

**22<sup>nd</sup> ANNUAL REPORT**

**2008-2009**

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**JAIHIND SYNTHETICS LIMITED**

## **BOARD OF DIRECTORS**

Mr. Hasmukh Patel  
(Chairman & Managing Director)

Mr. Meghji Patel

Mr. Mihir Karia

Mr. Paresh Sawani

Mr M. R. Sharda

Mr. R.N. Sharda

Mr. Arun Kishanlal Somani

Mr. Bhagirath Shyamsundar Biyani

Mr. R.C. Muchal

Mr. Mahesh M. Choksi

Mr. Sandeep J. Merchant

### **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 22<sup>nd</sup> 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 30<sup>th</sup> September, 2009 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, 2009 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 consider not to appointment Mr Sandeep J Merchant as Director who retires by rotation but has not offered himself for reappointment.
5. To consider not to appointment Mr Mahesh Choksy as Director who retires by rotation but has not offered himself for reappointment.
6. 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.

Registered Office :

7, Rushtom Sidhwa Marg,

Mackwee Mension,

Fort,

Place: Mumbai

Date: 05<sup>th</sup> September 2009

BY ORDER OF THE BOARD

*M. Karia*

(MHIR 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 28<sup>th</sup> October 2009 to 30<sup>th</sup> October 2009 (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 Hasnukh Patel

Shri Hasnukh 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.

## **DIRECTORS REPORT**

The Members,  
Jaihind Synthetics Limited.

Your Directors have pleasure in presenting the Twenty Second Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March-2009.

### **FINANCIAL RESULTS:**

	<u>2008-09</u>	<u>2007-08</u>
	<u>(Rs in Lacs)</u>	<u>(Rs in Lacs)</u>
Sales & Other Income	4.25	3.74
Profit (Loss) before Depreciation & Taxation		3.86
0.86 Less: Depreciation	0.63	0.63
Profit (Loss) Before Taxation	3.23	0.24
Less: Provision for taxation		.02
Net Profit (Loss) after Tax	1.00	0.18
Add: Excess Provision for Tax w/back	0	0
Balance b/f. from Previous year	-94.60	-94.78
Carried to Balance Sheet	-93.60	-94.60

### **OPERATIONAL REVIEW:**

During the financial year ended 31<sup>st</sup> March 2009 your Company has received other income of Rs. 4.25 lacs showing a increase of 13.69% over that of the Previous Year. The Net profit of the Company stood at Rs.1.00 lacs against a profit of Rs. 0.18 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.

R. C. Muchal who was the derictor of the company has ceased to hold his office as the director of the company under section 283 (1) (g) of the companies act 1956.

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**

*HG Patel*

**(Hasmukh Patel)**

Chairman and Managing Director.

Place: Mumbai,

Date: 05<sup>th</sup> September 2009

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## ANNEXURE TO DIRECTORS' REPORT

## REPORT ON CORPORATE GOVERNANCE

## 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 31<sup>st</sup> March 2009 four board meetings were held as on 30.06.2008, 31.07.2008, 31.10.2008, 31.01.2009.

Attendance of each Directors at the Board Meeting 2008-2009 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 <sup>th</sup> Sept 07	No. of other Companies in which Director
Hashmukh Patel	CMD	4	Yes	-
Meghji Patel	ED	4	Yes	-
Mihir Karia	ED	4	Yes	-
Paresh Sawani	ED	4	Yes	-
M. R. Sharda	Independent Dir	4	Yes	1
A.K. Somani	Independent Dir	4	Yes	-
R.N. Sharda	Independent Dir	4	Yes	-
B.S. Biyani	Independent Dir	4	Yes	-
Sandeep Merchant	Independent Dir	0	No	-
Mahesh Choksi	Independent Dir	0	No	-
R.C.Muchal	Independent Dir	0	No	-

## 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 30.06.2008, 31.07.2008, 31.10.2008, 31.01.2009. All Directors was present in all the above Audit Committee meetings.

#### 4. Remuneration of Directors

The Remuneration of Directors is determined by the Board of Directors. Details of remuneration to Director for the year ended 31<sup>st</sup> March, 2009 is as under:

Name of Directors	Category of Directorship	Salary	Perquisites	Total (Rs.)
Mihir Karia	Director	Nil	Nil	Nil
Meghji Patel	Director	Nil	Nil	Nil

No remuneration was paid to Non Executive Directors during the year.

#### 5. Investors'/Shareholders' Grievance Committee

Presently the members of the Committee are Mr. Hashmukh Patel, Mr. Meghji Patel and is dependent and Mr. A.K.Somani and Mr. Sandeep J Merchant are independent Directors.

