

17th ANNUAL REPORT

2003-2004

JAIHIND SYNTHETICS LIMITED

Report  Junction.com

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

Room No. 11, Purshottam Niwas,
31, Dadiseth Agiary Lane,
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 17th 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 Wednesday the 29th September, 2004 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2004 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 Deendayal R Sharda who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Ramdayal 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.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Listing Agreement with Stock Exchanges and Clause 6.1 and other applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, consent is hereby accorded to the Board of Directors to delist the Company's Ordinary Equity Shares from the Jaipur Stock Exchange Limited, Jaipur, Calcutta Stock Exchange Association Limited, Kolkata and The Stock Exchange, Ahmedabad."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of shares, as it may, in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its Committees/Directors or any of the Officers of the Company to do all such act, deeds or things to give effect to the aforesaid resolution."

Registered Office :

Room No.11, Purshottam Niwas,
2nd Floor , 31, Dadi Seth Agiary Lane,
Kalbadevi Road,
Place: Mumbai
Date: 2nd September 2004

BY ORDER OF THE BOARD

(M.R.SHARDA)

Managing 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 22nd September, 2004 to 29th September, 2004 (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 Deendayal R. Sharda

Shri Deendayal R. Sharda is a member of the Board of Directors of Jaihind Synthetics Limited for last 17 years i.e. since inception of the Company. He does not hold directorship in any other Company.

Shri Ramdayal Sharda

Shri Ramdayal Sharda is a member of the Board of Directors of Jaihind Synthetics Limited for last 17 years i.e. since inception of the Company. He does not hold directorship in any other Company.

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

Item No. 5

Presently the Company's equity shares are listed on The Stock Exchange, Mumbai (BSE), Jaipur Stock Exchange Limited, Jaipur, The Calcutta Stock Exchange Association Limited, Kolkata, The Stock Exchange, Ahmedabad.

It is observed from the data on trading volumes that the Company's share are not traded in material volumes at stock exchanges other than BSE. Substantial trading in the Company's equity shares takes place on BSE and trading volumes on the Jaipur, Kolkata and Ahmedabad Stock Exchanges are negligible.

With the wide and extensive networking center of the BSE, investors have access to online dealings in the Company's shares across the country. Therefore to continue trading in stock exchanges other than BSE neither serves the interest of the members/investors nor that of the Company. De-listing of the Company's shares from the above stock exchanges will also result in saving the cost on account of listing fees.

The Board of Directors has therefore decided to apply for voluntary delisting of the Company's equity shares from the Jaipur Stock Exchange Limited, Jaipur, The Calcutta Stock Exchange Association Limited, Kolkata, The Stock Exchange, Ahmedabad. It would result in reduction of administrative costs and efforts.

Delisting of the Company's equity shares from the said Stock Exchanges will not adversely affect any of the investors including the members located in the regions where the said Stock Exchanges are situated. In the changed scenario of the nationwide trading terminals set up by the BSE, listing on other Stock Exchange is not providing any additional advantages to the investors.

In accordance with Securities & Exchange Board of India (Delisting of Securities) Guideline, 2003, it is now proposed to seek the Members' approval by way of special resolution for the voluntary delisting of the Company's equity shares from the Jaipur Stock Exchange Limited, Jaipur, The Calcutta Stock Exchange Association Limited, Kolkata, The Stock Exchange, Ahmedabad, as set out in the resolution at item No. 5. In terms of the said Guidelines, no exit option is required to be offered to the shareholders as the Company's shares shall continue to remain listed on the BSE.

None of the Directors are concerned or interested in this resolution.

Registered Office :

Room No.11, Purshottam Niwas, 2nd Floor, 31, Dadi Seth Agiary Lane, Kalbadevi Road, Mumbai 400 002

Place: Mumbai

Date: 2nd September 2004

BY ORDER OF THE BOARD

(M. R. SHARDA)

Managing Director

JAIHIND SYNTHETICS LIMITED

Registered Office: Room No. 11, Purshottam Niwas, 2nd Floor, 31, Dadi Seth Agiary Lane,
Kalbadevi Road, Mumbai 400 002

PROXY FORM

I/We _____
of _____
being a Member/Members of JAIHIND SYNTHETICS LIMITED hereby appoint _____
of _____ or failing him/her _____ of _____ as
my/our proxy of vote for me/us on my/our behalf at the 17th Annual General Meeting of the
Company to be held on Wednesday, the 29th Day of September 2004 at Room No. 11, Purshottam
Niwas, 2nd Floor, 31, Dadi Seth Agiary Lane, Kalbadevi Road, Mumbai 400 002 at 11.00 a.m. and at
any adjournments thereof.

Reg. Folio No. _____

No. of Shares _____

Signed this _____

Affix
Revenue
Stamp of
Re. 1

JAIHIND SYNTHETICS LIMITED

Registered Office: Room No. 11, Purshottam Niwas, 2nd Floor, 31, Dadi Seth Agiary Lane,
Kalbadevi Road, Mumbai 400 002

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

I hereby record my presence at the SEVENTEENTH ANNUAL GENERAL MEETING of the
Company held on Wednesday, the 29th Day of September 2004 at Room No. 11, Purshottam Niwas,
2nd Floor, 31, Dadi Seth Agiary Lane, Kalbadevi Road, Mumbai 400 002 at 11.00 a.m.

Full Name of the Member (in Block Letters) _____

Reg. Folio No. _____ No of Shares held _____

Full Name of Proxy (in Block Letters) _____

Member's/ Proxy's Signature _____

NOTE: Shareholders are requested to bring this slip to the Meeting duly filled up including Folio
Number & Number of Shares held.

DIRECTORS REPORT

The Members,
Jaihind Synthetics Limited.

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2004.

FINANCIAL RESULTS:

	<u>2003-04</u>	<u>2002-03</u>
	<u>(Rs in Lacs)</u>	<u>(Rs in Lacs)</u>
Sales & Other Income	10.60	11.73
Profit (Loss) before Depreciation & Taxation	-1.62	-2.00
Less: Depreciation	1.88	1.88
Profit (Loss) Before Taxation	-3.50	-3.88
Less: Provision for taxation	0	0
Net Profit (Loss) after Tax	-3.50	-3.88
Add: Excess Provision for Tax w/back	0	0
Balance b/f. from Previous year	-55.76	-51.88
Carried to Balance Sheet	-59.26	-55.76

OPERATIONAL REVIEW:

Your Company has faced considerable problems in the year 2003-04. 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 2004 your Company has achieved a turnover and other income of Rs. 10.60 lacs showing a decrease of 10% over that of the Previous Year. The Net Loss of the Company stood at Rs. 3.50 lacs against Rs. 3.88 lacs shown in last year.

DIVIDEND:

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

DIRECTORS:

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

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.

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 a part of this Annual Report.

AUDITORS:

M/s. Jhavar 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)(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
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. 3.78 Lacs.
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- 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

(M R SHARDA)
Managing Director

Place: Mumbai,
Date: 2nd September 2004