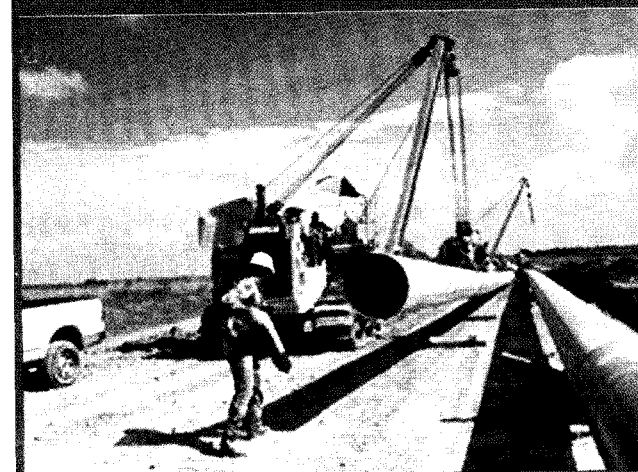
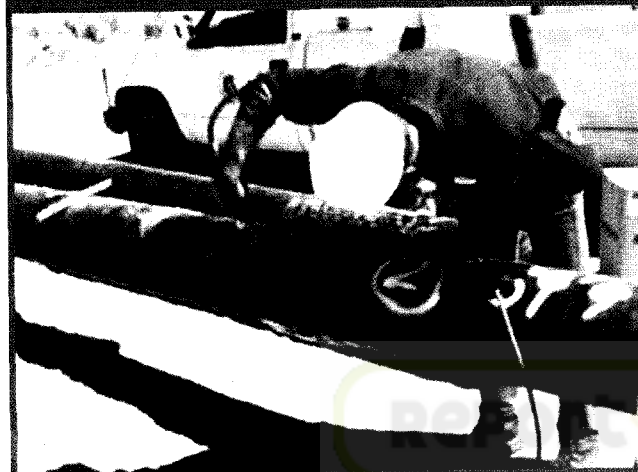
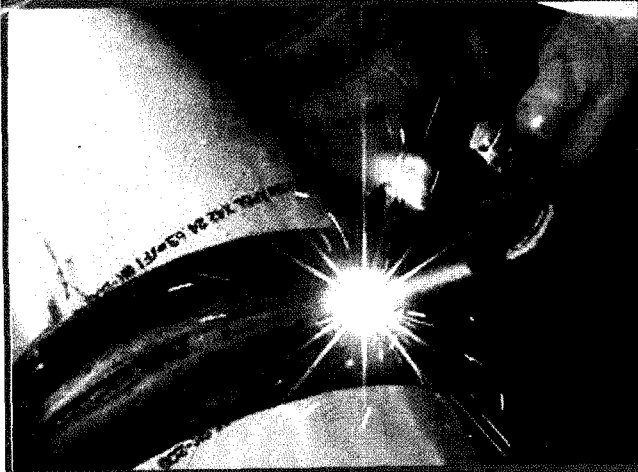
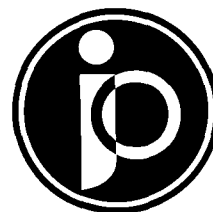


20th ANNUAL REPORT 2005-2006



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JAIHIND

PROJECTS LIMITED www.reportjunction.com

BOARD OF DIRECTORS	:	Prakash L. Hinduja	<i>Chairman & Managing Director</i>
		Dinesh L. Hinduja	<i>Director (Commercial)</i>
		Lallan R. Pandey	<i>Executive Director</i>
		Dinesh P. Lalwani	<i>Director</i>
		Devraj Arjnani	<i>Director</i>
		Shankar Tolani	<i>Director</i>
AUDITORS	:	N. K. Aswani & Co.	
		Chartered Accountants	
		Ahmedabad	
BANKERS	:	Canara Bank	
		Sabarmati Branch, Ahmedabad	
REGISTERED & CORPORATE OFFICE	:	9th Floor, Madhura Complex,	
		Opp. R.T.O., Keshavnagar,	
		Near Subhash Bridge,	
		Ahmedabad - 380 027.	
PUNE OFFICE	:	Planet Millennium	
		A-10, Fifth Floor,	
		Flat-502, Pimple Saudagar,	
		Pune - 411 027.	
SHARE TRANSFER AGENT	:	Intime Spectrum Registry Limited	
		211, Sudarshan Complex,	
		Mithakhali Under Bridge,	
		Ahmedabad - 380 009.	
		Tel, 079-26465179	

