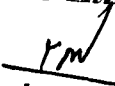


JRC INDUSTRIES LIMITED

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For JRC Industries Limited


Director/Auth. Signatory

**NINETH ANNUAL REPORT
2002-2003**

J R C I N D U S T R I E S L I M I T E D

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BOARD OF DIRECTORS:

Mr. Ramakant S. Tawde
Mr. Rajendra Thanvi
Mr. Joseph Moses Solomon
Mr. Pravin Doshi

AUDITORS :

M/s. Sunderji Gosar & Co.
Chartered Accountants,
Mumbai - 400 014.

CORPORATE OFFICE :

69, Kazi Sayed Street,
Mumbai - 400 003.

BANKERS :

Vysa Bank Ltd.
Citibank
Bank of Baroda
Canara Bank

REGISTERED OFFICE :

C1B / 94, GIDC Industrial Estate,
Pardi - 396 125, Dist. Bulsar,
Gujarat.

JRC INDUSTRIES LIMITED

NOTICE.

Notice is hereby given that the 9th Annual General Meeting of the members of JRC INDUSTRIES LTD., will be held at the Registered Office of the Company at C1B/94, GIDC Industrial Estate, Pardi - 396 125 Dist. Bulsar, Gujarat on 27th September, 2003 at 11.30a.m. to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet as at March 31st, 2003 the Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint M/S. SUNDERJI GOSAR & CO., Chartered Accountants, as Auditors of the Company and to authorise the board to fix their remuneration.

SPECIAL BUSINESS:

- 3) To consider and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution: "RESOLVED THAT MR. JOSEPH MOSES SOLOMON who was appointed as an Additional Director of the Company with effect from 15-02-2003 pursuant to section 260 of the Companies Act, 1956 and hold office upto the date of this Annual General Meeting, in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.
- 4) To consider and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution: "RESOLVED THAT MR. PRAVIN N. DOSHI who was appointed as an Additional Director of the Company with effect from 15-02-2003 pursuant to section 260 of the Companies Act, 1956 and hold office upto the date of this Annual General Meeting, in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.
- 5) To consider and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution: "RESOLVED THAT MR. RAMAKANT SHAMBHAJI TAWDE who was appointed as an Additional Director of the Company with effect from 15-02-2003 pursuant to section 260 of the Companies Act, 1956 and hold office upto the date of this Annual General Meeting, in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

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- 6) To consider and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution: "RESOLVED THAT MR. RAJENDRA RAMDAYAL THANVI who was appointed as an Additional Director of the Company with effect from 31-05-2003 pursuant to section 260 of the Companies Act, 1956 and hold office upto the date of this Annual General Meeting, in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 in writing, proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

- 7) To consider and if thought fit to pass with or without modification(s) the following as an Special Resolution:

"Resolved that pursuant to Section 372A of the Companies Act, 1956 and other applicable provisions, if any, the Company does hereby offer its guarantee, to the Senior Lenders of JAS Toll Road Company Limited for an amount not exceeding Rs. 125 Crores, due to the Senior Lenders of JAS Toll Road Company Limited, to provide Contingent Equity Support, to make good the shortfall to the Senior Lenders/Debenture Holders, if any, in respect of termination compensation received/receivable by the Lenders/debenture holders from National Highway Authority of India (NHAI) under the Concession Agreement, towards all dues payable by the Company, resulting from a Force Majeure event and/or Concessionaire event of default and/or NHAI event of Default and to make good to the Lenders/Debenture Holders all dues payable by the Company, upon termination of the Concession Agreement by NHAI anytime prior to Commercial Operation date resulting from a Force Majeure event and/or Concessionaire event of default, in favour of the Lenders/Debenture Holders of JAS Toll Road Company Limited with relation to the Neelamangala-Tumkur Road Project of JAS Toll Road Company Limited."

"Resolved further that the company does hereby ratify the act of the Board of Directors of the Company for offering guarantee vide Deed of Guarantee dated January 9th, 2003 to the Senior Lenders of JAS Toll Road Company Limited".

EXPLANATORY STATEMENT:

As required under Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business under item No. 5 of the accompanying Notice dated 31-07-2003.

Item No. 3

Pursuant to Section 260 of the Companies Act, 1956 (the Act), and Article 134 of the Articles of Association of the Company, the Board appointed MR. JOSEPH MOSES SOLOMON as an Additional Director on 15-02-2003. Under the above Section and Article, he holds to office up to the date of this Annual General Meeting. The Company has received a notice in writing along with deposit of Rs. 500/- from a member of the Company pursuant to Section 257 of the Act, signifying his intention to propose MR. JOSEPH MOSES SOLOMON for the office of a Director of the Company.

JRC INDUSTRIES LIMITED

Item No. 4

Pursuant to Section 260 of the Companies Act, 1956 (the Act), and Article 134 of the Articles of Association of the Company, the Board appointed MR. PRAVIN N. DOSHI as an Additional Director on 15-02-2003. Under the above Section and Article, he holds to office up to the date of this Annual General Meeting. The Company has received a notice in writing along with deposit of Rs. 500/- from a member of the Company pursuant to Section 257 of the Act, signifying his intention to propose MR. PRAVIN N. DOSHI for the office of a Director of the Company.

Item No. 5

Pursuant to Section 260 of the Companies Act, 1956 (the Act), and Article 134 of the Articles of Association of the Company, the Board appointed MR. RAMAKANT SAMBHAJI TAWDE as an Additional Director on 15-02-2003. Under the above Section and Article, he holds to office up to the date of this Annual General Meeting. The Company has received a notice in writing along with deposit of Rs. 500/- from a member of the Company pursuant to Section 257 of the Act, signifying his intention to propose MR. RAJENDRA RAMDAYAL THANVI for the office of a Director of the Company.

