

16th ANNUAL REPORT

2002-2003

JAIHIND SYNTHETICS LIMITED

For Jaihind Synthetics Limited,

M R Sharda

Director

BOARD OF DIRECTORS

MR. M. R. Sharda
(Chairman & Managing Director)

Mr. R.D. Sharda

Mr. R. N. Sharda

Mr. D.R. Sharda

Mr. R.C. Muchal

BANKER

Punjab National Bank
State Bank of India

AUDITORS

Jhawar Mantri & Associates
Chartered Accountants

REGISTERD OFFICE

31, Dadiseth Agiary Lane,
Purshottam Niwas,
R.No. 11, Mumbai – 400 002.

TRANSFER AGENTS

System Support Services
209, Shivai Industrial Estate,
Sakinaka, Andheri (East),
Mumbai – 400 072.

NOTICE TO THE MEMBERS

Dear Members,

NOTICE is hereby given that the 16th Annual General Meeting of the Members of JAIHIND SYNTHETICS LIMITED will be held at its registered office at Room No. 11, Purshottam Niwas, 2nd Floor, 31, Dadi Seth Agiary Lane, Kalbadevi Road, Mumbai 400 002 on Tuesday the 30th September, 2003 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2003 and the Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Madanlal R Sharda who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Roopnarayan R Sharda who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General meeting of the company and to authorized the Board of Directors to fix their remuneration.

Registered Office :

Room No.11, Purshottam Niwas,
2nd Floor , 31, Dadi Seth Agiary Lane,
Kalbadevi Road,
Place: Mumbai
Date: 2nd September 2003

BY ORDER OF THE BOARD

(M.R.SHARDA)

Managing Director

- Notes:
- i) A member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the company.
 - ii) Proxy Form and Attendance slips are enclosed. Proxies, in order to be valid, must reach the Registered office of the Company not less than forty-eight hours before the commencement of the meeting.
 - iii) The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2003 to 30th September, 2003 (both days inclusive)
 - iv) Members desiring any information as regards the Annual Accounts are requested to write to the Company so as to reach at least 7 days before the date of the meeting to enable the Management to keep the required information ready.

P R O X Y

M/S. JAIHIND SYNTHETICS LIMITED, MUMBAI.

I/We _____

of _____

being a member / members of M/s. JAIHIND SYNTHETICS LIMITED hereby

appoint _____ of _____

or _____ failing _____ him

of _____

as my/our proxy in my/our absence to attend and vote for me/us, and on my /
our behalf of the Annual General Meeting of the Company to be held on
Tuesday, the 30th Day of September 2003 and at adjournments thereof.

As witness my/our hand(s) this _____ day of _____ this _____
Day of _____ 2003.

Signed by the said _____

Note : The proxy must be deposited at the Registered Office of the company
not less than 48 hrs. before the time fixed for holding the meeting.

DIRECTORS REPORT

The Members,
Jaihind Synthetics Limited.

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the Audited Statement of Accounts of the company for the year ended 31st March 2003.

FINANCIAL RESULTS:

| | <u>2002-03</u> | <u>2001-02</u> |
|--|---------------------|---------------------|
| | <u>(Rs in Lacs)</u> | <u>(Rs in Lacs)</u> |
| Sales & Other Income | 11.73 | 12.82 |
| Profit (Loss) before Depreciation & Taxation | -2.00 | -25.10 |
| Less: Depreciation | 1.88 | 1.88 |
| Profit (Loss) Before Taxation | -3.88 | -26.98 |
| Less: Provision for taxation | 0 | 0 |
| Net Profit (Loss) after Tax | -3.88 | -26.98 |
| Add: Excess Provision for Tax w/back | 0 | 0 |
| Balance b/f. from Previous year | -51.88 | -24.90 |
| Carried to Balance Sheet | -55.76 | -51.88 |

OPERATIONAL REVIEW:

Textile Industry continued to face considerable challenge in the year 2002-03. In view of stiff competition, the company's sales margins were adversely affected and profitability for the year dipped sharply. During the financial year ended 31st March 2003 your Company has achieved a turnover and other income of Rs. 11.73 lacs showing a decrease of 9 % over that of the Previous Year. The Net Loss of the Company stood at Rs. 3.88 lacs against Rs. 26.98 shown in last year.

DIVIDEND:

Due to loss, your Directors do not recommend any dividend for the year under review.

DIRECTORS:

Shri Madanlal R Sharda and Shri Roopnarayan R. Sharda, Directors of the Company, retire by rotation and being eligible, offer themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company has ensured that:

- A. The applicable accounting standards were followed.
- B. The accounting policies are reasonable and prudent and are consistently followed to give true and fair view of the state of affairs of the company.
- C. Proper and sufficient care is taken for 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.
- D. The Annual Accounts have been prepared on a going concern basis.

DEMAT FACILITY

The Company's shares are listed on Bombay Stock Exchange in Mumbai. As per SEBI guidelines the Company's share are compulsorily Dematerialised and can be traded only Electronically.

FIXED DEPOSITS

Your Company has not accepted any deposits from public.

CORPORATE GOVERNANCE

As required by clause 49 of the Listing Agreement with the Stock Exchange, the Management Discussion and Analysis Report, Corporate Governance Report regarding compliance of conditions of corporate governance are attached and made part of this annual report.

AUDITORS:

M/s. Jhawar Mantri & Associates, Chartered Accountants, will retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible have expressed their willingness for re-appointment.

AUDITOR'S REPORT:

The notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further explanation.

EMPLOYEES:

There was no employee drawing remuneration to the extent, which requires disclosure under Section 217 (2A) of the Companies Act, 1956.

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As required under section 217(1)(c) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, the relevant information is as under: -

a) Conservation of energy

The Company's energy consumption is quite low and efforts are being made to conserve the same through planned utilization and maintenance.

Total Cost

Rs. 4.91 Lacs.

b) Absorption of Technology and R & D

The Company has not incurred any separate expenditure on Research and Development during the year.

c) Foreign Exchange Earning & Outgo :

There are no foreign exchange earning and outgo during the year under review.

DISCLOSURE UNDER LISTING AGREEMENT CLAUSE 32

Cash Flow Statement pursuant to clause 32 of listing agreement is annexed herewith as annexure 'A' and forming part of this report.

ACKNOWLEDGEMENTS

The Directors would like to place on record their sincere appreciation of the contribution made by the employees at all levels of the organization.

BY ORDER OF THE BOARD

(M R SHARDA)
Managing Director

Place: Mumbai,
Date: 2nd September 2003