ANNUAL REPORT 2005-2006**NOTICE**

Notice is hereby given that an 20th Annual General Meeting of the members of JAIHIND PROJECTS LIMITED will be held at Hotel Comfort Inn President, Opp. Municipal Market, Off. C. G. Road, Ahmedabad - 380 006 on Tuesday the 12th September 2006 at 5:00 p.m. to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt Audited Balance Sheet as at 31st March 2006 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2) To re - appoint Mr. Dinesh Lalwani as a Director of the Company who retires by rotation and being eligible offers him for re - appointment.
- 3) To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

- 4) To consider and if thought fit to pass with all without modification the following resolution as an ordinary resolution. :

RESOLVED THAT Mr. Devraj Arjanani be and is hereby appointed as a Director of the Company.

- 5) To consider and if thought fit to pass with all without modification the following resolution as an ordinary resolution. :

RESOLVED THAT Mr. Shankar Tolani be and is hereby appointed as a Director of the Company.

- 6) To consider and if thought fit to pass with all without modification the following resolution as an ordinary resolution. :

RESOLVED THAT in partial modification of the terms of appointment the remuneration of the Managing Director of the Company Mr. Prakash L Hinduja be and is hereby fixed as under:

Salary: Rs. 3,00,000 p.m. including perquisites like medical re-reimbursement, HRA, CLA, Children' education allowance, entertainment expenses etc.

Contributions: Towards Provident Funds, Superannuation of annuity Fund to the extent these are singly or put to gather not taxable under The Income Tax Act, 1961.

Period: From 01.04.2006 to 31.03.2008

- 7) To consider and if thought fit to pass with all without modification the following resolution as an ordinary resolution. :

RESOLVED THAT in partial modification of the terms of appointment the remuneration of the Whole Time Director of the Company Mr. Dinesh L Hinduja be and is hereby fixed as under:

Salary: Rs. 1,50,000 p.m. including perquisites like medical re-reimbursement, HRA, CLA, Children' education allowance, entertainment expenses etc.

Contributions: Towards Provident Funds, Superannuation of annuity Fund to the extent these are singly or put to gather not taxable under The Income Tax Act, 1961.

Period: From 01.04.2006 to 31.03.2008

- 8) To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with provision of section 94 and read with 16 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or enactments thereof, for the time being in force) the authorised capital of the Company be and is hereby increased from Rs. 55000000 (Rupees Five Crores Fifty Lacs) divided into 55,00,000 (Fifty Five Lacs) Equity Shares of Rs.10/- each to Rs.10,00,00,000 (Rupees Ten Crores) by addition of 45,00,000 (Forty Five Lacs) equity shares of Rs.10/- each and that the clause V of the Memorandum of Association of the Company be and is hereby modified as follows:

- V. The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten) each.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as they deem fit it necessary in order to give effect of aforesaid resolution.

