During the Year	<u>508884.13</u>		<u>508880.00</u>	
		0.00		508884.13
		<u>4811.35</u>		<u>576214.48</u>

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SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
SCHEDULE : 11		
OTHER INCOME		
Sundry Balance W/off	-22915.05	0.00
Excise Refund	48300.00	75825.00
	<u>25384.95</u>	<u>75825.00</u>
SCHEDULE : 12		
INCREASE /(DECREASE) IN STOCK		
Closing Stock	0.00	0.00
Less: Opening Stock	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
SCHEDULE : 13		
ADMINISTRATIVE & SELLING OVERHEADS		
Staff Cost	112349.00	295939.00
Public Issue Expenses W/off.	508884.13	508880.00
Preliminary Expenses W/off.	62519.00	62519.00
Advertisement	3759.00	15450.00
AGM Expenses	0.00	9230.00
Annual Listing Fees- BSE	15650.00	25000.00
Sample Testing Charges	70200.00	0.00
Conveyance	728.00	7423.00
E.S.I.S. Contribution Paid	0.00	2204.00
Employers Contribution to PF	4284.00	2480.00
Filing Fees	500.00	5050.00
Govt. Tax (Land)	4000.00	20783.00
Depository Charges	0.00	5000.00
Office Expenses	330.00	11220.00
Postage & Telegram	22766.00	1699.00
Printing & Stationary	23277.00	44607.25
Legal & Professional Fees	153458.00	506590.00
Loss on Sale of Assets	0.00	61967.00
Membership & Subscription	0.00	3000.00
Motor Car Expenses	0.00	19802.41
Miscellaneous Expenses	180.00	7854.29
Rent, Rates & Taxes	0.00	5045.00
Repairs & Renovation	0.00	15410.00
Sales Tax	0.00	950.00
Telephone, Pager & Fax	18156.00	13322.50
Transfer Agent Exp.	0.00	39786.31
Travelling Exp	0.00	2050.00
AUDITORS REMUNERATION		
Audit Fees	26020.00	10800.00
	<u>1027060.13</u>	<u>1704041.76</u>



Shamrock Industrial Co. Ltd.

SCHEDULE : 14

NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTS POLICIES:

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS.

- a) The Financial Statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the company.
- b) The company generally follows mercantile system of accounting and recognizes significant item of income and expenditure on accrual basis.

B. FIXED ASSETS

Fixed assets are recorded at cost. The company capitalizes all cost relating to Fixed asset acquisitions and installations. Direct financing cost, if any, incurred during construction period in respect of major projects also capitalized.

C. DEPRECIATION

- a) Depreciation on Fixed asset is provided on straight-line method at rate and in the manner prescribed as per Schedule XIV to the Companies Act, 1956.
- b) Depreciation is charged on a pro-rata basis from the date of addition, or as the case may be, up to the date on which the asset has been sold, discarded, demolished or destroyed.
- c) Assets costing not more than Rs. 5000/- each are depreciated in full in the year of addition

D. INVESTMENTS

Investments are stated at cost of acquisition. Investment made by the company being of long-term nature. Diminutions in the value of quoted investment are not considered to be of permanent nature by the management.

E. RECOGNITION OF INCOME AND EXPENDITURE

A EXPENSES

Costs/ Expenses are generally accounted on accrual basis as they are incurred.

F. TAXATION

- a) Provisions for taxation is made on the basis of taxable profits computed for the current accounting year in accordance with IT Act 1961.
- b) Deferred Tax resulting from timing difference are expected to crystallize in the case of deferred tax liability with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against such deferred tax assets can be realized.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR IN BOOKS OF ACCOUNTS

	2004-05	2003-04
(i) Estimated amount of Contracts remaining to be executed on Capital Accounts (Net of Advance) (as certified by the Management)	66700000/-	66700000/-
(ii) Claims against the company not acknowledged debts	6,62,67,042/-	6,62,67,042/-
(iii) Disputed Liabilities not provided		
(a) Tax demand in respect of Block assessments disputed in Appeals Filed	1,57,59,845/-	1,57,59,845/-
(b) Tax demand in respect of A.Y. 1998-99 disputed filed	8,12,215/-	8,12,215/-
(c) Tax demand in respect of A.Y. 2001-02 disputed in appeals Filed.	31,45,337/-	31,45,337/-

3. PREOPERATIVE EXPENSES:

Opening balance	27,56,346/-	27,56,346/-
Add: Expenses incurred during the year		
Salary & Other Benefits		
Other expenses	nil	nil
Less: Credits during the year		
	<u>27,56,346/-</u>	<u>27,56,346/-</u>

Annual Report 2004-2005

Preoperative expenses under the head of Fixed Assets are in the respect of expenditure incurred on project under construction which shall be allocated to the respective Fixed Assets on the completion of its construction.

