

**14th
Annual
Report
2004-2005**

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 **JAINCO**
PROJECTS (INDIA) LTD.

BOARD OF DIRECTORS

Sri S. K. Bhansali	:	Chairman
Smt. K. Saraswati	:	Director
Sri Ajit Kumar Baid	:	Director
Sri S. M. Gunecha	:	Director

AUDIT COMMITTEE

Smt. K. Saraswati
Sri Ajit Kumar Baid
Sri S. M. Gunecha

AUDITORS

SARKAR GURUMURTHY & ASSOCIATES
Chartered Accountants
Kolkata - 700 012.

BANKERS

Standard Chartered
Baranagar Co-operative Bank Ltd.
UCO Bank

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

2, Clive Ghat Street
4th Floor, Room No. 4A,
Kolkata - 700 001

JAINCO PROJECTS (INDIA) LIMITED

CONTENTS

Notice	.....	1
Directors' Report	.....	3
Report on Corporate Governance	.....	5
Auditors Certificate on Corporate Governance		12
Auditors' Report	.....	13
Balance Sheet	.....	16
Profit & Loss Account	.....	17
Schedule on Accounts	.....	18
Notes on Accounts	.....	24
Information pursuant to Part IV of Schedule VI of the Companies Act, 1956		
Balance Sheet Abstract & Company's General Business Profile	.....	26
Cash Flow Statement	.....	27

NOTICE**14th ANNUAL REPORT 2004 - 2005**

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of the Company will be held on Friday, the 30th September, 2005 at 10.00 A.M. at AMI Computers (I) Ltd., 60A & 60B, Chowringhee Road, Kolkata - 700 020, to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2005 and the Profit and Loss Account for the year ended as on that date and the Report of the Board of Directors and of the Company's Auditors.
2. To appoint a Director in place of Shri A. K. Baid, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification :

RESOLVED that pursuant to the provisions of section 224 of the Companies Act, 1956. M/s. Sarkar Gurumurthy & Associates, the retiring auditors of the Company, be and hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company at a remuneration to be decided mutually between the Board of Directors and the Auditors.

For and on Behalf of the Board

Place : Kolkata
Date : 5th Sept., 2005

S. K. BHANSALI
Director

NOTES :

1. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not a member of the Company.
2. An Instrument of proxies in order to be effective must be deposited with the company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. The register of members of the Company and Share Transfer Book will remain closed from 23rd September, 2005 to 30th September, 2005 (both days inclusive).
4. The Equity shares of company are listed on the following Stock Exchanges :-
 - i) The Calcutta Stock Exchange Association Limited
 - ii) The Stock Exchange, Mumbai
 - iii) The Stock Exchange, Ahmedabad
 - iv) The Jaipur Stock Exchange

JAINCO PROJECTS (INDIA) LIMITED

NOTICE *(Contd.)*

5. Members are requested to bring the attendance slips alongwith copies of Annual Report to the Meeting.
6. The members desirous of any information on Accounts are requested to write to the Company at least a week before the meeting so as to enable the management to keep the information ready.
7. The share of Company has been compulsory dematerialisation and the ISIN No. is INE966C01010.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors present herewith your Company's Fourteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

	(Rs. in lakhs)	
	31st March 2005	31st March 2004
Gross Income	64.24	108.54
Total Expenditure	64.14	108.38
Gross Profit/(Loss)		
before taxation	0.10	0.16
Provision for Tax	(0.01)	(0.01)
Deferred Tax	0.04	0.60
Interest Tax	(0.09)	—
Profit/(Loss) after tax	0.04	0.75
Balance as per		
Previous year	4.77	4.02
Balance available for		
Appropriation	4.81	4.77
Appropriations :		
Profit/(Loss) carried		
forward to the next year	4.81	4.77
Paid-Up Equity Share		
Capital	400.00	400.00

OPERATIONS

During the period under review there was sharp decline in prices of shares, general slowdown in Economic activity and depressed demand, Directors of your Company could register only a marginal profit

DIVIDEND

Due to nominal Profit of your Co., your directors express their inability to recommend any dividend in respect of Equity Shares during the period under review.

FUTURE PROSPECTUS

Your Directors are in process to explore new areas so as to improve working and the results can be seen in the ensuing years.

DIRECTORS

Mr. A. K. Baid retires at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

AUDITORS

Messrs Sarkar Gurumurthy & Associates, Chartered Accountants, the Auditors of your Company will retire at the conclusion of this Annual General Meeting. They have communicated their willingness to accept re-appointment and have further confirmed their eligibility under Section 224(1B) of the Companies Act, 1956.