Item No. 6

Pursuant to Section 260 of the Companies Act, 1956 (the Act), and Article 134 of the Articles of Association of the Company, the Board appointed MR. RAJENDRA RAMDAYAL THANVI as an Additional Director on 31.05.2003. Under the above Section and Article, he holds to office up to the date of this Annual General Meeting. The Company has received a notice in writing along with deposit of Rs. 500/- from a member of the Company pursuant to Section 257 of the Act, signifying his intention to propose MR. RAJENDRA RAMDAYAL THANVI for the office of a Director of the Company.

Item No. 7

The Company has offered its guarantee to the Senior Lenders alongwith other guarantors for securing the Loans taken by JAS Toll Road Company Limited which has undertaken a NHAI project. The guarantee has been offered to increase the business of the Company in the near future and to better the prospects of the Company.

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.

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- 2) The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of meeting.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed on 25th September 2003 to 27th September, 2003 (Both days inclusive).
- 4) Members are requested to promptly notify any changes in their address to the Company at its Registered Office. All documents referred to in the notice and Explanatory statements are open for inspection at the Registered Office of the Company during the office hours on all days except Saturday, Sunday and Public Holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

IF ANY OF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTORS REPORT & AUDITORS REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING, SO THAT THE SAME CAN BE REPLIED TO AT THE ANNUAL GENERAL MEETING TO THE MEMBERS SATISFACTION.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS:

Place: Bulsar, Gujarat.

Date: 28-06-2003

RAMAKANT TAWDE

Chairman and Managing Director.

JRC INDUSTRIES LIMITED

DIRECTOR'S REPORT.

To:

The Members,

Your directors have pleasure in presenting the 9th annual report, together with the audited statement of accounts of the company for the year ended 31st March 2003.

FINANCIAL RESULTS

	Rs. In Lacs Year Ended <u>31.03.2003</u>	Rs. In Lacs Year Ended <u>31.03.2002</u>
Profit before Depreciation & Taxes	13.04	9.03
<u>Less:</u> Depreciation	-	5.55
Profit before Tax	13.04	14.53
<u>Less:</u> Provision for Tax	5.37	0.18
Profit after Tax	7.67	(14.76)
<u>Add:</u> Transfer from Reserves	NIL	12.03
Balance Brought Forward	(2.73)	12.03
Balance Carried Forward	4.94	2.73

DIVIDEND :

Your Directors are refraining from recommending any dividend to conserve resources.

OPERATIONS :

Your company has made a profit of 7.67 Lacs for the current year as compared to loss of Rs. 14.76 Lacs in the previous year. Your Directors are hopeful to achieve better results in the current year.

DIRECTORS :

During the year under review Mr. RAMAKANT TAWDE was appointed as director to fill the casual vacancy caused by resignation of Mr. Gautam R. Shah. Mr. JOSEPH MOSES SOLOMON and Mr. PRAVIN N. DOSHI were appointed as additional directors of the company w.e.f. 15-02-2003 and Shri RAJENDRA RAMDAYAL THANVI was appointed as additional director w.e.f. 31-05-2003. At the ensuing AGM it is proposed to regularise the appointment of MR. RAMAKANT TAWDE, MR. JOSEPH MOSES SOLOMON, MR. PRAVIN N. DOSHI and SHRI RAJENDRA RAMDAYAL THANVI as directors of the Company.

Mr. RAMAKANT TAWDE & Mr. PRAVIN N. DOSHI retire by rotation at the ensuing Annual General Meeting and being eligible propose themselves for reappointment.

ANNUAL REPORT 2002-2003**FIXED DEPOSITS :**

No fixed deposits were accepted from Public as envisaged under Section 58A and 58B of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

AUDITOR'S REPORT :

In respect of the observations made by Auditors, the notes on Accounts are self – explanatory.

SECRETARIAL AUDIT REPORT :

The observation made by Practicing Company Secretary is enclosed.

AUDITORS :

M/s. SUNDERJI GOSAR & CO., Chartered Accountants, Statutory Auditors retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment as statutory auditors of your Company.

DIRECTORS RESPONSIBILITY STATEMENT

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

- 1) In the preparation of the accounts, the applicable accounting standards have been followed.
- 2) Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the company for the period ended 31.03.2003,
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and,
- 4) The accounts have been prepared on a going concern basis.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information required under Rule 2 of the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption, is not being given, since the Company is not engaged in Manufacturing activity.

J R C INDUSTRIES LIMITED**REPORT ON CORPORATE GOVERNANCE :**

The report on Corporate Governance in accordance with the guidelines of the Securities & Exchange Board of India and clause 49 of the Listing Agreements with the Stock Exchanges is attached and marked as Annexure – A to this report

FOREIGN EXCHANGE EARNINGS & OUTGO :

During the year the company did not earn any foreign exchange and spent Rs. 8.42 Lacs, the details of which have been stated in notes to accounts.

PARTICULARS OF EMPLOYEES :

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors Report for the year ended 31st March, 2003.

None of the employees during the period has received salary exceeding Rs.24 Lacs p.a. or Rs. 2 Lacs p.m.

ACKNOWLEDGEMENT :

Your Directors would like to express their appreciation for the co-operation and assistance received from the bankers during the year under review.

Your Directors wish to place on record their appreciation for the devoted services by executives, officers and staff of the Company for its success.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

RAMAKANT TAWDE

Chairman & Managing Director

Place: Mumbai

Date: 28-06-2003.