

21st ANNUAL REPORT

2007-2008

JAIHIND SYNTHETICS LIMITED

BOARD OF DIRECTORS

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

Mr. Arun Kishanlal Somani

Mr. R.N. Sharda

Mr. Bhagirath Shyamsundar Biyani

Mr. R.C. Muchal

Mr. Mahesh M. Choksi

Mr. Sandeep J. Merchant

Mr. Meghji Patel

Mr. Hasmukh Patel

Mr. Mihir Karia

Mr. Paresh Sawani

BANKER

Punjab National Bank
Kotak Mahindra Bank

AUDITORS

Rajesh Thakkar & Associates
Chartered Accountants

REGISTERD OFFICE

7, Rustom Sidhwa Marg,
Fort, Mumbai – 400 001.

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 21th Annual General Meeting of the Members of JAIHIND SYNTHETICS LIMITED will be held at its Registered Office at 7, Rushtom Sidhwa Marg, Mackwee Mension, Fort, Mumbai-400 001 on Saturday the 29th September, 2008 at 02.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2008 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 Meghji Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Hasmukh Patel who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors, M/s Rajesh Thakkar & Associates, 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.

SPECIAL BUSINESS

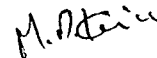
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Shri. Jayantilal Patel, who was appointed as an additional Director on 31th July 2008 under section 260 of the Companies Act 1956 and who holds office till the date of the 21th Annual General Meeting and in respect of whom Company has received notice in writing proposing his candidature for the office of the Director, in accordance with the applicable provisions of the Companies Act 1956, be and is hereby appointed an Independent Director subject to retirement by rotation."

Registered Office :

7, Rushtom Sidhwa Marg,
Mackwee Mension,
Fort,
Place: Mumbai

Date: 05th September 2008

BY ORDER OF THE BOARD



(MIHIR KARIA)

Director

- NOTES: i) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
- ii) Proxy Form and Attendance slip is enclosed. Proxy form duly completed and signed 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 the Share Transfer Books of the Company will remain closed from 13th October 2008 to 16th October 2008 (both days inclusive).
 - iv) Members desiring any information as regards the Annual Accounts are requested to furnish their queries to the Company at least 7 days before the date of the meeting to facilitate satisfactory replies.
 - v) Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
 - vi) As per the requirement of Clause 49 of the Listing Agreement with The Stock Exchange, Mumbai, particulars of retiring Directors, who are eligible to be reappointed, are given below:

Shri Meghji Patel

Shri Meghji Patel is a member of the Board of Directors of Jaihind Synthetics Limited from March 2007. He does not hold directorship in any other Company.

Shri Hasmukh Patel

Shri Hasmukh Patel is a member of the Board of Directors of Jaihind Synthetics Limited from March 2007. He does not hold directorship in any other Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Shri Jayantilal Patel was appointed as Director of the Company by the Board of Directors at their meeting held on 31st day of July, 2008 under section 262 of the Companies Act, 1956 and hold office upto the date up to which the director in whose place he is appointed. In this regard the Company has received notice required under section 257 of the Companies Act, 1956 proposing the appointment of Shri Jayantilal Patel as Director of the Company with the amount of Rs.500/- as deposit.

Shri Jayantilal Patel, aged 58 years is a having experience of about 10 years in Banking. He does not hold directorship in any other company.

None of the Directors of the Company is interested or concerned in the above resolution.

The Board recommends the resolution for approval of the members.

Registered Office :

7, Rushtom Sidhwa Marg, Mackwee Mension, Fort, Mumbai 400 001

Place: Mumbai

Date: 5th September 2008

BY ORDER OF THE BOARD

M. Karia
(MIHIR KARIA)

Director

DIRECTORS REPORT

The Members,
Jaihind Synthetics Limited.

Your Directors have pleasure in presenting the Twenty First Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2008.