- 9) To consider and if thought fit to pass with or without modification the following resolution as an Special Resolution:

RESOLVED THAT pursuant to section 81, 81(1A) and other applicable provisions if any of the Companies act, 1956, the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 on preferential issues as amended from time to time, provision of Memorandum and Articles of Association of the Company and other applicable provisions, if any, of any statute enforced in India and subject to necessary approval, if any required, of any financial institutions, banks and other concerned persons and authorities, the consent of the members of the Company be and is hereby given and the Board of Directors of the Company be and is hereby authorised to offer and issue upto 5,00,000 (Five Lacs) equity shares of Rs.10/- each at such price and on such terms and conditions as may be determined by the Board in accordance with the Guidelines or any other applicable provisions as may be prevailing at that time to the following persons:

a. Promoter Group:

Sr. No.	Name of the applicant (Proposed allottees)	No. of Equity Shares to be allotted
1.	Mr. Prakash L. Hinduja.	100000
2.	Mr. Dinesh L. Hinduja.	100000
3.	Mrs. Rajkumari L. Hinduja.	100000
4.	Mrs. Nita P. Hinduja.	100000
5.	Mr. Gaurav P. Hinduja.	90000
Total		490000

b. Non Promoter Group:

Sr. No.	Name of the applicant (Proposed allottees)	No. of Equity Shares to be allotted
1.	Mr. Lallan Pandey.	5000
2.	Mr. Mukesh Keswani.	5000
Total		10000

RESOLVED FURTHER THAT the Equity Shares on Preferential basis shall be issued by the Company on the following terms and conditions:

- 1) The equity shares to be issued on preferential basis to promoter group allottees shall be lock in for a period of 3 years from the date of allotment and to non promoter group shall be in lock in period of 1 year from the date of allotment as prescribed under SEBI (Disclosure and Investor Protection) guidelines, 2000.
- 2) The entire amount of the value at such price and on such terms and conditions as may be determined by the Board in accordance with the Guidelines or any other applicable provisions as may be prevailing at that time shall be paid before allotment of shares.
- 3) Subject to above, aforesaid new shares shall be pari-passu with existing shares.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things necessary for issue and allotment of aforesaid shares and agree and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as may be imposed, required or suggested by the Securities and Exchange Board of India, Stock Exchange or any other authority and to settle any question or difficulties that may be arose with regard to aforesaid issue in such manner as it may determine in its absolute discretion and to take such steps and to do all such acts, deeds, matter and things as may be required, necessary, proper or expedient, to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for the powers conferred upon it by this resolution, to any individual so authorised by the Board.

RESOLVED FURTHER THAT the relevant date in relation to the shares for the purpose of determining the issue price under SEBI (Disclosure and investor Protection) guidelines 2000 relating to the preference issue shall be 12 September 2006.

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10. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution :

RESOLVED THAT an authority be given to the Board of Directors of the Company to borrow apart from the borrowing in the ordinary course of business from Nationalised Bank / Private Banks / Financial Institutions / Body Corporate engaged in Banking activities a sum not exceeding Rs. 10,00,000,000/- (Rupees Hundred Crores) not with standing the fact the sum so borrowed is in excess of the paid up capital of the Company and its free reserves as provided in Section 293(1) (d).

RESOLVED FURTHER THAT for above purpose an authority also be given for mortgaging the whole or substantially whole undertaking of the Company and to execute any document as may be required.

BY ORDER OF THE BOARD OF DIRECTORS

Date : 12/08/2006
Place : Ahmedabad

(P.L. Hinduja)
MANAGING DIRECTOR

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Explanatory statement pursuant to provision of section 173(2) of the Companies Act, 1956 annexed herewith.
3. Members are requested to inform the Company immediately any change in their address.
4. The Register of Member and transfer Books of the Company will be closed from 05/09/2006 to 12/09/2006.(Both days inclusive)

Explanatory Statement Pursuant to provision of Section 173(2) of the Companies Act 1956.

Item NO. 4 and 5

Mr. Devraj Arjanani and Mr. Shankar Tolani were appointed as an Additional Director by the Board of Directors of the Company ("the Board") during the year.

Pursuant to section 260 of the Companies Act, 1956 (the Act) Mr. Devraj Arjanani and Mr. Shankar Tolani holds office upto the date of ensuing Annual General Meeting of the Company. Due notice under Section 257 of the Act has been received from a member proposing the appointment of Mr. Devraj Arjanani and Mr. Shankar Tolani as a Directors of the Company whose period of office shall be liable to determination by retirement of Directors by rotation. The Board has no hesitation in recommending their appointment.

