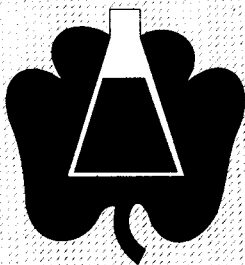


SHAMROCK

*15 th Annual Report
2005-2006*



**SHAMROCK
GROUP**

Shamrock Industrial Co. Ltd.

SHAMROCK INDUSTRIAL COMPANY LIMITED

ANNUAL REPORT 2005-2006

- BOARD OF DIRECTORS** : SHRI. KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR
SHRI. KAMLESH R. KHOKHANI
SHRI. JAYENDRA H. SHETH
SMT. 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 (INDIA) LTD.
1, MITTAL CHAMBERS, NARIMAN POINT,
MUMBAI-400 021.
Tel : 022 22882960
Fax : 022 22873314
- STOCK EXCHANGE** : BOMBAY STOCK EXCHANGE LIMITED



Shamrock Industrial Co. Ltd.

NOTICE

Notice is hereby given that 15th Annual General Meeting of the Company will be held on Monday, September 25, 2006 at 11.00 a.m. 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, 2006 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 Smt. Bharti Chokshi who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s N.B. Vasa & Co., Chartered Accountants in place of M/s R. Vijayan & Co., Chartered Accountants as Statutory 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.

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.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2006 to September 25, 2006 (both days inclusive)
3. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.
4. 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.
5. 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.**
6. The Government has introduced provisions in the Companies Act, 1956, which enable shareholders to nominate persons who shall become entitled to the shares, upon the death of such holders. Members who wish to appoint a nominee for the shares held by them are required to write to the Company for relevant form.

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

Mumbai, August 16, 2006

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

KALPESH R. KHOKHANI
Chairman & Managing Director

ADDITIONAL INFORMATION

**Details of the directors seeking re-appointment at the forthcoming Annual General Meeting
[In pursuance of Clause 49 of the Listing Agreement]**

Name of the Director	Smt. Bharti Chokshi
Date of Birth	11.5.1944
Nationality	Indian
Date of Appointment	15.12.2003
Qualifications	B.Com.
Expertise in specific functional areas	She has around 20 years of experience in Diamond Trading Business and also possesses excellent managerial skills.
Directorships held in other companies (excluding private and foreign companies)	1. Shamrock Finlease Limited 2. Shamrock Texyfab Limited
Committee position held in other companies	NIL
Shareholding of non-executive directors	NIL



Shamrock Industrial Co. Ltd.

DIRECTORS' REPORT

To,
The Members

The Directors present their Fifteenth Annual Report with the Audited Statement of Accounts for the year ended March 31, 2006.

FINANCIAL RESULTS

PARTICULARS	(Rs. in lacs)	
	Current Year <u>2005-2006</u>	Previous Year <u>2004-2005</u>
Sales & other Income	551.58	0.25
Profit/(Loss) before Depreciation, Interest & Tax	9.30	(10.02)
Interest	0.01	0.00
Depreciation	1.30	1.30
Profit / (Loss) before Tax:	7.99	(11.32)
Provision for Current Tax	—	—
Provision for Deferred Tax	—	—
Profit / (Loss) after Tax	7.99	(11.32)
Add: Balance brought forward from previous year	(688.72)	(677.40)
	<u>(680.73)</u>	<u>(688.72)</u>
Appropriations :		
Dividend	Nil	Nil
Dividend Tax	Nil	Nil
Transfer to General Reserve	Nil	Nil
	<u>(680.73)</u>	<u>(688.72)</u>
Balance carried to Balance Sheet	(680.73)	(688.72)

PERFORMANCE

During the year under review, the Company earned a total income of Rs.5,51,57,722/- as compared to Rs.25,385/- in the previous year. The Company has earned a Net Profit of Rs.7,99,483/-.

DIVIDEND

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

BULK DRUG PROJECT

As informed earlier, The Company has taken some initiative to start the Bulk Drug Project, but it struggled 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 Crore in the Debt Recovery Tribunal, Mumbai is still pending.

PUBLIC DEPOSITS

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

MANAGEMENT DISCUSSION & ANALYSIS

Industry Environment

The achievements of the Indian pharmaceutical industry during the last three decades are spectacular by any standards. From a mere processing industry, India's pharmaceutical industry is today highly sophisticated possessing advanced manufacturing technology, modern equipment and stringent quality control. From being a major importer of bulk drugs and formulations, the Indian pharmaceutical industry has today become a net exporter of pharmaceutical products. Now, Indian pharmaceutical products are being exported to a large number of countries including USA, Canada, Germany, France and Latin American countries.