4. AUDITORS' REMUNERATION

	2004-2005	2003-2004
Audit Fees	11,020.00	10,800.00

5. In view of the legal advise received from the Company's legal Advisor the company has not made following provisions:

- (a) In the case of Bombay Mercantile Co-op. Bank no provision has been made for interest on outstanding balance as Bank has considered these advances as under NPA in their books of accounts.
 - (b) Dena Bank has filed suit against the company for recovery of outstanding dues with the interest for Rs. 6,62,67,042/- in Debt Recovery Tribunal for outstanding dues and interest which the company has disputed. Since Dena bank has classified the company's account as NPA, no interest was charged by them for the year and hence no provision has been made in the Books of A/c. The company has in turn filed suit against Dena bank in Debt Recovery Tribunal for Rs. 21 Crs. Towards loss of damages for non-release of sanctioned funds.
6. Provision for gratuity is not made as none of the employee have completed requisite period of service.
 7. Balance with Debtors, Creditors and Loans & advances are subject to confirmation & reconciliation.
 8. In the opinion of the Board of Directors, the aggregate value of Current Assets, Loans and Advances stated in the Balance Sheet are approximately of the value, if realized, in the ordinary course of business. The Provision of all known liabilities is adequate and not excess of amount reasonably required.

ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PART II OF THE SCHEDULE VI TO THE COMPANIES ACTS, 1956 AS CERTIFIED BY THE DIRECTORS

	2004-2005	2003-2004
9. EXPENDITURE IN FOREIGN CURRENCY	NIL	NIL

10. EARNINGS IN FOREIGN CURRENCY

11. As the companies business activities fall within a single primary business segment i.e. Pharmaceuticals and chemicals, the disclosure requirement of "AS 17" Segment Reporting" issued by The Institute of Chartered Accountants of India is not applicable.
12. Deferred Tax assets / Liabilities are not recognized in the current year as there is virtual certainty and evidence that there will not be any future taxable income which will be available against which such Deferred Tax Assets / Liabilities could be realized or adjusted.
13. Loans and Advances as shown in Schedule 8 includes Rs. 42,52,360/- due from M/s. Unico & Co. against which company has initiated steps for its recovery and is confident of its realization. In view of this, the above amount has been considered as good and no provision has been considered necessary.

14. Disclosure of Transactions with Related Parties as required by the Accounting Standards - 18.

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Transaction Value (Rs)	Outstanding Amount Carried in the Balance Sheet (Rs.)
1	Shamrock International Limited	Associate Company	Loan	14,46,406	13,68,125/-



Shamrock Industrial Co. Ltd.

15. Earning per share (EPS)	2004-05	2003-04
	(Rs.)	(Rs)
(i) Loss as per Profit & Loss Account	(11,31,999)	(17,80,141)
Loss attributed to ordinary shareholders	(11,31,999)	(17,80,141)
(ii) Weighted Average No. of Ordinary shares for Basic EPS	54,28,414	54,28,414
	54,28,414	54,28,414
(iii) Nominal Value of Ordinary Shares	Rs.10	Rs.10
(iv) Basic / Diluted Earnings per Ordinary Share	(0.21)	(0.33)

16. The previous year's figures have been reworked, regrouped, rearranged and / or reclassified wherever necessary.

**AS PER OUR REPORT OF EVEN DATE
FOR R. VIJAYAN & COMPANY
CHARTERED ACCOUNTANTS**

sd/-
R.VIJAYAN
(PROPRIETOR)
PLACE : MUMBAI
DATE : 6.9.2005

FOR AND ON BEHALF OF THE BOARD

sd/-
KALPESH R. KHOKHAN
MANAGING DIRECTOR
PLACE : MUMBAI
DATE : 6.9.2005

sd/-
KAMLESH R. KHOKHANI
DIRECTOR
PLACE : MUMBAI
DATE : 6.9.2005

Annual Report 2004-2005

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2005

PARTICULARS	31.3.2005 Amount	31.3.2004 Amount
I. CASH FLOW FROM OPERATIVE ACTIVITIES		
Net profit/- loss before tax	(1131999.91)	(1780140.90)
Add:		
Depreciation	130214.53	144758.82
Interest paid	110.20	7165.32
Preliminary Expenses W/Off.	571403.13	571399.00
Loss on sale of Fix asset	0.00	61967.00
	701727.86	785290.14
Less		
Sundry balance W/off	22915.05	0.00
Interest received	0.00	0.00
Dividend 0.00	0.00	0.00
Profit on sale of shares	0.00	785290.14
	(453187.10)	(994850.76)
Adjustment for:		
Inventories	—	—
Trade receivables	—	—
Trade payable and other liabilities	(1456612.85)	(3573139.81)
Other Current Assets	17598.60	17598.60
	(1439014.25)	(3555541.21)
NET CASH FLOW FROM OPERATING ACTIVITIES (α)	(1892201.35)	(4550391.97)
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital work in progress	—	—
Preoperative Expenses	—	—
Purchase of Investments	—	—
Sale of Investment	—	—
Purchase of Fixed assets	—	—
Interest Received	—	—
Sale of Fixed Asset	—	184000.00
sale of Shares	—	—
Dividend	—	—
Profit on sale of shares	—	—
Decrease in Capital work in progress	0.00	2511394.98
	0.00	2695394.88
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	0.00	2695394.88
III CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	1109465.55	96482.05
Interest Paid	110.20	(7165.32)
	1109355.35	689316.73
CASH FLOW FROM FINANCING ACTIVITIES (c)	1109355.35	689316.73
INCREASE IN CASH AND CASH EQUIVALENTS A+B+C	(782846)	(1165680.36)
CASH & CASH EQUIVALENT OPENING BALANCE	940654.98	2106335.84
CASH & CASH EQUIVALENT CLSOING BALANCE	157808.98	940654.98