None of the directors except the appointee are interested in the resolution set out in Item No. 4 and 5 of the notice.

Item No. 6 and 7

Subject to the approval of Shareholders under section 310 of the Companies Act, 1956 thought is given by the management to increase the remuneration of Mr. Prakash L. Hinduja Managing Director and Mr. Dinesh L. Hinduja Whole Time Director of the Company w.e.f 01.04.2006 to the extent permissible as minimum remuneration under Section 269 read with Schedule XIII of the Companies Act, 1956 and subject to the approval of shareholders. For this purpose the resolutions are proposed and your directors recommend the same and request to consider and pass the resolution as *Special Resolution*.

The remuneration payable to these Directors would be in accordance with the provisions of section 269 and schedule XIII of the Companies Act, 1956.

The revised scale are as under:

1. Salary:

Sr. No.	Name of Director	Designation	Scale	Effective From	Remarks
01	Prakash L. Hinduja	Managing Director	300000 p.m.	01.04.2006	Not liable to retire by rotation
02	Dinesh L. Hinduja	Whole Time Director	150000 p.m.	01.04.2006	Liable to retire by rotation

2. **Perquisites:** Following perquisites will be provided subject to condition that the total amount of perquisites will not exceed an amount equal to annual salary.

Category A

- (a) **Reimbursement of Expenses:** Incurred by the appointee on gas, electricity and water valued as per Income Tax Rule subject to ceiling of 20% of salary.
- (b) **Medical Reimbursement:** Reimbursement of Medical Expenses incurred in connection with the medical treatment of self and family members no exceeding an amount equal to two month's salary in a year or six month's salary over a period of three years.
- (c) **Leave Travel Concession (LTC):** Reimbursement of traveling expenses for self and family members twice in a block of four year with a facility to encash the LTC not availed in the said block.
- (d) **Club Fees: Membership Fees not more than two clubs. However, admission fees shall not be admissible.**
- (e) **Insurance Premium:** Insurance Premium for the personal accident for self and dependents not exceeding Rs. 10,000/- P.Y.

Category B

Contribution to Provident Fund, Superannuation Fund*or Annuity Fund will not be included in the computation of the ceilings on perquisites.

To the extent these either singly or put together are not taxable under Income Tax Act.

Privileged Leave: As per the rules of the Company Unclaimed Privileged Leave be encashed at the end of the year i.e. 31st March.

Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

Category C

Provision of car with Chauffeur for use Company's Business and telephone at residence will not be considered as perquisites.

That in the event of loss or inadequacy of profits the aforesaid remuneration shall be paid to these Directors as minimum remuneration.

None of the directors except Mr. Prakash L. Hinduja and Mr. Dinesh L. Hinduja are interested in the resolution set out in Item No. 6 and 7 of the notice.

Item no. 8

In order to meet the long term funds requirement of the Company by issue of permanent capital, directors propose to increase the authorised capital of the Company from Rs. 550.00 lacs to Rs.1000.00 lacs. As per provision of section 94 read with section 16 of the Companies Act, 1956, an approval of members by ordinary resolution is required to increase the capital of the Company and to modify the capital clause of Memorandum of Association. Hence, the said resolution has been proposed as Ordinary resolution.

None of the directors of the Company has any interest in the proposed resolution except to the extent of their shareholding in the Company.

