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**Annual
Report
1996-97**

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 **JAINCO**
PROJECTS (INDIA) LTD.

Called Bank
9/9/97

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BOARD OF DIRECTORS

Sri S. K. Bhansali	:	Chairman
Sri Anil Sharma	:	Executive Director
Sri Ajit Kumar Baid	:	Director
Sri Anjan Kumar Dutta	:	Director

AUDITORS

M/s P. SARKAR & ASSOCIATES
Chartered Accountants
Calcutta 700 012

BANKERS

ANZ Grindlays Bank Ltd.
Oriental Bank of Commerce
Union Bank of India

LEGAL ADVISORS

C. K. JAIN & CO.
Calcutta - 700 001

REGISTRAR & TRANSFER AGENTS

AMI Computers (I) Ltd.
60A & B, Chowringhee Road
Calcutta - 700 020

REGISTERED OFFICE

2, Clive Ghat Street
4th Floor, Unit No. 4A
Calcutta - 700 001

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Shareholders of JAINCO PROJECTS (INDIA) LIMITED will be held at Kala Kunj, (Sangit Kala Mandir Trust), 48, Shakespeare Sarani, Calcutta-700 017 on Monday, the 22nd September, 1997 at 11.00 a.m. to transact the following business :

1. To receive, consider and adopt the Profit & Loss A/c for the year ended on 31st March, 1997, the Balance Sheet as at that date and the Report of the Auditor and the Directors' thereon.
2. To appoint a Director in place of Mr. S. K. Bhansali who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and in this connection to consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :

"RESOLVED that pursuant to the provisions of Section 224-A of the Companies Act, 1956, Messrs P. Sarkar & Associates, the retiring Auditors of the Company, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration, as may be fixed by the Board of Directors of the Company in consultation with the Auditors."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED that Mr. Ajit Kumar Baid, who has given his consent in writing be and is hereby appointed as a Director of the Company whose period in office shall be subject to retirement by rotation ."

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

"RESOLVED that Mr. Anjan Kumar Dutta, who has given his consent in writing be and is hereby appointed as a Director of the Company whose period in office shall be subject to retirement by rotation."

Registered Office :
2, Clive Ghat Street
4th Floor, Unit No. 4A
Calcutta-700 001
Dated : the 14th day of August, 1997

By order of the Board
For JAINCO PROJECTS (INDIA) LIMITED

ANIL SHARMA
Executive Director

JAINCO PROJECTS (INDIA) LIMITED

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under Item no. 4 & 5 to be transacted at the meeting are annexed hereto and form part of this notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 1997 to 22nd September, 1997, both days inclusive.
4. Members, who are holding shares in identical order of names in more than one account, are requested to intimate to the company the folio no. of such shares together with the corresponding share certificates to enable the company to consolidate all the holdings into one account. The share certificates will be returned to the members after making necessary endorsement in due course.
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the company atleast ten days in advance, so as to enable the company to keep the information ready.
6. Members are requested to notify any change in their mailing address immediately to the company.
7. Members are requested to kindly bring the copy of this Annual Report at the meeting.

Annexure to Notice

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

Item 4 & 5 Mr. Ajit Kumar Baid and Mr. Anjan Kumar Dutta were inducted as additional Directors of the company on 31st day of March, 1997, pursuant to Articles of Association of the company and in terms of Section 260 of the Companies Act, 1956. They are due to retire at the conclusion of the forthcoming Annual General Meeting. Meantime, the Company has received notices under section 257 of the Companies Act, 1956 from two shareholders intimating their intention to propose resolution in

the forthcoming Annual General Meeting for appointment of Mr. Ajit Kumar Baid and Mr. Anjan Kumar Dutta as Directors of the Company.

The Board of Directors recommend the approval of the resolution as set out under Item No. 4 & 5 of the Notice for the interest of the Company.

None of the Directors excepting Mr. Ajit Kumar Baid and Mr. Anjan Kumar Dutta is interested or concerned in the subject resolutions.

Registered Office :

2, Clive Ghat Street
4th Floor, Unit No. 4A
Calcutta-700 001

Dated : the 14th day of August, 1997

By order of the Board
For JAINCO PROJECTS (INDIA) LIMITED

ANIL SHARMA
Executive Director

DIRECTORS' REPORT**TO THE MEMBERS**

Your Directors take the pleasure in presenting the Sixth Annual Report of the Company together with the Audited Accounts of the Company for 15 months ended on 31st March, 1997.