Annual Report 2005-2006

Segment-wise performance

Your Company only operates in this one segment.

Opportunities, Threats, Risks and Concerns

The present market environment and imminent changes pose significant challenges for the players in the industry.

Trade Related Intellectual Property Rights (TRIPs) under the umbrella of The General Agreement on Tariff and Trade (GATT), have provided guidelines for harmonisation of IPR laws in the World Trade Organization (WTO). The pharmaceutical industry in India is moving towards a TRIPS-driven Product Patent Regime post-2005. This implies that in the long term, survival of pharmaceutical companies is going to depend not only on their production efficiency but also on their ability to create intellectual property leading to development of New Chemical Entities (NCEs) /Novel Drug Delivery Systems (NDDS).

These changes mean different things for MNCs and for domestic companies. Many MNCs have kept some of their on-patent drugs away from the Indian market because of the patent laws and regulatory issues. As these changes come in, the MNCs may decide to launch these products in India and further leverage their overall product portfolio. On the part of domestic companies, while some have already made aggressive investments towards R&D in NCEs/NDDS, others would have to follow suit. Furthermore, making investments is really the first step. The end game is in their ability to bring profitable NCEs/NDDS to market.

The pharmaceutical industry in India is among the most challenging places to be in. As the rules of the game evolve and change, companies would need to rapidly realign themselves. This realignment would involve building new areas of competence and strengthening existing ones.

Your Company will also pursue new opportunities and will ensure adequate internal preparedness to take maximum advantage of such opportunities going forward.

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, 2006, the Company had 1 employee 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 favourable year.

CORPORATE GOVERNANCE

The Company has complied with all mandatory requirements as prescribed under Clause 49 of Listing Agreement with Bombay Stock Exchange Limited (BSE).

A separate section on Corporate Governance forms part of the Annual Report. A certificate regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

DIRECTORS

As per the Articles of Association of the Company, Smt. Bharti Chokshi, retires by rotation and being eligible, offers herself 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 the above Director is provided elsewhere in this Annual Report as additional information.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management confirm 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;



Shamrock Industrial Co. Ltd.

- 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 profit 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.

AUDIT COMMITTEE

The Audit Committee comprises of Smt. Bharti Chokshi (Chairperson), Shri Jayendra Sheth and Shri Kamlesh Khokhani. The Audit Committee met 3 times during the year under review.

AUDITORS

The company's current auditors M/s. R. Vijayan & Co., have expressed their inability to continue as statutory Auditors of the Company. Hence, the Board proposes to appoint M/s N.B.Vasa & Co. Chartered Accountants as the Statutory Auditors in place of R. Vijayan & Co. Shareholders are requested to appoint the new Auditors and fix their remuneration.

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 appointment.

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

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

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.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation of the assistance and support extended by customers, financial institutions, banks, vendors, Government and other associated with the activities of the Company.

For and on behalf of the Board of Directors

Kalpesh R. Khokhani
Chairman & Managing Director

Place : Mumbai
Date : June 28, 2006

Annual Report 2005-2006

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 Company's Board of Directors comprises of 4 Directors, 3 of them are Non-Executive and 2 of them are Independent Directors as on March 31, 2006. All the Directors are well experienced in their respective fields with experience in overall management, finance and law. They bring a wide range of skills and experience to the Board.

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 2005-2006 till March 31, 2006, a total of 6 Board Meetings were held on the following dates viz. April 7, 2005, June 30, 2005, July 30, 2005, September 6, 2005, October 31, 2005 and January 18, 2006. 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 Khokhani	6	YES	-	-	-
Shri Kamlesh Khokhani	6	YES	-	-	-
Shri Jayendra Sheth	6	YES	-	-	-
Smt. Bharti Chokshi	6	YES	2	-	-

* Excludes alternate directorships and directorships in foreign companies, and private companies which are neither a subsidiary nor a holding company of a public company.

Excludes committees other than Audit Committee, Shareholder, Investor Grievance Committee and membership of committees of Companies other than Public Limited Companies.

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

Currently, the committee consists of four directors with an optimum mix of Independent and Non-Independent Directors with majority of Independent Directors, which is in compliance with the amended Clause 49 of Listing Agreement. The Committee is headed by Mrs. Bharti Chokshi, Non-Executive Independent Director.

