

J. K. INVESTO TRADE (INDIA) LIMITED



Fifty Seventh Annual Report & Accounts 2004-2005

J. K. INVESTO TRADE (INDIA) LIMITED

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DIRECTORS

Dr. VIJAYPAT SINGHANIA (Chairman)

SHRI GAUTAM HARI SINGHANIA

SHRI P. R. JAIN

SHRI NABANKUR GUPTA

SHRI R. K. GANERIWALA
(Whole-time Director)

AUDIT COMMITTEE

SHRI NABANKUR GUPTA
(Committee Chairman)

SHRI GAUTAM HARI SINGHANIA

SHRI P. R. JAIN

BANKERS

STATE BANK OF INDIA

PUNJAB NATIONAL BANK

INDIAN BANK

AUDITORS

LODHA & CO.

Chartered Accountants

REGISTERED OFFICE

NEW HIND HOUSE,
3, NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI – 400 001.

TEL NO. : 22686000

FAX NO. : 22620052

J. K. INVESTO TRADE (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the 57th Annual General Meeting of J. K. INVESTO TRADE (INDIA) LIMITED will be held on Wednesday, 13th July, 2005 at 3.00 p.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd floor, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March 2005 and the Profit and Loss Account for the year ended as on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Gautam Hari Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint and to fix the remuneration of Messrs. Lodha & Company, Chartered Accountants, as Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting.

REGISTERED OFFICE:

New Hind House
3 N.M. Marg
Ballard Estate
Mumbai 400 001
April 27, 2005

By Order of the Board
For J.K. INVESTO TRADE (INDIA) LTD.

R. K. GANERIWALA
Whole-time Director

NOTES:

- i. A MEMBER OF A COMPANY ENTITLED TO ATTEND AND VOTE AT A MEETING SHALL BE ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A MEMBER OR NOT) AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. MEMBERS ARE REQUESTED TO DEPOSIT THE PROXY FORM NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
- ii. The Register of Members and the Share Transfer Books shall remain closed from Wednesday, 6th July, 2005 to Wednesday, 13th July, 2005 (both days inclusive).
- iii. Members are requested to intimate the change in their address, if any.
- iv. Members are requested to intimate their queries, if any, relating to the accounts or any other matters atleast seven days in advance so that the information can be made readily available and furnished at the meeting.
- v. The Company has appointed MCS Limited as the Registrar & Share Transfer Agent for transfer of shares, both in physical and electronic mode. Their address is as under :
MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai 400 093
The shareholders may send their transfer requests and other share related queries either to the Company at the registered office or MCS Limited at the above address.
- vi. Members are requested to notify immediately any change in their address/bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai 400 093, in respect of their physical share folios, if any.
- vii. Shri Gautam Hari Singhania, a graduate from University of Mumbai, is the Director of the Company since June 1990. He is a businessman with keen foresight and innate business acumen. Shri Gautam Hari Singhania is the Chairman and Managing Director of Raymond Limited. He is also Director in J.K. Helene Curtis Limited, J.K. Investors (Bombay) Ltd., Raymond Apparel Ltd., J.K. Ansell Ltd., Hindustan Files Ltd., Aqualine Marine India Ltd., Silver Spark Apparel Limited, Colorplus Fashions Limited.

J. K. INVESTO TRADE (INDIA) LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors have pleasure in presenting their 57th Annual Report for the year ended on 31st March 2005.

FINANCIAL RESULTS

	Year ended 31.3.2005 (Rs. in lacs)	Previous Year ended 31.3.2004 (Rs. in lacs)
Income during the year	352.10	260.14
Depreciation	2.39	1.39
Interest	3.90	6.28
Provision for taxation	3.36	0.54
Profit during the year	263.77	168.03
Profit brought forward	381.48	314.98
Dividend including tax paid on Preference shares redeemed	-	18.93
Proposed dividend on Equity shares (including tax)	-	82.60
Profit carried forward to Balance Sheet	645.25	381.48

PERFORMANCE DURING THE YEAR

The dividend income during the year was higher at Rs. 235.60 lacs from Rs.157.07 lacs in the previous year. The Directors consider it prudent to conserve resources and, therefore, do not recommend dividend on equity shares.