Item 9

Since the Company is listed Company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 on issue of shares on preferential basis and the relevant disclosures are given below :

Instrument:

The Company is proposing to issue 500000 equity shares of Rs.10/- each at such price and on such terms and conditions as may be determined by the Board in accordance with the Guidelines or any other applicable provisions as may be prevailing at that time to the following persons:

a. Promoter Group:

Sr. No.	Name of the applicant (Proposed allottees)	No. of Equity Shares to be allotted
1.	Mr. Prakash L. Hinduja.	100000
2.	Mr. Dinesh L. Hinduja.	100000
3.	Mrs. Rajkumari L. Hinduja.	100000
4.	Mrs. Nita P. Hinduja.	100000
5.	Mr. Gaurav P. Hinduja.	90000
	Total	490000

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b. Non Promoter Group:

Sr. No.	Name of the applicant (Proposed allottees)	No. of Equity Shares to be allotted
1.	Mr. Lallan Pandey.	5000
2.	Mr. Mukesh Keswani.	5000
	Total	10000

• Lock-in-period

In case of promoters allottees, the said equity shares shall be issued subject to locked-In of 3 year from the date of allotment and incase of non-promoters allottees, locked in of 1 year from the date of allotment. Out of the proposed issue, the Company will issue 490000 equity shares to persons belonging to promoters group and same should be issued subject to locked in of 3 years from the date of allotment. Further, remaining 10000 equity shares will issue to non-promoters and hence shall be subject to lock-in of 1 years from the date of allotment. The equity shares to be issued to promoters group may be transferred within the promoters group during the lock in period subject to continuation of lock in requirement for remaining period and compliance of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation 1992, as applicable.

Relevant Date and Issue Price:

The relevant date for the purpose of determination of issue price of resultant equity shares is 12 August 2006.

Issue Price of the proposed issue of equity shares is calculated as the pricing formula prescribed in the SEBI Guidelines details of the same is given below but not below the face value of the Equity Shares:

An issue price not less than the higher of following:

- The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or
- The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date.

Here, stock exchange means Bombay Stock Exchange Limited where the shares of the Company are listed.

• Payment

The full issue price of the resultant equity shares shall be payable before allotment of shares.

• Particulars of Allottees:

The Company has proposed to issue said shares to seven individual whose details are as follows:

- Mr. Prakash L. Hinduja.
Rajni Bunglow, Keshavnagar, Subhash Bridge, Ahmedabad - 380 027.
- Mr. Dinesh L. Hinduja.
Rajni Bunglow, Keshavnagar, Subhash Bridge, Ahmedabad - 380 027.
- Mrs. Rajkumari L. Hinduja.
Rajni Bunglow, Keshavnagar, Subhash Bridge, Ahmedabad - 380 027.
- Mrs. Nita P. Hinduja.
Rajni Bunglow, Keshavnagar, Subhash Bridge, Ahmedabad - 380 027.
- Mr. Gaurav P. Hinduja.
Rajni Bunglow, Keshavnagar, Subhash Bridge, Ahmedabad - 380 027.
- Mr. Lallan Pandey.
A/91, Krishna bunglow, Motera, Sabarmati, Ahmedabad - 380 005.
- Mr. Mukesh Keswani.
A/5, Navdurga Society, Patia, Naroda Road, Ahmedabad - 382 345.

Out of the aforesaid allottees, Sr. No. 1 to 5 belongs to promoters group.

All the other allottees neither belongs to promoters of the Company nor acting as person in concert as defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997.

• Pre-issue and Post-issue holding of the proposed allottees:

As on the date of this notice all aforesaid proposed allottees hold following shares in the Company. Further, all the allottees have not sold any shares of this Company during the six months period prior to relevant date.

Sr. No.	Name of the applicant (Proposed allottees)	Pre Issue (Nos. of Shares)	Post Issue (Nos. of Shares)
1.	Mr. Prakash L. Hinduja.	933740	1033740
2.	Mr. Dinesh L. Hinduja.	122880	222880
3.	Mrs. Rajkumari L. Hinduja.	333885	433885
4.	Mrs. Nita P. Hinduja.	309600	409600
5.	Mr. Gaurav P. Hinduja.	3200	93200
6.	Mr. Lallan Pandey.	6700	11700
7.	Mr. Mukesh Keswani.	Nil	5000