The committee held three meetings during the year. The audit committee considered audit reports covering operational, financial and also the quarterly results of the Company. The minutes of the meetings of the audit committee are placed before the Board. The terms of reference of the audit committee are in accordance with all the items listed in Clause 49 (II) (D) and (E) of the Listing Agreement.

During the year under review, 3 meetings of the Audit Committee were held, the dates being June 30, 2005, September 6, 2005 and January 18, 2006.

Attendance of the Members at the Meetings of Audit Committee held during 2005-2006;



Shamrock Industrial Co. Ltd.

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

REMUNERATION COMMITTEE (NON-MANDATORY REQUIREMENT)

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. No meetings of the remuneration committee were held during the year.

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Shareholders' / Investors' Grievance Committee of the Directors was constituted long back to specifically look into the redressal of complaints of investors relating to transfer of shares, non-receipt of dividend / notices / annual reports etc. One meeting of the Shareholders' / Investors' Grievance Committee was held during the year on March 14, 2006. The Committee comprises of Shri Kamlesh Khokhani, a Non-Executive Director as Chairman and Shri. Kalpesh Khokhani as a member. The total number of complaints received and replied to the satisfaction of shareholders during the year under review was 40. There were no complaints pending as on March 31, 2006.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

Management Discussion & Analysis

A Management Discussion and Analysis Report on the Financial Condition and Results of Operation is attached and forms part of this Annual Report.

Subsidiary Company

Company has not floated any subsidiary company.

Disclosures

As required by revised clause 49, a statement in summary form of transactions with related parties, if any, are being periodically placed before the Audit Committee.

Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

Disclosures on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The Board shall periodically review the same.

Code of Conduct

The Board has formulated a code of conduct for the Board members of the Company. All Board members have affirmed their compliance with the code. A declaration to this effect signed by the Chairman of the Board of Directors of the Company is given elsewhere in the Annual Report.

CEO/CFO Certification

A certificate from Chairman on the financial statements of the Company was placed before the Board.

Review of Directors' Responsibility Statement

The Board in its report have confirmed that the annual accounts for the year ended March 31, 2006 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

Tenure of Independent Directors on the Board

The Company has not yet fixed any tenure for the Independent Directors on the Board of the Company.

Remuneration Committee

The Board has set up a Remuneration Committee, details of whereof are furnished earlier in the Report.

Shareholder Rights

Half yearly report is not sent to each household of shareholders. However, the results of the Company are published in the newspapers

Audit Qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.

Annual Report 2005-2006

Training of Board Members

The Company has not yet adopted any training programme for the members of the Board.

Whistle Blower Policy

The Company has not yet adopted any Whistle Blower policy.

GENERAL BODY MEETING

The Annual General Meeting of the Company will be held on September __, 2006 at 11.00 am at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad. The details of last 3 Annual General Meetings were as under:

Particulars	Date & Time	Venue	Special Resolutions Passed
12th Annual General Meeting	September 27, 2003 12.30 p.m.	Raigad	Nil
13th Annual General Meeting	September 29, 2004 11.00 a.m.	Raigad	Nil
14th Annual General Meeting	September 29, 2005 11.00 a.m.	Raigad	1. Raising of Funds through issue of Securities. 2. Alteration of Articles of Association pertaining to the Authorised Share Capital clause of the Company.

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. The Company has entered into related party transactions as set out in the notes to accounts, which are not likely to have a conflict with the Company's interest.
2. There were no material pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.
3. 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.
4. 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 / Half yearly financial results of the company are forwarded to Bombay Stock Exchange Limited 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) Financial Year Financial Calendar : 2006-2007	Monday, September 25, 2006 at 11.00 a.m. 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad. 2005-2006 Adoption of Quarterly Results for Quarter ending : in the month of June 2006 : July 2006 September 2006 : October 2006 December 2006 : January 2007 March 2007 : June 2007 (Audited annual results)
Book Closure period	Tuesday, September 19, 2006 to Monday, September 25, 2006 (both days inclusive)
Listing on Stock Exchange	Bombay Stock Exchange Limited (BSE) Listing fees have been paid upto March 31, 2007.
Stock Code ISIN	531240 INE022F01015