PERFORMANCE OF JOINT VENTURE COMPANY – J.K. ANSELL LIMITED

During the year under review the turnover of J.K. Ansell Limited was Rs.4548 lacs (previous year Rs. 5498 lacs). The profit after tax was Rs. 434.81 lacs (previous year Rs. 882.20 lacs)

SUBSIDIARY

The turnover of our subsidiary, J.K. Helene Curtis Limited, has jumped from Rs. 5302 lacs to Rs. 7499 lacs. However, due to severe competitive market conditions, profit after tax has decreased from Rs.197 lacs to Rs. 139 lacs.

ACCOUNTING STANDARDS

The accounts have been prepared as per the applicable Accounting Standards and necessary disclosures have been made in the annual accounts.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- (i) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

J. K. INVESTO TRADE (INDIA) LIMITED

- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ETC.

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 is not applicable.

PUBLIC DEPOSIT

The Company has not accepted any deposit from the public during the year under review.

PERSONNEL

There is no employee whose particulars are required to be furnished under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS

Shri Gautam Hari Singhania, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a report on Corporate Governance and Certificate from the Auditors of the Company is given in the Annual Report.

DELISTING OF SHARES

The shareholders have approved delisting of the equity shares of the Company from the Bombay Stock Exchange, by postal ballot.

AUDITORS

The Company's Auditors, Messrs. Lodha & Company, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for reappointment. You are requested to appoint Auditors and fix their remuneration.

For and on behalf of the Board

Mumbai.
April 19, 2005

Dr. VIJAYPAT SINGHANIA
Chairman

J. K. INVESTO TRADE (INDIA) LIMITED

CORPORATE GOVERNANCE REPORT

A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and others. The Company is prompt in discharging its statutory obligations and duties. The Board of Directors has had adequate representation of the professional, qualified, non-executive and independent Directors. The Board has constituted various committees of Directors for proper and effective disposal of the matters.

The meetings of the Board and Committees are being held frequently as required. All the Directors attending the Board and Committee meetings are provided with full details of information and they actively participate in the proceedings. Decisions of the meetings are taken unanimously.

BOARD OF DIRECTORS

The Board of the Company consists of five Directors. The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he is a member/Chairman are as under:

Table 1

Name of Director	Category of Directorship	Directorship in other Companies*	No. of Board/ Committee of Other Companies in which Chairman / Member	
			Chairman	Member
Dr. Vijaypat Singhania Chairman	Promoter, Non-Executive	6	Nil	Nil
Shri Gautam Hari Singhania Director	Promoter, Non-Executive	11	Nil	2
Shri Nabankur Gupta Director	Independent Non-Executive	3	Nil	Nil
Shri P. R. Jain Director	Independent Non-Executive	7	Nil	Nil
Shri R. K. Ganeriwala	Whole-time Director	3	Nil	Nil

* Excludes directorships in foreign companies and Indian private limited companies.

BOARD PROCEDURE

During the financial year 2004-2005, four meetings of the Board of Directors were held on 5th May, 2004, 26th July, 2004, 25th October, 2004 and 21st January 2005.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Table 2

Name of the Director	No. of Board meetings attended	Attendance at the last Annual General Meeting held on 5.7.2004
Dr. Vijaypat Singhania	2	Absent
Shri Gautam Hari Singhania	4	Absent
Shri Nabankur Gupta	4	Present
Shri P. R. Jain	4	Present
Shri R.K. Ganeriwala	4	Present

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AUDIT COMMITTEE

The Audit Committee consists of three members, Shri Nabankur Gupta, the Chairman of the Committee. Other members are Shri Gautam Hari Singhania, Director and Shri P. R. Jain, Director.