• **Pre-Issue and Post-issue Shareholding Patter of the Issuer Company:**

Category	Pre-issue		Post-issue	
	No. of Shares	% of Share Holding	No. of Shares	% of Share Holding
Promoters Holding:				
Indian Promoters	2397600	46.93	2887600	51.48
Sub Total	2397600	46.93	2887600	51.48
Non-Promoters Holding:				
Others:				
Private Corp. bodies	19100	00.38	19100	00.34
India Public	2446600	48.28	2476600	44.16
NRI/OCB's	225300	04.41	225300	04.02
Any others	—	—	—	—

• **Object and Purpose of the Preferential Issue:**

Due to expansion and procuring tenders from Government, Semi Government and other Body Corporate, the Company needs funds to full fill the time bound contracts and to meet the working capital requirement and acquiring equipments for the purpose, the Board of Directors has proposed to make preferential issue to the aforesaid allottees to meet the long-term and shot term funds requirement of the Company.

• **Proposed time of allotment**

The allotment of equity shares in the present preferential issue will be made within 15 days from date of passing of the proposed resolution, provided that where the allotment on preferential basis is pending on account of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

Pursuant to Section 81(1A), approval of members by special resolution required to issue and allot the shares to persons other than members of the Company. Hence, said resolution is proposed as special resolution.

None of the directors are interested in the aforesaid resolution except to the extent of allotment on preferential basis to the promoters and their relatives.

Item No. 10

Section 293(1) (d) and 293(1) (a) requires the approval of Shareholders for giving authority to the Board for borrowing (apart from cash Credit and other facilities in the ordinary course of business) and to mortgage the assets of the Company required for the purpose.

On account of expansion in business the Company needs additional funds to meet requirement of Capital Expenditure.

The Board therefore, recommends the resolution set out in Item No. 10. None of the Director is interested in said resolution.

INSPECTION OF DOCUMENTS

Copies of memorandum of association will be available for inspection between 5.00 to 6.00 p.m. on all working days upto the date of the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Date : 12/08/2006
Place : Ahmedabad

(P.L. Hinduja)
MANAGING DIRECTOR

ANNUAL REPORT 2005-2006**DIRECTORS' REPORT**

Dear Shareholders,

Your directors have pleasure in presenting this 20th Annual Report and the Audited Accounts for the financial year ended on 31st March 2006.

FINANCIAL RESULTS

	(Rupees in lacs)	
	Current Year	Previous Year
Total Income	6240.62	5224.20
Less: Expenditure	5851.74	4947.35
Profit before Interest and Depreciation	388.88	276.85
Less : Interest	107.90	97.47
Less: Depreciation	88.65	68.49
Profit Before Tax	192.33	110.88
Less: Provision for Taxation	59.00	38.50
Fringe benefit tax	06.00	—
Less: Transfer to deferred Tax Liability	19.96	12.50
Profit After Tax	107.37	59.89
Balance brought forward	487.02	427.15
Balance carried to Balance-Sheet	594.39	487.02

DIVIDEND

As a measure of abundant precaution and in order to retain the surplus for growth and expansion your Directors do not propose any dividend for the financial year 2005-2006.

OPERATIONS

During the year under review, the Company's income was Rs. 6240.62 Lacs against Rs.5224.20 Lacs during the previous year. There was increase in income on account of boom in infrastructure. The Company has increased its strength by acquiring the plant and machineries and equipments to cope up with the development in the economy in the industry particularly in the field of infrastructure and capital goods. Besides this the skilled personnel has also been increased to cope up with the development and expansion of the Company for fulfilling its commitments.