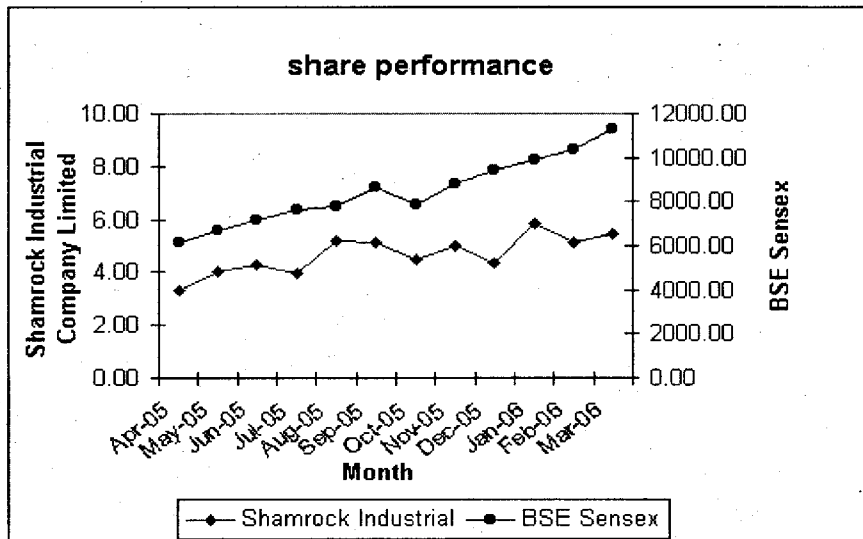
Shamrock Industrial Co. Ltd.

Stock Price Data at BSE

Stock Price Data at BSE (Month wise)	High Rs.	Low Rs.
April 2005	3.50	2.10
May 2005	5.25	2.95
June 2005	6.00	3.70
July 2005	5.00	3.35
August 2005	6.00	3.50
September 2005	10.10	5.00
October 2005	5.50	3.81
November 2005	5.29	4.20
December 2005	5.88	4.01
January 2006	6.30	4.55
February 2006	8.00	5.11
March 2006	5.73	3.90

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.:022-2288 2960
Fax: 022-2287 3314

Share Transfer System

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

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Dematerialisation

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 31.3.2006, 48.45% equity shares of the Company have been dematerialized.

- With NSDL	1233039
- With CDSL	1396891
Total No. of Shares dematerialized upto 31.03.2006	2629930

Outstanding GDRs / ADRs / Warrants or any convertible instruments

As of date, the Company has not issued these types of securities.

Distribution of Shareholding

The broad shareholding distribution of the Company as on March 31, 2006 with respect to categories of investors was as follows:

Category of Investors	No. of Folios	No. of shares held	% of shareholding
Promoters	54	27,46,861	50.60
FIs/ MFs/ Banks-	-	-	-
Bodies Corporates	73	5,84,244	10.76
Resident Individuals	1803	18,96,209	34.93
NRIs/ OCBs/ Fils	58	2,01,100	3.71
Any other (Please Specify)	-	-	-
Total	1988	54,28,414	100.00

The broad shareholding distribution of the Company as on March 31, 2006 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	1047	52.67	2,68,533	4.95
5001 to 10000	559	28.12	4,57,040	8.42
10001 to 20000	172	8.65	2,76,291	5.09
20001 to 30000	47	2.36	1,22,186	2.25
30001 to 40000	35	1.76	1,23,896	2.28
40001 to 50000	23	1.16	1,11,350	2.05
50001 to 100000	44	2.21	3,06,737	5.65
100001 & Above	61	3.07	37,62,381	69.31
Total	1988	100.00	54,28,414	100.00

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 Corporate Office of the Company. Shareholders holding shares in electronic form (dematerialized) should address all share related correspondence to the respective depository participants only.



Shamrock Industrial Co. Ltd.

Name, designation and address of Compliance Officer:

Mr. Kalpesh Khokhani
Chairman & Managing Director
1008, Maker Chambers-V,
221, Nariman Point,
Mumbai 400 021.
Tel.: 022 – 2283 5568 / 2284 0346

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

It is hereby affirmed that all the directors have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the directors.

AUDITORS' CERTIFICATE

The Certificate dated June 28, 2006 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.