The Audit Committee had adequate powers and details terms of reference to play effective role as required under the provisions of Companies Act, 1956 and clause 49 of the Listing Agreement entered into with the Stock Exchange.

During the financial year ended March 31, 2005, four Audit Committee Meetings were held on 5th May, 2004, 26th July, 2004, 25th October, 2004 and 21st January 2005. The details of attendance by each of the members are as given below.

Name of the Director	No. of meetings attended
Shri Gautam Hari Singhania	4
Shri Nabankur Gupta	4
Shri P. R. Jain	4

The Company has appointed a firm of Chartered Accountants, M/s. V.B. Dalal & Co., as Internal Auditors to carry out periodical internal checks and to review the control systems of the Company. The report of the Internal Auditors is reviewed by the Audit Committee.

SHAREHOLDERS' COMMITTEE

The Share Transfer and Shareholders' Grievance Committee consists of Shri Nabankur Gupta and Shri P. R. Jain. This Committee meets twice a month and inter-alia deals with various matters relating to:

- transfer/transmission of shares;
- issue of duplicate share certificates;
- review of shares dematerialised and all other related matters;
- investors' grievances and redressal mechanism.

COMPLIANCE OFFICER

The Board has designated Shri Atul Dharap as the Compliance Officer.

MEETINGS AND ATTENDANCE

Twenty four meetings of the Committee were held during the year April 1, 2004 to March 31, 2005. The meetings were held on 15th April, 2004, 30th April, 2004, 5th May, 2004, 15th May, 2004, 31st May, 2004, 15th June, 2004, 30th June, 2004, 15th July, 2004, 31st July, 2004, 30th August, 2004, 15th September 2004, 30th September, 2004, 15th October, 2004, 30th October, 2004, 16th November, 2004, 30th November, 2004, 15th December, 2004, 31st December 2004, 15th January, 2005, 31st January, 2005, 15th February, 2005, 28th February, 2005, 15th March, 2005 and 31st March, 2005.

The number of meetings attended by each of the members is as under:

Name of the Director	No. of meetings attended
Shri Nabankur Gupta	24
Shri P. R. Jain	24

INVESTMENT COMMITTEE

In partial modification of the resolution dated 22nd October, 2003, Shri Nabankur Gupta, Director was appointed on the Investment Committee with effect from 21st January, 2005. Prior to this, Investment Committee comprised of Shri Gautam Hari Singhania, Director, Shri R.K. Ganeriwala, Whole-time Director.

During the year 26 meetings of the committee were held.

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Investment Committee met on 13th April, 2004, 27th April, 2004, 25th June, 2004, 7th July, 2004, 20th July, 2004, 20th August, 2004, 24th September, 2004, 20th October, 2004, 25th October, 2004, 28th November, 2004, 2nd December, 2004, 6th December, 2004, 13th December 2004, 16th December, 2004, 17th December, 2004, 23rd December, 2004, 5th January 2005, 6th January, 2005, 25th January, 2005, 10th February, 2005, 15th February, 2005, 21st February, 2005, 23rd February, 2005, 1st March, 2005, 16th March 2005 and 30th March, 2005 to approve investments from time to time.

The number of meetings attended by each of the members is as under:

Name of the Director	No. of meetings attended
Shri Gautam Hari Singhania	23
Shri R. K. Ganeriwala	23
Shri Nabankur Gupta *	3

* Appointed w.e.f. 21st January 2005

REMUNERATION COMMITTEE

The Remuneration committee comprises of three members. During the year Shri Nabankur Gupta and Shri P. R. Jain were appointed as Members of the Remuneration Committee by a circular resolution dated 14th July, 2004 in the casual vacancies caused by the resignation of Shri M.R. Shroff and Shri H.P. Kedia. The Committee met twice on 26th July 2004 and 25th November, 2004.

GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given below:

Year	Location	Date	Time
2001-2002	M.C. Ghia Hall, Bhogilal Hargovindas Building 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	27-06-02	3.00 p.m.
2002-2003	M.C. Ghia Hall, Bhogilal Hargovindas Building 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	09-06-03	3.30 p.m..
2003-2004	M.C. Ghia Hall, Bhogilal Hargovindas Building 18/20 Kaikhushru Dubash Marg, Mumbai 400 001	05-07-04	3.30 p.m.

A Special Resolution pursuant to the provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 for delisting of equity shares of the Company from the Bombay Stock Exchange was put through postal ballot, which was passed by requisite majority. The result of the postal ballot was declared by Shri R.K. Ganeriwala, Whole-time Director on 10th March, 2005 at 4.00 p.m. at New Hind House, 3 Narottam Morarjee Marg, Ballard Estate, Mumbai 400001.

DISCLOSURES

The Company has not entered into any transaction of a material nature with the promoters, directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in Note No. 6 of Schedule 15 to the accounts in the annual report.

The Company has complied with the requirement of regulatory authorities on capital market. The procedure for dematerialisation of equity shares of the Company has been completed. There have been no instances of non-compliance by the Company on any matters related to the capital market, nor have any penalty/strictures been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities on such matters for last three years.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended, the Board of Directors of the Company approved a code of conduct at

J. K. INVESTO TRADE (INDIA) LIMITED

the Board Meeting held on 31st January 2003 for prevention of insider trading in the shares and securities of the Company by its directors and designated employees. The code, inter-alia prohibits purchase/sale of shares of the Company by the directors and designated employees, while in possession of unpublished price sensitive information in relation to the Company during certain prohibitive periods. Shri P.S. Sawant, Manager Accounts has been appointed as the Compliance Officer for monitoring adherence to the Regulations for the preservation of price sensitive information, pre-clearance of trades and implementation of the code of conduct for the prevention of insider trading.

MEANS OF COMMUNICATION

- The quarterly financial results were published during the financial year in Free Press Journal in English and Navshakti in Marathi.
- Management Discussion and Analysis Report forms part of this Annual Report.
- Shareholders Information

a)	57 th Annual General Meeting	M.C.Ghia Hall, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001.
	Date	Wednesday, July 13, 2005
	Time	3.00 p.m.
b)	Book closure	July 6, 2005 to July 13, 2005 (both days inclusive)
c)	Financial Calendar	
	(i) Unaudited result for quarter ending 30.06.2005	End July 2005
	(ii) Unaudited results for half year/quarter ending 30.09.2005	End October 2005
	(iii) Unaudited results for quarter ending 31.12.2005	End January 2006
	(iv) Audited results for the year / quarter ending 31.03.2006	End April 2006
d)	Listing of Equity Shares	The Stock Exchange, Mumbai (BSE)
e)	Stock code	506515
	ISIN No.	INE 361G01015
	Trading symbol at Stock Exchange	J.K. INVESTO