During the year, our Company has bagged various contracts worth over Rs. 7667.72 Lacs as under:

GAIL (India) Ltd.	2260.97	Laying Cross Country Pipeline and Associated Facilities for Thulandi-Phulpur Project (SPREAD-II)
GAIL (India) Ltd.	2345.84	Laying & Construction of 12" Diameters x 72 KM 6" (9 KM)/ 4" (6KM) Pipeline, Terminal and Associated Facilities for Natural Gas Supply Pipeline for Kelarus-Malanpur Pipeline Projects in M.P. Region.
GAIL (India) Ltd.	2897.01	Laying of Vijaypur-Kota Pipeline Project of GAIL - Section II.
Essar Project Limited	163.90	COT Piping And Mechanical Erection

FUTURE PLANS & DIVERSIONS

Your Company is continuing to improve its performance because of its management's total focus on key strategic initiatives. Apart from this, the management has been aggressively examining the process by taking full advantage of technology to drive down costs across the organization to generate additional funds to fuel growth. The initiative has been successfully implemented by outstanding work force of the Company to which the Board acknowledges its appreciation and gratitude.

PREFERENTIAL ISSUE OF SHARE

In order to meet the long terms funds requirement of the Company by issue of permanent capital, directors propose to increase the authorized capital of the Company from Rs. 550.00 lacs to Rs.1000.00 lacs. From the above increase in authorize capital the Company is proposing to issue 500000 equity shares of

Rs.10/- each at such price and on such terms and conditions as may be determined by the Board in accordance with the Guidelines prescribed by the Securities Exchange Board of India (SEBI) in respect of preferential issue to the promoters and other persons.

PERSONNEL

There was no employee drawing remuneration as mentioned under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS

Mr. Dinesh Lalwani retires by rotation at this annual general meeting and being eligible offers himself for re-appointment.

Mr. Devraj Arjanani and Mr. Shankar Tolani were appointed as an Additional Director by the Board of Directors of the Company ("the Board") during the year.

Pursuant to section 260 of the Companies Act, 1956 (the Act) Mr. Devraj Arjanani and Mr. Shankar Tolani holds office upto the date of ensuing Annual General Meeting of the Company. Due notice under Section 257 of the Act has been received from a member proposing the appointment of Mr. Devraj Arjanani and Mr. Shankar Tolani as Directors of the Company whose period of office shall be liable to determination by retirement of Directors by rotation. The Board has no hesitation in recommending their appointment.

Looking to the involvement of Mr. Prakash L. Hinduja the Managing Director and Mr. Dinesh L. Hinduja in the development of the Company a thought is given to raise their remuneration as explained in the explanatory statement of the notice convening the meeting.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed;

- (i) that in the preparation of the accounts for the financial year ended 31st March 2006, the applicable accounting standards have been followed along with proper explanation relating to the material departures,
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments 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 or loss of the Company for the year under review,
- (iii) that the Directors have taken proper and sufficient care 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,
- (iv) that the Directors have prepared the annual accounts on a 'going concern' basis.

LISTING AGREEMENT

Your Company is committed to good corporate governance practices. Under clause 49 of the listing agreement, your Directors are pleased to inform that your Company has implemented all the major stipulations prescribed under clause 49 of the listing agreement with the Stock Exchange(s). A certificate from the Statutory Auditors of the Company in line with clause 49 is annexed to and forms part of the Director's Report.

FIXED DEPOSITS

The Company has accepted short term deposit from director, bodies corporate etc.

AUDITORS

You are requested to appoint the auditors for the current year and to fix their remuneration. The retiring auditors M/s. N.K. Aswani & Co., Chartered Accountants, are eligible and offer themselves for re-appointment. The Company has received a certificate from M/s. N.K. Aswani & Co. to the effect that their re-appointment, if made, will be within the prescribed limits specified in Section 224(1-B) of the Companies Act, 1956.

AUDITORS REPORT

The observations of the Auditors are explained wherever necessary in the appropriate notes annexed to the accounts. The explanations contained in the notes may be treated as information/explanations submitted by the Board as contemplated U/s.217(3) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your directors take this opportunity to express their sincere gratitude for the assistance and continued support and co-operation extended by Banks, Government and Statutory Authorities, shareholders.