On behalf of the Board of Directors

Kalpesh Khokhani
Chairman & Managing Director

Place : Mumbai
Date : June 28, 2006

AUDITOR'S 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, 2006 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 & Co.
Chartered Accountants

Place : Mumbai
Date : 28th June, 2006

R.Vijayan
(Proprietor)

Annual Report 2005-2006

AUDITOR'S REPORT

TO THE MEMBERS OF SHAMROCK INDUSTRIAL CO. LIMITED

1. We have audited the attached Balance Sheet of **SHAMROCK INDUSTRIAL CO. LIMITED** as at **31st MARCH 2006**, the profit and Loss Account 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.
2. 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 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.
3. 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.
4. 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 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 going concern. In event of the same not being held to be 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, 2006** 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 and 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, 2006**.
 - (ii) In the case of the Profit & Loss Account of the "**PROFIT**" 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 & CO.**
CHARTERED ACCOUNTANTS

Place:- MUMBAI
Date:- 28/06/2006

[R. VIJAYAN]
Proprietor
M.No. 32320



Shamrock Industrial Co. Ltd.

ANNEXURE TO THE REPORT OF THE AUDITORS TO THE MEMBERS SHAMROCK INDUSTRIAL CO. LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2006

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 at the end of 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 some part of fixed assets during the year.
2. a) The company has not granted any loans to the companies firms or other parties covered in the register, maintained u/s 301 of the companies Act, 1956.
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.
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 weakness 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 pursuance of section 301 of the Companies Act, 1956 have been so entered.
b) According to the information and explanation given to us, there is one transactions of Rs. 4097260.00 that have been made in pursuance of contracts or arrangements entered in the register 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 58A and 58 AB 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 the 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, custom duty and excise duty were outstanding, at the year end for the 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 date 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 (a)	31,45,337/-
9. The Company has accumulated losses of Rs. 6,80,80,568/- (Rupees Six Crores Eighty Lacs Eighty Thousand Five hundred Sixty Eight Only) at the end of the financial year and has incurred Profit in the current financial year and there were cash losses 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 information 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 information 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 (Auditors 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 & CO.
CHARTERED ACCOUNTANTS

Place:- MUMBAI
Date:- 28/06/2006

[R. VIJAYAN]
Proprietor

Annual Report 2005-2006

BALANCE SHEET AS AT MARCH 31, 2006

PARTICULARS	Sch No.	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	1	54,284,140	54,284,140
Reserves & Surplus	2	23,531,400	23,531,400
DEFERRED TAX ADJUSTMENT			
A. Deferred Tax Liabilities		327,261	327,261
B. Deferred Tax		-	1,008
		<u>327,261</u>	<u>328,269</u>
LOANS			
Secured Loans	3	86,857,045	86,857,045
Unsecured Loans		-	1,363,145
		<u>86,857,045</u>	<u>88,220,190</u>
TOTAL		<u>164,999,846</u>	<u>166,363,998</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block		11,922,242	11,922,242
Less: Depreciation		1,143,848	1,013,633
		<u>10,778,394</u>	<u>10,908,609</u>
Capital Work in Progress		34,235,645	34,235,645
INVESTMENTS	5	30,860,990	19,085,990
CURRENT ASSETS, LOANS & ADVANCES			
Inventories		-	-
Sundry Debtors	6	11,587,405	35,065,224
Cash & Bank Balances	7	201,389	157,809
Loans, Advances & Deposits	8	21,633,728	5,209,956
		<u>33,422,522</u>	<u>40,432,988</u>
Less: Current Liabilities & Provisions	9	12,378,274	7,176,448
		<u>21,044,248</u>	<u>33,256,541</u>
MISCELLANEOUS EXPENDITURE (To the extent not written off)	10	-	4,811
PROFIT & LOSS ACCOUNT		68,080,568	68,872,403
TOTAL		<u>164,999,846</u>	<u>166,363,998</u>
NOTES FORMING PART OF ACCOUNTS	14	-	-

**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
CHAIRMAN & MANAGING DIRECTOR**

sd /-
**KAMLESH R. KHOKHANI
DIRECTOR**

PLACE : MUMBAI
DATE : 28/6/2006



Shamrock Industrial Co. Ltd.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2006

PARTICULARS	Sch No.	CURRENT YEAR		PREVIOUS YEAR	
		(RS.)	AMOUNT (RS.)	(RS.)	AMOUNT (RS.)
INCOME					
Sales					
Export				-	
Local		55,030,056	55,030,056	-	
Other Income	11		127,667		25,385
Increase in stock	12		-		-
Total (A)			55,157,722		25,385
EXPENDITURE					
Cost of Goods Purchased			53,024,757		-
Administrative & Selling Overheads	13		1,202,493		1,027,060
Finance Charges			774		110
Depreciation			130,215		130,215
Total (B)			54,358,239		1,157,385
PROFIT BEFORE TAXATION (A-B)			799,483		(1,132,000)
Less Taxes:					
Current Tax			7,649		-
NET PROFIT AFTER TAXATION			791,834		(1,132,000)
Less: Adjustment of Previous Year			-		-
			791,834		(1,132,000)
Add: Surplus of Previous Year Brought Forward			(68,872,403)		(67,740,403)
BALANCE CARRIED FORWARD TO BALANCE SHEET			(68,080,568)		(68,872,403)