Twelve meetings of the Investors'/Shareholders Grievances Committee were held in which all the share transfer matters, correspondence from the shareholders, letters from the regulatory authorities etc were reviewed. All the members of the Committee, on the day of the Committee Meeting were present in the Meetings. There is no pending complaint from any investor. Except in 4 cases where the complaint is pending for more than 4 years.

#### 6. General Body Meeting

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2005-2006	30.09.2006	2 P.M.	Registered Office
2006-2007	29.09.2007	2 P.M.	Registered Office
2008-2009	29.09.2008	2 P.M.	Registered Office

No resolutions requiring postal ballot were proposed in past. As on date, no special resolution is proposed to be conducted through postal ballot.

#### 7. Disclosures

- There were no transactions of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- Transactions with related parties during the period are disclosed in note no 20 of Schedule 'K' to the annual accounts.
- No penalties or strictures have been passed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
  - The Company has not paid listing fees to the Jaipur Stock Exchange Limited, Jaipur, Calcutta Stock Exchange Association Limited, Kolkata and The Stock Exchange, Ahmedabad.
  - SEBI has levied penalty of Rs.1,75,000/- against the Company for violation of regulations 6 and 8 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. However, the Company has requested for waiver of penalty and hence not paid the penalty till date.

#### 8. Means of Communication

The Board of Directors of the Company takes on record the unaudited quarterly and half yearly Financial Results in the prescribed form within the prescribed time limit. The Company submits information about quarterly, half yearly and annual results etc. to the Stock Exchange within prescribed time limits. The Company however has not published financial results in newspaper.

Any Website where displayed

Not applicable



**9. General Shareholder Information**

AGM Date, Time and Venue	Tuesday 30 <sup>th</sup> September 2009 at 02.00 p.m. at 7 , Rushtom Sidhwa Marg , Mackwee Mension, Fort , Mumbai 400 001
Financial Calendar	2008-09
Financial Year	April to March
First Quarter Results	July 2008
Second Quarter Results	October 2008
Third Quarter Results	January 2009
Fourth Quarter Results	June 2009
Audited Results for the year ending 31 <sup>st</sup> March 2009	June, 2009
Dates of Book Closure	28 <sup>th</sup> October 2009 to 30 <sup>th</sup> October. 2009 (Both days inclusive)
Dividend Payment Date	Not Applicable
Listing on Stock Exchanges	The Stock Exchange, Mumbai
Stock Code –Physical	514312
Demat ISIN Number for NSDL & CDSL	INE 156E01014
Registrars & Transfer Agent	System Support Services, 209, Shivani Industrial Estate, Sakinaka, Andheri (East), Mumbai – 400 072
Telephone No.	(022) 22400516
Market Price Data:	Market price for following months are:

Month	Monthly High (Rs.)	Monthly Low (Rs.)
April 08	6.30	3.99
May 08	5.80	4.76
June 08	5.04	4.57
July 08	4.75	3.66
Aug 08	6.42	3.81
Sept 08	5.42	4.59
Oct 08	4.73	2.81
Nov 08	2.90	2.49
Dec 08	2.39	1.85
Jan 09	2.00	1.83
Feb 09	1.82	1.64
Mar 09	1.64	1.48

**Distribution of Shareholdings as on 31.03.2009**

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Shareholding
1 to 500	2332	78.492	469479	9.781
501 to 1000	242	8.145	222883	4.643
1001 to 5000	270	9.088	607935	12.665
5001 to 10000	59	1.986	453222	9.442
10001 to 100000	63	2.12	2187644	45.576
100001 & Above	5	0.168	858837	17.892
Shares in Transit	-	-	-	-
Total	3305	100.00	4800000	100.00

**Shareholding Pattern as on 31.03.2009**

Categories of Shareholders	Resident	Non-Resident	% of Shareholding
Promoters	726400	-	15.13
Corporate Bodies	286105	-	5.96
Indian Public	3787495	-	78.91
NRI/ OCR's	-	-	-
In Transit	-	-	-
Total	48,00,000	-	100.000

**Dematerialisation of Shares**

As on 31.03.2009, 69.71% of the Company's Share Capital had been dematerialised.

**Address for Correspondence**

Shareholder Correspondence should be addressed to System Support Services, 209, Shivai Industrial Estate, Sakinaka, Andheri (East), Mumbai - 400 072.

Investors may also write to or contact Mr. M. R. Sharda at the Registered Office for any assistance that they may need.

Tel. No. (022) 22400516

Shareholders holding shares in dematerialized form should address all their correspondence (Including change of address, nominations, ECS mandates, bank details to be incorporated) to their Depository Participant.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments:**

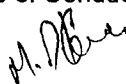
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**NON-MANDATORY REQUIREMENTS**

The other suggestions have not yet been adopted.

**DECLARATION**

The Board Members have given declaration relating to Code of Conduct for the year 2008-09 as per the Clause 49 of the Listing Agreement.



Shri Mihir Karia  
Director