FINANCIAL RESULTS

	(Rs. in lacs)	
	15 months ended 31.3.97	Year ended 31.12.95
Total Income	279.84	409.07
Profit/(Loss) before tax	(18.28)	106.70
Provision for tax	—	1.78
Profit/(Loss) after tax	(18.28)	104.92
Profit brought forward from the previous year	80.08	25.61
Excess Dividend provision W/B	31.96	—
Prior period adjustments	(19.17)	—
Surplus available for appropriation	<u>74.59</u>	<u>130.33</u>
Appropriations		
Transfer to General Reserve		10.49
Proposed Dividend		39.96
Retained Profit carried forward to the following year	<u>74.59</u>	<u>80.08</u>
	<u>74.59</u>	<u>130.53</u>

DIVIDEND

There being no profit during the year, your Directors refrain from recommending any dividend for the year.

OPERATIONS

The financial year under review had been a challenging year for the entire economy and despite such depressed conditions prevalent in the economy, your Company was able to achieve a turnover of Rs. 279.84 lacs. The decline in the profits, compared to the previous year is mainly attributable to the present slump in real estate prices and moreover, the depressed economic conditions had bearing effect on the share trading activities of the company too.

Your Directors have pleasure in informing you that Eastern Gases Limited, an industry promoted by your company at Durgapur, West Bengal, to undertake filling and distribution of Liquefied Petroleum Gas (LPG), with an installed capacity of 30,000 TPA, (once commissioned, it would be the biggest plant in the entire Eastern and North-Eastern India) is almost ready and trial runs are going on at the Plant. After the trials, the final licence would be granted by the Chief Controller of Explosives, Nagpur. Due to tight money conditions and other unavoidable circumstances, the implementation schedule has been delayed.

FUTURE PROSPECTS

After a prolonged depression, the economy is now looking up and showing signs of recovery. In this changed scenario, your Directors do hope of a turnaround for the company. With the expansion of the economy in the state, your Directors are confident of a spurt in the civil construction jobs, both

JAINCO PROJECTS (INDIA) LIMITED

in residential and industrial segment. Furthermore, with the investments pouring in the state and a lot of transnational companies setting up their businesses here, your company expects an increase in the demand for residential houses which would be required by these MNCs. And the company plans to capitalise on these segments, which your Directors perceive, will result in strengthening of the bottomline of your company. Your company also plans to enter into strategic arrangements with landowners for Property Development whereby the company is assured of reasonable returns. Your Directors with the past experience are now confident to take up more business in the coming years.

With the sensx soaring high and the Stock Markets looking up, thanks to the liberalisation of the economy, your company would be investing its surplus funds in the fundamentally strong scrips with high growth potential. This being one of the other main activities of the company, the company plans to invest in such manner and in such scrips which would be contributing to its profits handsomely. Since the money market is quite encouraging, your Directors are confident of registering of highest business and income from this line of activity.

DISCLOSURE UNDER THE LISTING AGREEMENT

1. Under Clause 43

	<u>Projected</u>	<u>Actuals</u>
Gross Income	555.50 lacs	229.60 lacs
Net Profit	180.03 lacs	(-) 14.63 lacs
EPS (Rs.)	4.50	(-) 0.36

The reasons for not achieving the projected

target has been explained in the earlier paragraphs.

2. Under Clause 32

Cash Flow Statement pursuant to Clause 32 of the listing agreement is annexed herewith and forms part of this report.

DEPOSITS

Your company has not accepted and/or renewed any Deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORS

Mr. S. K. Bhansali retires by rotation and being eligible offer himself for re-appointment.

Mr. Bijay Singh Baid and Mr. Pravir Garg resigned from the Directorship of the Company and the Board places on record their appreciation for valuable guidance provided by him during their tenure as Directors of the Company.

Mr. Ajit Kumar Baid and Mr. Anjan Kumar Dutta were inducted as additional Directors of the company on 31st day of March, 1997, pursuant to Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956.

AUDITORS AND AUDIT REPORT

Messrs P. Sarkar & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Auditors' Report and the relevant notes in the accounts are self-explanatory and may be treated as information/explanation submitted by the Board as contemplated under Section 217(3) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished below :

A. Conservation of Energy

Since the Company is not engaged in any industry specified in the Schedule to Form A of the aforesaid rules, the provisions regarding the disclosure is not applicable.

B. Technology Absorption

Not applicable, as the Company has adopted its own state of art technology in its production process.

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earning ... Nil

Foreign Exchange Outgo ... Nil

PARTICULARS OF EMPLOYEES

The statement of particulars of employees pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to this Company, as none of the employees of the Company is drawing salary more than the limits specified under the above referred Section.

EMPLOYEE RELATIONS

Relations between your Company and its employees were cordial and the Directors wish to express their appreciation of the co-operation and dedication of all employees of the Company.

ACKNOWLEDGEMENTS

The Board places on record its appreciation of the support and assistance of Banks, viz, ANZ Grindlays Bank Ltd, Oriental Bank of Commerce and Union Bank of India and its valued customers.

For and on behalf of the Board of Directors

Place : Calcutta

Dated : the 14th day of August, 1997

ANIL SHARMA
Executive Director