NOTES FORMING PART OF THE ACCOUNTS 14

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
CHAIRMAN & MANAGING DIRECTOR

sd /-
KAMLESH R. KHOKHANI
DIRECTOR

PLACE : MUMBAI
DATE : 28/6/2006

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SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
SCHEDULE : 1		
SHARE CAPITAL		
AUTHORISED CAPITAL		
10000000 Equity Shares of Rs. 10/- each	100,000,000	80,000,000
	100,000,000	80,000,000
ISSUED & SUBSCRIBED CAPITAL		
7443214 Equity Shares of Rs. 10/- each	74,432,140	74,432,140
	74,432,140	74,432,140
PAID-UP CAPITAL		
5428414 Equity Shares of Rs. 10/- each	54,284,140	54,284,140
	54,284,140	54,284,140
SCHEDULE : 2		
RESERVES & SURPLUS		
Share Premium	10,435,200	10,435,200
Share Forfeiture	13,096,200	13,096,200
	23,531,400	23,531,400
SCHEDULE : 3		
SECURED LOANS		
1.SHORT TERM LOANS		
a. Foreign Bill Crystallised		
With Dena Bank	5,471,430	5,471,430
	5,471,430	5,471,430
b Packing Credit Loan		
With Bombay Mercantile Co. Op. Bank	12,641,679	12,641,679
	12,641,679	12,641,679
c. Bank Overdraft		
With Dena Bank (IFB) 516	55,241,019	55,241,019
	55,241,019	55,241,019
d. Letter of credit with Bombay Mercantile Co-op. Bank		
(a) Local	13,502,917	13,502,917
	13,502,917	13,502,917
	86,857,045	86,857,045

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.



Shamrock Industrial Co. Ltd.

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE : 4

DETAILS OF FIXED ASSETS FOR THE PERIOD 2005-2006

SR. NO.	NAME OF THE ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		AS ON 1.4.2005	ADDITION	DEDUCTION	AS ON 31.3.2006	UP TO 31.3.2005	FOR THE YEAR	DEDUCTION	UP TO 31.3.2006	AS ON 31.3.2006	AS ON 31.3.2005
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	397,174.88	40,026.00	-	437,200.88	195,109.12	235,135.12
3	OFFICE EQUIPMENT	391,237.00	-	-	391,237.00	219,586.88	24,765.82	-	244,352.70	146,884.30	171,650.12
4	FAX MACHINE	15,500.00	-	-	15,500.00	5,284.83	982.00	-	6,246.83	9,253.17	10,235.17
5	PRE-OPERATING EXP.	2,756,346.95	-	-	2,756,346.95	-	-	-	-	2,756,346.95	2,756,346.95
6	COMPUTER	397,550.00	-	-	397,550.00	391,606.78	64,440.71	-	456,047.49	-	5,943.22
	TOTAL	11,922,241.95	-	-	11,922,241.95	1,013,633.37	130,214.53	-	1,143,847.90	10,836,891.54	10,908,608.58
	PREVIOUS YEAR	11,922,241.95	-	-	11,922,241.95	883,418.84	130,214.53	-	1,013,633.37	10,908,608.58	-

31.3.2006
(RS.)

31.3.2005
(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

52520 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK FINLEASE LIMITED

5,252,000.00

4,775,000.00

127000 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK PHARMACEUTICALS P. LIMITED

12,700,000.00

7,700,000.00

177050 EQUITY SHARES OF RS. 10 EACH IN
SHAMROCK ADVTG. & PUBLISHING CO. PVT. LTD.

1,770,500.00

1,300,000.00

76500 EQUITY SHARES OF RS. 100 EACH IN
SHAMROCK EXPORTS PVT. LIMITED

7,650,000.00

3,100,000.00

258550 EQUITY SHARES OF RS. 10 EACH IN
SHAMROCK TAXI FAB

2,585,500.00

2,200,000.00

89200 EQUITY SHARES OF RS. 10 EACH IN
SHAMROCK INTERNATIONAL LIMITED

892,000.00

-

BOOK VALUE AS AT 31.3.2006

30,860,990.00

19,085,990.00

MARKET VALUE AS AT 31.3.2006

UN-QUOTED

BMC BANK LIMITED.