FINANCIAL RESULTS:

	<u>2007-08</u>	<u>2006-07</u>
	(Rs in Lacs)	(Rs in Lacs)
Sales & Other Income	3.74	2.40
Profit (Loss) before Depreciation & Taxation	0.86	-3.33
Less: Depreciation	0.63	1.53
Profit (Loss) Before Taxation	0.24	-4.86
Less: Provision for taxation	.06	.11
Net Profit (Loss) after Tax	0.18	-4.97
Add: Excess Provision for Tax w/back	0	0
Balance b/f. from Previous year	-94.78	-89.81
Carried to Balance Sheet	-94.60	-94.78

OPERATIONAL REVIEW:

Your Company has Turned Around from consistent losses in the year 2007-08. In spite of stiff competition, the company's performance has improved. During the financial year ended 31st March 2008 your Company has achieved other income of Rs. 3.74 lacs showing a robust increase of 55% over that of the Previous Year. The Net profit of the Company stood at Rs.0.17 lacs against a loss of Rs. 4.97 lacs shown in last year.

DIVIDEND:

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

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the requirements of Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby confirm that:

- A. In preparation of Annual Accounts, 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.

DIRECTORS

Shri Meghji Patel, Director of the Company retires by rotation and being eligible offers himself for reappointment.

Shri Hashmukh Patel, Director of the Company retires by rotation and being eligible offers himself for reappointment.

None of the Directors of the Company are disqualified for being appointed as Directors in terms of Section 274 (1)(g) of the Companies Act, 1956.

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 the conditions of Corporate Governance and the Auditor's certificate on its compliance is attached to this report and form part of this Annual Report.

AUDITORS:

M/s. Rajesh Thakkar & Associates, Chartered Accountants, will retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting. Directors have proposed to re-appoint M/s Rajesh Thakkar & Associates as Auditors of the Company, Subject to Approval of Members at the ensuing Annual General Meeting.

The Company has received letter from them to the effect that their appointment, if made would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

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)(e) 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
There are no energy consumption during the year due to non operations at factory site.
- b) Absorption of Technology and R & D
The Company has not incurred any separate expenditure on Research and Development during the year.

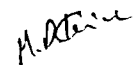
c) Foreign Exchange Earning & Outgo :

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

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



(MIHIR KARIA)

Director

Place: Mumbai,

Date: 25th June 2008



ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on Code of Governance

The Company believes in and practices good Corporate Governance. The Company's philosophy is aimed at assisting the top management of the Company in the efficient conduct of the business and in meeting its obligation to all its stakeholders.

2. Board of Directors

The Board of Directors comprises of two executive Director and other Nine Non-Executive Directors. Out of above, 9(Nine) are Non Executive Directors of which 5(Five) are Independent Directors. During the year ended 31st March 2008 four board meetings were held as on 30.06.2007, 31.07.2007, 31.10.2007, 31.01.2008.

Attendance of each Directors at the Board Meeting 2007-2008 and last Annual General Meeting and the number of Companies and Committees where he is Directors/Member (As on signing date):

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM held on 29 th Sept 07	No. of other Companies in which Director
M.R. Sharda	NED	4	Yes	1
Meghji Patel	ED	4	Yes	
Hashmukh Patel	NED	4	Yes	
Mihir Karia	ED	4	Yes	
Paresh Sawani	NED	4	Yes	
A.K. Somani	Independent NED	4	Yes	-
R.N. Sharda	NED	4	Yes	-
B.S. Biyani	Independent NED	4	Yes	-
Sandeep Merchant	Independent NED	4	Yes	-
Mahesh Choksi	Independent NED	4	Yes	-
R.C.Muchal	Independent NED	4	Yes	

NED – Non-Executive Director

3. Audit Committee

Currently the Audit Committee comprises of Mr. B.S.Biyani, Mr. Sandeep J Merchant and Mr. A.K.Somani. All of them are independent Directors.

The terms of reference are wide enough covering the matters specified for Audit Committee under the Listing Agreement. 4 meetings of the Committee were held on 30.06.2007, 31.07.2007, 31.10.2007, 31.01.2008. All Directors was present in all the above Audit Committee meetings.

4. Remuneration of Directors