



JRC INDUSTRIES LIMITED

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ELEVENTH ANNUAL REPORT
2004 – 2005

ANNUAL REPORT 2004 - 2005

BOARD OF DIRECTORS :

Mr. Ramakant S. Tawde
Mr. Rajendra Thanvi
Mr. Pravin Doshi

AUDITORS :

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

CORPORATE OFFICE :

105, Free Press House,
Free Press Journal Road,
Nariman Point,
Mumbai - 400 021.

BANKERS :

IDBI Bank Ltd.

REGISTERED OFFICE :

F/21, Vikram Chamber,
Near Sales India,
Ashram Road,
Ahmedabad - 380 009,
Gujarat.

JRC INDUSTRIES LIMITED

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JRC INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the members of **JRC INDUSTRIES LTD.** will be held at the Registered Office of the Company at **F/21, Vikram Chambers, Near Sales India, Ashram Road, Ahmedabad - 380 009, Gujarat** on 30th September, 2005 at 12.30 p.m. to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2005 the Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Ramakant Tawde, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint a Director in place of Mr. Pravin Doshi, who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint **M/S. SUNDERJI GOSAR & CO.**, Chartered Accountants, as Auditors of the Company and to authorise the board to fix their remuneration.

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.
- 2) The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed on 23rd September, 2005 to 30th September, 2005 (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:

RAMAKANT TAWDE
(CHAIRMAN & MANAGING DIRECTOR)

Place : Ahmedabad, Gujarat.
Date : 31-07-2005.

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DIRECTORS REPORT

To,
The Members,

Your directors have pleasure in presenting the 11th annual report, together with the audited statement of accounts of the company for the year ended 31st March, 2005.

FINANCIAL RESULTS

	Rs. In Lacs Year Ended 31-03-2005	Rs. In Lacs Year Ended 31-03-2004
Profit/(Loss) before Depreciation & Taxes	(3.38)	(4.63)
<u>Less: Depreciation</u>	--	--
Profit before Tax	(3.38)	(4.63)
<u>Less: Provision for Tax</u>	NIL	NIL
Profit after Tax	(3.38)	(4.63)
<u>Add: Transfer from Reserves</u>	NIL	NIL
Deferred Tax Asset	0.00	1.62
Balance Brought Forward	1.93	4.94
Balance Carried Forward	(1.45)	1.93

DIVIDEND :

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

OPERATIONS :

Your company has made a loss of 3.38 Lacs for the current year as compared to loss of Rs. 4.63 Lacs in the previous year. Your Directors are hopeful to achieve better results in the current year.

DIRECTORS :

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

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.

JRC INDUSTRIES LIMITED

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 31-03-2005
- 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.

REPORT ON CORPORATE GOVERNANCE :

The report of 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 nor have spent any foreign exchange.

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, 2005.

None of the employees during the period has received salary exceeding Rs. 12 Lacs p.m.

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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 : 30-06-2005

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JRC INDUSTRIES LIMITED**CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The Members of **JRC Industries Limited**

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India for the financial year ended on March 31, 2005.

The objective of our examinations is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have conducted our examination on the basis of the relevant records and documents maintained by the company and furnished to us for examination and the information and explanations given to us by the Company.

On the basis of the records maintained by the "Shareholders / Investors Grievance Committee" of the Company, we state that there were no investor grievances pending against the Company for the period exceeding one month.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange of India.

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

VKM & ASSOCIATES
Practising Company Secretaries

(Vijay Kumar Mishra)
Proprietor
M. No. 10484
C.P. No. 4279

Date : 30-06-2005.

Place : Mumbai.

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REPORT ON CORPORATE GOVERNANCE :

JRC Industries Ltd. came into being in 1994 with its activities running in the name & style of JRC Finvest Ltd. Later on due to sluggishness in the Market the company has diversified its business into manufacturing and trading in magnets, white board and various magnetic items. Consequence to the change in business, the name of the company had been changed to JRC Industries Ltd. in 1997. Further the board lays emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders. Your Company has adopted some of the best practices in corporate governance much before the Code was formulated. The following are the detailed practices on Corporate Governance in your Company.

1. BOARD OF DIRECTORS :

(a) Composition of the Board : (for the financial year 2004-2005).

The Board comprises of 3 Directors of which 1 is whole-time Directors. The Independent Non-Executive Directors are persons of eminence and experience drawn from various facets of corporate affairs.

Director	Category of Directorship	No. of Meetings Attended	Attendance at last AGM	No. of Outside Directorship Held	Total No. of Membership of Committees
Mr. Ramakant S. Tawde	WTD	4	YES	0	0
Mr. Pravin Doshi	Director	4	YES	0	0
Mr. Rajendra R. Thanvi	Director	4	YES	0	0

5 Board Meeting were held during the financial year 2004-2005. The dates on which the meeting were held are given below :

30-04-2004, 30-06-2005, 30-07-2004, 30-10-2004, 31-01-2005.

2. AUDIT COMMITTEE :

The following Executive Directors are the members of the Audit Committee:

- | | |
|----------------------------|---------------------------|
| 1. Shri Pravin N. Doshi | Chairman of the Committee |
| 2. Shri Ramakant S. Tawde | Director |
| 3. Shri Rajendra R. Thanvi | Director |

The Committee met four times during the year 2004-2005 on 30-04-2004, 30-07-2004, 30-10-2004 & 31-01-2005.

The Audit Committee held discussions with the Statutory Auditors on the "Limited Review" of the half-yearly accounts, matters relating to compliance of accounting standards, their observations arising from the annual audit of the Company's accounts and other related matters.