9,990.00

-

KISAN VIKAS PATRA

1,000.00

-

10,990.00

-

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SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
SCHEDULE : 6		
SUNDRY DEBTORS		
(Unsecured considered good)		
Debts over six months	824,446	35,065,224
Debts less than six months	8,818,214	-
	9,642,660	35,065,224
Less advance from customers	-	-
	9,642,660	35,065,224
SCHEDULE : 7		
CASH & BANK BALANCES		
Cash on hand	70,740	33,809
BALANCES IN BANK		
With Schedule Banks	21,419	21,419
With other Banks	21,181	14,532
Margin with banks	88,050	88,050
	130,649	124,000
	201,389	157,809
SCHEDULE : 8		
LOANS & ADVANCES		
a. Advances recoverable in Cash or Kind	4,252,360	4,589,512
b. Deposits	188,123	188,123
c. Others	769,472	432,320
d. Advances to sister concern	18,571,224	-
Less advance from customers	(202,706)	-
	23,578,473	5,209,956
	23,578,473	5,209,956
SCHEDULE : 9		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	12,269,345	7,176,448
Duties & Taxes	69,658	-
Provision for Taxation	7,649	-
Provision for expenses	31,622	-
	12,378,274	7,176,448
	12,378,274	7,176,448
SCHEDULE : 10		
MISCELLANEOUS EXPENDITURE		
(To the Extent Not Written Off)		
a Preliminary Expenses	4,811	67,330
Less: Written off During the Year	4,811	62,519
	-	4,811
b. Public Issue Expenses	-	508,884
Less: Written off During the Year	-	508,884
	-	-
	-	4,811



Shamrock Industrial Co. Ltd.

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	-	(22,915)
Discount Received	2,603	
Exhibition Incentives	125,064	48,300
	<u>127,667</u>	<u>25,385</u>
SCHEDULE : 12		
INCREASE /(DECREASE) IN STOCK		
Closing Stock	-	-
Less: Opening Stock	-	-
	<u>-</u>	<u>-</u>
SCHEDULE : 13		
ADMINISTRATIVE & SELLING OVERHEADS		
Staff Cost	97,438	112,349
Public issue expenses w/off	-	508,884
Preliminary expenses w/off	4,811	62,519
Advertisement	5,887	3,759
Annual Listing Fees	62,963	15,650
Sample Testing Charges	-	70,200
Conveyance	1,794	728
Data processing charges	74,510	-
Employers Contribution to PF	-	4,284
Filing Fees	101,500	500
Stamping and franking Fees	40,000	-
Govt. Tax (Land)	-	4,000
Office Expenses	-	330
Postage & Telegram	17,056	22,766
Maintenance Charges	42,000	-
Printing & Stationary	17,493	23,277
Professional & Legal Expenses	656,604	153,458
Miscellaneous Expenses	800	180
Telephone, Pager & Fax	20,560	18,156
E.S.I.C. Contribution	2,080	-
Transportation Charges	25,775	-
Warehousing charges	19,998	-
AUDITORS REMUNERATION		
Audit Fees	11,224	26,020
	<u>1,202,493</u>	<u>1,027,060</u>

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SCHEDULE : 14

NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES :

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (i) The Financial Statement have been prepared under the historical convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- (ii) 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 costs relating to Fixed Assets acquisitions and installations. Direct financing cost, if any, incurred during construction period in respect of major projects is also capitalized.

C. DEPRECIATION

- a) Depreciation on Fixed asset is provided on straight-line method 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

	2005-2006	2004-2005
(i) Estimated amount of contracts remaining to be executed on Capital Accounts (Net of Advance) (as certified by the Management)	6,67,00,000/-	6,67,00,000/-
(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. 1998-1999 dispute filed	8,12,215/-	8,12,215/-
(c) Tax demand in respect of A.Y. 2001-2002 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 and other benefits	-	-
Other expenses	nil	nil
Less : Credits during the year	-	-
	27,56,346/-	27,56,346/-



Shamrock Industrial Co. Ltd.

Preparative 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 AUDITOR'S REMUNERATION :

	2005-2006	2004-2005
Audit Fees	11,224	11,020

5. In view of the legal advise received from the company's legal Adviser 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 account. 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 of 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 are adequate and not excess of amount reasonably required.

