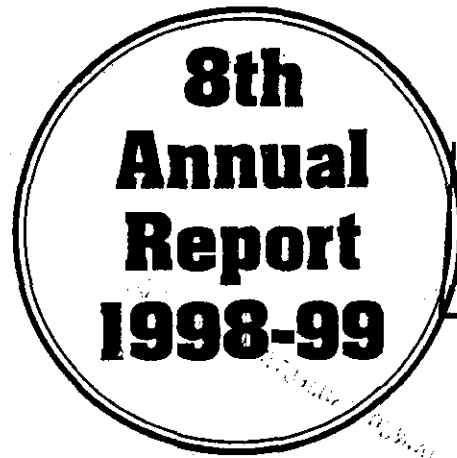


CERTIFIED TRUE COPY

For JAINCO PROJECTS (INDIA) LTD.



Authorised Signatory.



 **JAINCO**.com
PROJECTS (INDIA) LTD.

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BOARD OF DIRECTORS

Sri S. K. Bhansali	: Chairman
Sri Anil Sharma	: Executive Director
Sri Ajit Kumar Baid	: Director
Sri S. M. Gunecha	: Director

AUDITORS

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

BANKERS

ANZ Grindlays Bank Ltd.
Oriental Bank of Commerce
Baranagar Co-operative Bank Ltd.

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

ANNUAL REPORT 1998-99

CERTIFICATE

NOTICE

For JAINCO PROJECTS (INDIA) LTD.

NOTICE is hereby given that the Eighth Annual General Meeting of the Shareholders of JAINCO PROJECTS (INDIA) LIMITED will be held at 'Ashirwad', 11/11/J, Topsia Road, Calcutta-700 046 on Monday, the 16th August, 1999 at 10:30 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, 1999, 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, Messers 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. Suparasmal Gunecha, who was appointed by the Board of Directors as an additional Director of the Company and who holds office upto the date of the 8th A.G.M., being eligible for appointment and in respect of whom notice in writing U/S 257 of the Companies Act, 1956 has been received by the company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. RESOLVED that in accordance with the provisions of sections 198, 269, 309, 310 and schedule XIII and other applicable provisions (if any) of the Companies Act, 1956 the Company hereby accords its approval for the appointment of Mr. Anil Sharma as an Executive Director of the Company for a period of 5 years with effect from 1.4.99 on existing terms and conditions.

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

Registered Office :
2, Clive Ghat Street
4th Floor, Unit No. 4A
Calcutta-700 001
Dated : the 27th day of May, 1999

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 Register of Members and Share Transfer Books of the Company will remain closed from 9th August, 1999 to 14th August, 1999, both days inclusive.
3. 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.
4. 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.
5. Members are requested to notify any change in their mailing address immediately to the company.
6. Members are requested to kindly bring the copy of this Annual Report at the meeting.
7. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item nos. 4 & 5 of the notice is annexed.

Annexure to Notice

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

Item 4 & 5 Mr. Suparasmal Gunecha was inducted as additional Director of the Company on 31st day of March, 1999 pursuant to Articles of association of the company and in terms of Section 260 of the Company Act, 1956. He is due to retire at the conclusion of the forthcoming Annual General Meeting. Meantime, the Company has received notice 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. Suparasmal Gunecha as Director of the Company.

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

None of the Directors excepting Mr. Suparasmal Gunecha is interested or concerned in the subject resolutions.

Mr. Anil Sharma was appointed as the Executive Director of the Company for a period of 5 years with effect from 1.4.99 on the existing terms & conditions approved by the Board of Directors of the Company at their meetings & subject to the approval of the Company in general meeting.

Registered Office :
2, Clive Ghat Street
4th Floor, Unit No. 4A
Calcutta-700 001
Dated : the 27th day of May, 1999

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 Eighth Annual Report of the Company together with the Audited Accounts of the Company for the year ended on 31st March, 1999.

FINANCIAL RESULTS

	(Rs. in lacs)	
	Year ended 31.3.99	Year ended 31.3.98
Total Income	26.40	94.14
Profit/(Loss) before tax	(5.15)	(8.05)
Provision for tax	—	—
Profit/(Loss) after tax	(5.15)	8.05)
Profit/(Loss) brought forward from the previous year	(7.24)	(11.19)
Income Tax for earlier year	—	(0.08)
Surplus/(Defecit) available for appropriation	<u>(12.39)</u>	<u>(19.33)</u>

Appropriations

Transfer from General Reserve—	(12.09)	
Retained Profit/(Loss) carried forward to the following year	(12.39)	(7.24)
	<u>(12.39)</u>	<u>(19.33)</u>

DIVIDEND

As the Company has incurred a loss in the year under review, your Directors do not recommend any dividend this year.

OPERATIONS

The financial year under review was very tough for the company. There had been a sharp decline in real estate activities caused by abrupt fall in prices. In addition to this, the depressed economic conditions greatly affected the share trading activities of the Company. Inspite of such adverse effects on the Company's Activities, the Company could achieve a turnover of Rs. 26.40 lacs. But, because of timely actions taken by your Directors, the net deficit could be restricted to a nominal amount of Rs. 5.15 lacs only.

FUTURE PROSPECTS

Your Directors have pleasure in informing you that your Company has entered into a strategic arrangements with the landowners for a Property Development whereby the Company is assured of reasonable returns. In addition to these your company is also negotiating terms with other similar project of Government bodies. Your Directors with their past experience are now confident to accelerate the business activities in the years to come.

DISCLOSURE UNDER THE LISTING AGREEMENT**1. Under Clause 43**

The disclosure under the Clause 43 of the Listing Agreement is not applicable to the Company, as the Company had not given any set of financial projections for the year ended 31st March, 1999 in its Prospectus dated 19.08.94.

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 any/or

JAINCO PROJECTS (INDIA) LIMITED

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.

Sri S. M. Gunecha was appointed as an additional Director on the Board of the Company with effect from 31.3.99 and as such holds office upto the date of the ensuing annual general meeting.

Mr. Anil Sharma has been re-appointed as an Executive Director of the Company for a period of 5 years from 1st day of April, 1999.

The Board places on record its appreciation for valuable services rendered by Mr. Anjan Kumar Dutta during his tenure as Director of the Company.

AUDITORS AND THEIR 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

Place : Calcutta

Dated : the 27th May, 1999

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

Y2K COMPLIANCE

The Company has already implemented the necessary measures to ensure smooth functioning of all the operations, both technical and commercial from the year 2000 and onwards.

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, Oriental Bank of Commerce, Baranagar Co-operative Bank Ltd. and its valued customers.

For and on behalf of the Board of Directors

ANIL SHARMA
Executive Director

AUDITORS' REPORT

REPORT OF THE AUDITORS' TO THE MEMBERS OF JAINCO PROJECTS (INDIA) LIMITED

We have audited the attached Balance Sheet of **M/s JAINCO PROJECTS (INDIA) LIMITED** as at 31st March, 1999 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto.

We report as follows :

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. Further to our comments in the annexure referred to in paragraph 1 above :

- A. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit ;
- B. in our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books ;

C. the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;

D. in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view -

a) in the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 1999, and

b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

For **P. SARKAR & ASSOCIATES**

Chartered Accountants

P. SARKAR

Partner

Calcutta, the 27th day of May, 1999.