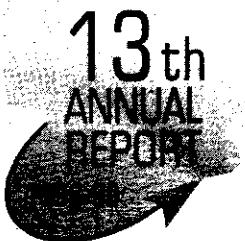




JAIHIND
PROJECTS LIMITED





JAIHIND
PROJECTS LIMITED

BOARD OF DIRECTORS : **Prakash L. Hinduja** Chairman & Managing Director
Dinesh L. Hinduja Whole Time Director (Commercial)
Dinesh P. Lalwani
Rajiv K. Doshi

AUDITORS : **H. H. Sachde & Co.** Chartered Accountants, Gondal

BANKERS : **Canara Bank**

CORPORATE OFFICE : 9th Floor, Madhuram Complex,
Opp. R.T.O., Keshavnagar,
Near Subhash Birdge,
Ahmedabad - 380 027.
Phone : (91-79) 7559992, 7559917, 7559766, 7557917
FAX : (91-79) 7558469, 7559864

REGISTERED OFFICE : Gordhan Ghar,
Bedi Gate,
Rajkot - 360 001.



NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the Shareholders of Jaihind Projects Ltd. will be held on Saturday, 18th September 1999 at 3.00p.m. at Hotel Kaveri, B/h. Old Power House, Kanak Road, Rajkot 360 001 to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and Profit and Loss Account for the year ending on that date and the reports of the Directors and Auditors thereon.
2. To appoint Mr. Dinesh L. Hinduja who retires by rotation at this Annual General Meeting but being eligible offers himself for re-appointment.

Special Business :

3. To consider and if thought fit to pass, with or without modification, the following resolution as ORDINARY RESOLUTION.

"RESOLVED THAT in pursuance to Section 224 of The Companies Act, 1956 M/s S. A. Gathani & Co., Chartered Accountants, Rajkot be and is hereby appointed as Auditors of the company to hold office from the conclusion this Annual General Meeting till the conclusion of next Annual General Meeting and the Board of Directors is authorized to fix their remuneration."

4. To consider and if thought fit to pass, with or without modification, the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT consent be and is hereby accorded to Change the Registered Office of the company from its present location at 'Gordhan Ghar', Bedigate, Rajkot to 9th floor, Madhuram Complex, Opp. RTO, Keshavnagar, Ahmedabad 380 027 w.e.f.1st October, 1999."

5. To consider and if thought fit to pass, with or without modification, the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors under Section 293(1)(d) of the Companies Act, 1956, and the same shall deemed to have always been so authorized, to borrow money from time to time from banks, financial institutions and other sources notwithstanding that the money to be borrowed to gather with the money already borrowed by the Company, exclusive of the temporary loans obtained by the Company in the ordinary course of business, may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is reserves not set apart for specific purpose, provided the total amount of money so borrowed together with money already borrowed shall not exceed Rs. Rs.100, 00,00,000. (Rupees One Hundred Crores only)".

Regd. Office :
Gordhan Ghar, Bedigate,
Rajkot 360 001.

Date: 24th June 99.

By order of the Board of Directors

Prakash L. Hinduja
Chairman & Managing Director



**Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AT THE ENSUING ANNUAL GENERAL MEETING AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hrs.before the commencement of meeting.
3. Register of Members and Share-Transfer books will remain closed from Tuesday 10.08.1999 to 12.08.1999 (both days inclusive).
4. Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 in respect of Item No.4 set out above is annexed hereto.
5. Members are requested to bring their copies of Annual Reports at the time of Annual General Meeting.
6. Members are requested to bring in their Attendance Slips duly filled in for attending the meeting.
7. Shareholders seeking any information regarding any aspect of this report are requested to write to the company well in advance so as to enable the management to keep the information ready.





EXPLANATORY STATEMENT

(pursuant to Section 173 of The Companies Act, 1956)

Item No. 3 : Change of Auditors :

The Existing Auditors M/s. H. H. Sachde & Co. Chartered Accountants, Gondal has shown their inability to continue as auditors of the company because of their pre-occupations. It is therefore proposed to appoint M/s SA Gathani & Company, Chartered Accountants, Rajkot as Auditors of the Company for the year 1999-2000 i.e. from the conclusion of the ensuing 13th, Annual General Meeting till the conclusion of next Annual General Meeting. As contemplated under Section 224 (1) of The Companies Act, 1956 a change in the auditors requires approval of Shareholders of the Company. An appropriate item is therefore proposed in the notice and your Directors recommend the same. The same may be considered and if thought fit be approved by passing an Ordinary Resolution.

None of the Directors are interested in the said resolution.

Item No. 4 : Change of Registered Office :

With the increase in the business of the Company the hub of activity has now shifted to Ahmedabad. The Company has therefore been finding it more and more difficult to operate from its present Registered office at Rajkot. It is therefore proposed to shift the Registered Office of the Company at 9th floor, Madhuram Complex, Opp. RTO, Keshavnagar, Ahmedabad 380 027 w.e.f. 1.10.1999. Since the change requires approval of the Shareholders by way of a Special Resolution as per Section 146 (2) of The Companies Act, 1956 an appropriate item is put-up in the notice for approval of the Shareholders by way of a Special Resolution. Your Directors recommend the proposal and request to approve the same.

None of the Directors are interested in the said resolution.

Item No. 5 : Increase in Borrowing Powers:

The business of the Company is steadily growing. To meet the financial requirement the Company borrows funds from banks and financial institutions. As per provisions of Section 293(1)(d) of the Companies Act, 1956 approval of Shareholders of the Company is necessary when such borrowing exceeds the Paid-up Share Capital and Free Reserves of the Company. In its Eleventh Annual General Meeting held on 30th September, 1997 the Board was authorized to borrow upto an aggregate of Rs.35, 00,00,000. In view of the increased requirement of funds and sound financial position of the Company it is now proposed to increase the powers to Rs.100, 00,00,000 (Rupees One Hundred Crores). Your Directors recommend the proposal and request to consider and approve the same by passing a Special Resolution.