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

- | | 2005-2006 | 2004-2005 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| 9. EXPENDITURE IN FOREIGN CURRENCY | NIL | NIL |
| 10. EARNING 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 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 & 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 Standard – 18 | | |

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Outstanding Amount Carried in the Balance sheet (Rs.)
1	Shamrock International Limited	Associate Company	Sundry Debtors	19,44,746/-

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15. Earning per share (EPS)	2005-2006	2004-2005
	Rs.	Rs.
(i) Profit/Loss as per Profit & Loss Account	7,91,834	(11,31,999)
Loss attributed to Ordinary Shareholders	7,91,834	(11,31,999)
(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
Basic / Diluted Earning per Ordinary Share	0.15	(0.21)

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

FOR AND ON BEHALF OF THE BOARD

sd/-

**R.VIJAYAN
(PROPRIETOR)**

PLACE : MUMBAI
DATE : 28.6.2006

sd/-

**KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR**

sd/-

**KAMLESH R. KHOKHANI
DIRECTOR**



Shamrock Industrial Co. Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2006

PARTICULARS	31.3.2006 Amount	31.3.2005 Amount
I. CASH FLOW FROM OPERATIVE ACTIVITIES		
Net profit / loss before tax	791,834	(1,132,000)
Add :		
Depreciation	103,215	130,215
Interest paid	774	110
Preliminary Expenses W/off.	4,811	571,403
Loss on sale of Investments	-	-
Loss on sale of Shares	-	-
Loss on sale of Fixed Asset	-	-
	108,800	
Less:		
Sundry Balance W/off	-	22,915
Interest received	-	-
Dividend	-	-
Profit on sale of shares	-	-
	900,634	(453,187)
Adjustment for:		
Inventories	-	-
Trade receivables	40,211,146	-
Trade payable and other liabilities	(29,292,426)	(1,456,613)
other Current Assets	10,918,720	17,599
	11,819,354	(1,892,201)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital work in progress	-	-
Preoperative Expenses	-	-
Purchase of Investments	(11,775,000)	-
Sale of Investments	-	-
Purchase of fixed Assets	-	-
Interest received	-	-
Sale of fixed Assets	-	-
Sale of Shares	-	-
Dividend	-	-
Profit on sale of shares	-	-
Decrease in Capital work in progress	-	-
	(11,775,000)	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		
III. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowing	-	1,109,466
Interest paid	774	110
	(774)	1,109,355
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		
INCREASE IN CASH AND CASH EQUIVALENTS A+B+C	43,580	(782,846)
CASH AND CASH EQUIVALENT OPENING BALANCE	157,809	940,655
CASH AND CASH EQUIVALENT CLOSING BALANCE	201,389	157,809

AUDITORS' CERTIFICATE

The Board of Directors
Shamrock Industrial Company Limited
 Mumbai

We have examined the attached Cash Flow statement of Shamrock Industrial Company Limited, for the year ended 31st March, 2006. The statement have been prepared by the company in accordance with the requirements of the listing agreement with the stock exchange and is based on the agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our report of even date to the members of the Company.

For R. Vijayan & Company
 Chartered Accountants

Place : Mumbai
 Date : 28-6-2006

[R. Vijayan]
 Proprietor

Annual Report 2005-2006

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	31.03.2006		

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	1649.99	Total Assets	1649.99
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SOURCES OF FUNDS

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

APPLICATION OF FUNDS

Net Fixed assets	450.44	Investments	308.61
Net Current Assets	210.44	Miscellaneous Expenditure	-
Accumulated Loss	680.81		

PERFORMANCE OF THE COMPANY

(Amount in Rs. Lacs)

Turnover (Gross Income)	551.58	Total Expenditure	543.58
Profit Before Tax	7.99	Profit After Tax	7.92

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 : 28.6.2006

sd/-

**KALPESH R. KHOKHANI
CHAIRMAN & MANAGING DIRECTOR**

sd/-

**KAMLESH R. KHOKHANI
DIRECTOR**

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 **FIFTEENTH ANNUAL GENERAL MEETING** of the Company at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on Monday, September 25, 2006 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 **FIFTEENTH ANNUAL GENERAL MEETING** of the Company to be held at 146, Takai Adoshi Road, Village Dheku, Taluka Khalapur, Dist. Raigad on Monday, September 25, 2006 at 11.00 a.m.

Signed this _____ day of _____ 2006.

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 Corporate 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.