STOCK MARKET DATA

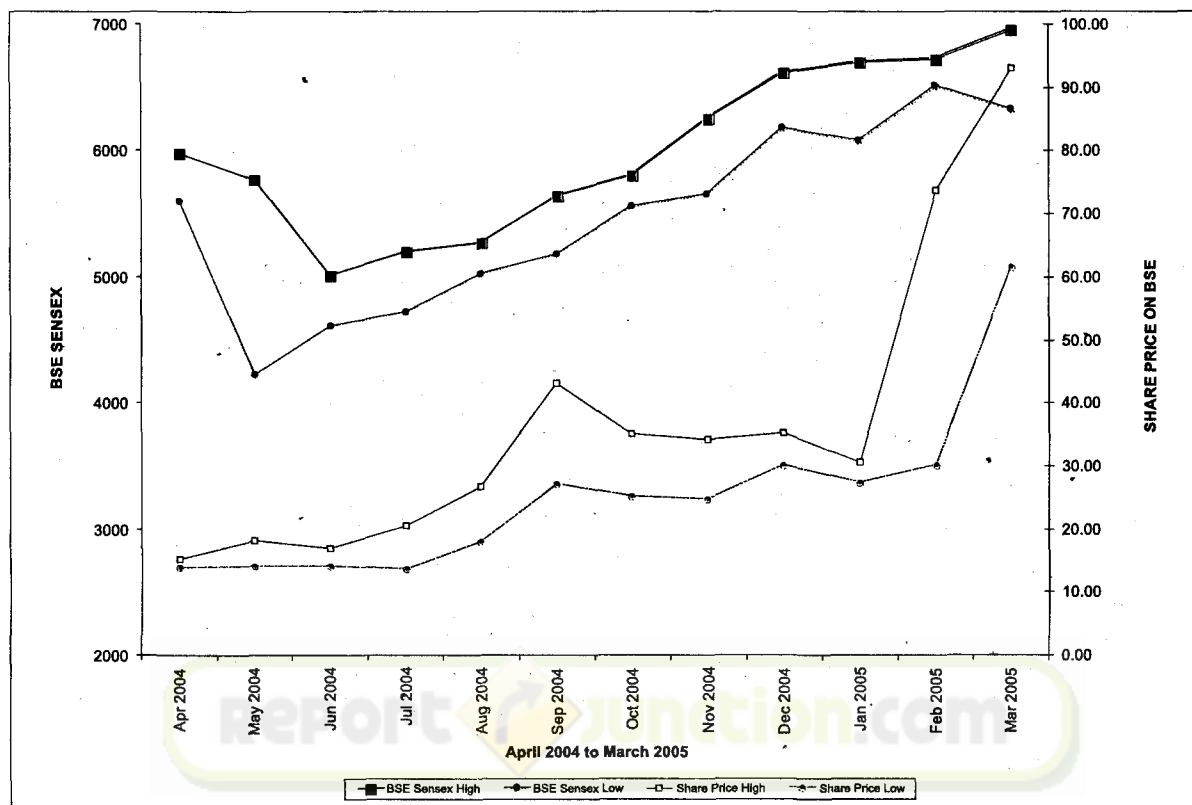
The monthly high and low quotation and volume of shares quoted on The Stock Exchange, Mumbai are as follows :

Month	High	Low	Volume of Shares Traded
April 2004	15.30	13.95	5500
May 2004	18.25	14.00	18100
June 2004	16.93	14.00	15530
July 2004	20.50	13.65	73800
August 2004	26.80	17.95	45950
September 2004	43.10	27.10	64112
October 2004	35.15	25.05	14991
November 2004	34.10	24.55	33192
December 2004	35.25	30.00	91818
January 2005	30.60	27.15	23238
February 2005	73.70	30.00	408059
March 2005	93.00	61.40	434315

J. K. INVESTO TRADE (INDIA) LIMITED

STOCK PERFORMANCE (INDEX)

The performance of the Company's shares relative to BSE Sensex is given in the chart below :



SHARE TRANSFER SYSTEM

The share transfer requests are processed on an average within 20 days from the date of receipt provided all the documents are in order. The transfers of securities are being approved by the Share Transfer and Shareholders Grievance Committee.

Distribution of shareholding as on 31.3.2005

No. of equity Shares held	No. of share-Holders	% of share-Holders	No. of shares	% of shareholding
1 – 500	2229	84.72	372614	5.09
501 – 1000	247	9.39	199219	2.72
1001 – 2000	89	3.38	134441	1.84
2001 – 3000	24	0.91	57390	0.78
3001 – 4000	13	0.50	45111	0.62
4001 – 5000	5	0.19	22750	0.31
5001 – onwards	24	0.91	6490675	88.64
Total	2631	100.00	7322200	100.00

The Shares of the Company, as on 31.3.2005, were traded on The Stock Exchange, Mumbai.