None of the Directors are interested in the said resolution.

Regd. Office :
Gordhan Ghar, Bedigate,
Rajkot 360 001.

Date: 24th June 99.

By order of the Board of Directors

Prakash L. Hinduja
Chairman & Managing Director





DIRECTORS REPORT

Dear Shareholders,

Your Directors are pleased to present this 13th Annual Report and Audited Accounts of the Company for the year ended 31st March, 1999.

1. Financial Results :

(Rupees in lacs)

	Current Year	Previous Year
Total Income	4911.68	4527.17
Less: Expenditure	4672.53	4299.69
Profit before Interest and Depreciation	239.15	227.48
Less : Interst	68.23	63.84
Less : Depreciation	45.31	34.74
Profit Before Tax	125.61	128.90
Less: Provision for Taxation	33.17	33.25
Less: Taxation (Previous year)	—	4.49
Profit After Tax	92.44	91.16
Proposed Dividend	—	51.09
Provision for Tax on Divd.	—	5.10
General Reserve	2.50	2.50
Balance carried to Balance-Sheet	249.16	159.22

2. Dividend :

As a measure of abundant precaution and to further consolidate the financial position your Directors do not propose any dividend for the financial year 1998-99.

3. Operations :

We are happy to inform you that in spite of tight market conditions and tough competitions in tenders, our Company has done well. During this year, the turnover has increased from 44.60 crores to 48.50 crores, an increase of 9% approx. Increase in turnover is affected due to delay in starting the construction works for Chambal Powers Limited due to financial approvals. They have placed LOI on us for two jobs during August 98 and November 98 respectively for the value of Rs. 12.00 crores. Approximate value of work on hand as on 31st March 1999 was Rs. 50 crores. Major amongst them were:-

- Replacement of 16" dia pipeline by 24" dia pipeline at Kandla for IOCL Mumbai for Rs. 290.00 lacs.
- Mechanical & Instrumentation work for CETP at Baroda Refinery for IOCL Baroda for Rs.150.00 lacs.
- Piping, Civil, Structural and Civil works for IOCL LPG Terminal at Haldia for Rs. 213.00 lacs.
- Augmentation to Chhadwel - Kodre and 12 villages Regional Water Supply Scheme, Dist. Dhule for MJP for Rs. 585.00 lacs.
- Regional Water Supply Scheme for Jeur and 29 villages at Solapur Dist for MJP for Rs. 1180.00 lacs.



- Augmentation to Koregaon Village Water Supply Scheme, Dist. Satara for MJP for Rs. 400.00 lacs.
- Augmentation to Mhaswad Water Supply Scheme, Dist. Satara for MJP for Rs. 935.00 lacs.
- Regional Water Supply Scheme for Akhoni, Dist. Ahmednagar for MJP for Rs. 1350.00 lacs.
- Regional Water Supply Scheme for Borgaon/Kolgaon for MJP for Rs.550.00 lacs.

We have successfully completed the following works :-

- Piping and Instrumentation work of NFST at Kandla for IOCL under PDIL Inspection for Rs.930.00 lacs.
- Jetty Pipelines at Mundra for Adani Port Limited for Rs. 135.00 lacs.
- Laying of 8" dia oil pipeline of 28.5 Kms for ONGC for Rs. 87.00 lacs.
- Yard coating and laying of LPG pipeline for Panipat Marketing Terminal for IOCL under EIL for Rs. 190.00 lacs.
- Equipment erection, fabrication and erection of piping system at Panipat Marketing Terminal for IOCL under EIL for Rs.475.00 lacs
- Underground piping work for OWS and other services at Panipat marketing Terminal for IOCL under EIL for Rs. 45.00 lacs.

We are anticipating certain major projects from GWSSB, EIL/GAIL and Private/Public Sector Industrial Houses for which we have submitted many tenders. We are anticipating one section of approx. 200 Kms of Jamnagar-Loni Cross-Country pipeline project of 1200.00 Kms. long approx. for which we have submitted our offer to GAIL with the Joint Venture of an Australian Company M/s Mcconell Dowell Constructors (Aus) Pty Ltd.

'Random Access'

Its been a year since the launch of 'Random Access', the Internet division of the Company and within one year it has managed to create a very strong brand equity as the first and the most preferred Cybercafe of Ahmedabad having even been featured in international magazines and travel guides. There are plans to open remote Cybercafes at multiple locations having mainbandwidth at Random Access.

On the hardware segment of branded computers the results are not upto expectations but Company is determined to avoid lure of unbranded computers. With the difference in pricing between branded and unbranded computers steadily shrinking the future looks bright.

4. Future Plans / Diversification:

Company has planned to achieve a turnover for the current financial year to Rs. 70.00 crores. It has also started various expansion plans and deploying its efforts to accredit ISO 9001 Certification. The Company has already joined hands with M/s. Mcconell Dowell Constructors (Aus) Pty. Ltd. Melbourne, Australia, as Joint Venture Partner and also planned to enter into Joint Ventures with the manufacturers of pipes / Public undertakings to participate in new coming up bigger projects in various parts of the Country.

5. Energy, Technology and Foreign Exchange:

Conservation of Energy and continuous Technology improvement continue to receive due attention. Information as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of Energy, Technology absorption and Foreign Exchange earning and outgo, to the extent applicable to the Company are given in Annexure A forming part of this report.

6. Y2K Problems :

The Company has already mobilized to make its Software and Hardware Y2K compliant. The work is almost completed and is expected to be completed by July, 1999. The approximate expenditure is estimated about Rs.15000/-.