AUDITORS' CERTIFICATE

The Board of Directors
Shmarock Industrial Company Limited
 Mumbai.

We have examined the attaches cash Flow Statement of **Shamrock Industrial Company Limited**, for the year ended 31st march, 2004. The statement have been prepared by the company in accordance with the requirements of the listing agreement with the stock exchange and is base on the agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the meters of the Company.

Date : 6.9.2005

Place : Mumbai

For **R. Vijayan & Company**
 Chartered Accountants



Shamrock Industrial Co. Ltd.

ADDITIONAL INFORMATION AS REQUIRED UNDER PART VI OF SCHEDULE VI OF THE COMPANIES ACT, 1956. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

REGISTRATION DETAILS

Registration No.	62298	State code	11
Balance Sheet date	31.03.2005		

CAPITAL RAISED DURING THE YEAR

Public issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Amount in Rs. Lacs)

Total Liabilities	1735.40	Total Assets	1735.40
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SOURCES OF FUNDS

Paid up Capital	542.84	Reserves & Surplus	235.31
Secured Loans	868.57	Unsecured Loans	13.63

APPLICATION OF FUNDS

Net Fixed assets	451.44	Investments	190.85
Net Current Assets	332.56	Miscellaneous Expenditure	5.76
Accumulated Loss	688.72		

PERFORMANCE OF THE COMPANY

(Amount in Rs. Lacs)

Turnover (Gross Income)	025	Total Expenditure	18.55
Profit Before Tax	(11.32)	Profit After Tax	11.32

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICE OF THE COMPANY (AS PER MONETARY TERMS)

Item code No. (ITC Code)	Production Description	Dyes Chemicals	
Item code No. (ITC Code)	Production Description	Pharmaceuticals	Raw Material
Item code No. (ITC Code)	Production Description	Intermediates	

**AS PER OUR REPORT OF EVEN DATE
FOR R. VIJAYAN & COMPANY
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

sd/-
R.VIJAYAN
(PROPRIETOR)
PLACE : MUMBAI
DATE : 6.9.2005

sd/-
KALPESH R. KHOKHANI
MANAGING DIRECTOR
PLACE : MUMBAI
DATE : 6.9.2005

sd/-
KAMLESH R. KHOKHANI
DIRECTOR
PLACE : MUMBAI
DATE : 6.9.2005

SHAMROCK INDUSTRIAL CO. LTD.

Regd. Office : 146, Takai Adoshi Road, Village Dheku, Tal. Khalapur, Dist. Raigad

ATTENTANCE SLIP

Folio No. _____ No. of shares _____

DP. ID.* _____ Client ID.* _____

I/We hereby record my /our presence at the **FOURTEENTH ANNUAL GENERAL MEETING** of the Company at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on Thursday, 29th September, 2005 at 11.00 a.m.

Name in full :
First Holder/Joint Holder/Proxy
(Strike out whichever is not applicable)

Signature

Note :

1. Members attending the meeting in person or persons attending the meeting by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting place.
 2. Members/Proxy are requested to bring the Copy of the Annual Report with them at the meeting
- * Applicable for investors holding shares in electronic form.

----- TEAR HERE -----

SHAMROCK INDUSTRIAL CO. LTD.

Regd. Office : 146, Takai Adoshi Road, Village Dheku, Tal. Khalapur, Dist. Raigad

PROXY FORM

I/We _____ of _____

Being the member(s) of the Company hereby appoint Shri _____

_____ of _____ or failing him

_____ of _____ as my/our

proxy to vote for me/us and on my/our behalf at the **FOURTEENTH ANNUAL GENERAL MEETING** of the Company to be held at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on 29th September, 2005 at 11.00 a.m.

Signed this _____ day of _____ 2005.

Affix
Re.1/-
Revenue
Stamp here

Regd. Folio No. _____ No. of shares _____

DP. ID.* _____ Client ID.* _____

Notes :

1. Proxy, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting. A proxy need not be a member.
2. The form should be signed across the stamp as per the specimen signature registered with the Company.

* Applicable for investors holding shares in electronic form.

TEAR HERE

BOOK - POST

If undelivered, please return to :

SHAMROCK INDUSTRIAL CO. LTD.

1008, MAKER CHAMBERS - V,

221, NARIMAN POINT,

MUMBAI - 400 021.

Crystal Forms Ltd., Ph. : 2382 3151 / 52