PERSONNEL

None of the employee of the Company is drawing remuneration exceeding the limits specified under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

PUBLIC DEPOSIT

Your Company has not accepted any Deposit/s within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereof.

RESPONSIBILITY STATEMENT

The Directors confirms -

1. That in the preparation of annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
2. That the directors had selected such accounting policies and applied them consistently and made judgements and

JAINCO PROJECTS (INDIA) LIMITED

DIRECTORS' REPORT *(Contd.)*

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 that period.

3. That the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Director are fully committed to implement the respecting clause 49 of the listing Agreement when it becomes applicable.

SUBSIDIARY

The Company does not have any subsidiary within the meaning of sec-4 of the Companies Act, 1956.

AUDITOR'S REPORT

With reference to the observations made by the Auditors in their report, the directors are to state that the notes submitted by the Board as contemplated under section 217(3) of the Companies Act, 1956, forming part of Company's Accounts are self explanatory and therefore do not call for any further clarification.

INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

The requirement of disclosure, in terms of Section 217(1)(e) of the Companies Act, 1956, of the steps taken as regards conservation of energy and technology absorption does not apply to your company. Your Company does not have any Foreign Exchange Earnings or Outgo during the year under review.

APPRECIATION

Your Board would like to place on records its sincere appreciation for the wholehearted support and contribution made by all its employees of the company as also its shareholders, Bankers, contractors and State Governments and all other business associates.

REGISTERED OFFICE :

2, Clive Ghat Street,
4th Floor, Unit No.4A,
Kolkata - 700 001
Date : 30th June, 2005

For and on Behalf of the Board
S. K. BHANSALI
Director

REPORT ON CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

1. Company's philosophy on code of Governance

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company to create and adhere to a Corporate culture of conscience and consciousness in the efficient conduct of its business and to continuously strive to attain high levels of accountability transparency, responsibility, capabilities & fairness in all aspects of its operations. Your Company with a view to achieve these objectives, adopted corporate strategies, prudent business plans and monitoring of performance and to set high standards of corporate, towards its employees, stakeholders conduct and society.

Clause 49 of the Listing Agreement with Stock Exchanges sets up norms and disclosures that are to be met by the Company on Corporate Governance front. We confirm our compliance with Corporate Governance criteria, as required under the said clause vide this report.

2. Board of Directors

The present strength of board is 4 Directors. The Board comprises of Executive Director and Non-Executive Directors. The Board meets the requirement of not less than 50% being non-executive Directors.

During the year under review six Board meetings were held.

The composition of Directors and their attendance at the Board Meeting during the year and the last Annual General Meeting as also number of other directorships, committee memberships and chairmanships held by them are given below :-

Directors	Category	Attendance Particulars Board Meetings	Last AGM	No. of other Directorship and Committee Membership/ Chairmanship held		
				Directorship	Committee Membership	Committee Chairmanship
1	2	3	4	5	6	7
Mr. S. K. Bhansali	Chairman	6	Yes	11	2	—
Ms. K. Saraswati	Director	6	Yes	2	—	—
Mr. Ajit Kr. Baid	Non-Executive Director	6	Yes	—	3	1
Mr. S. M. Gunecha	Non-Executive Director	5	Yes	—	3	1

3. Audit Committee

Terms of reference of the Audit Committee are as per section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) that interalia include a review of financial reporting process, draft financial

JAINCO PROJECTS (INDIA) LIMITED

statements and Auditor's Report (before submission to the board), accounting policies and practices internal controls and internal Audit Systems, risk management policies and practices, related party transactions, internal audit reports and adequacy of internal audit function.

The role of the audit committee includes recommending the appointment and removal of external auditor, discussion of audit plan, fixation of audit fees and also approval for payment of any other services.

The Audit Committee had four meetings during the year 2004-05. The composition of audit committee and attendance of its meetings is given hereunder :

Member	Position	No. of meetings	
		Held	Attended
Ajit Kr. Baid	Chairman	4	4
S. M. Gunecha	Member	4	4
K. Saraswati	Member	4	4

Mr. Ajit Kumar Baid is a professional and has expertise in the field of taxation, Accounting and Corporate laws.

Name and Designation of Compliance Officer - Mr. Manik Pal - Senior Executive.

The audit committee meetings are held at the registered office and are attended by the Internal Auditors and the Finance head. A representative of the Statutory Auditors is invited, as required. Mr. Dilip Kumar Saraogi, practicing company secretary acts as the secretary of the Audit Committee. The Chairman of the Audit Committee was present at the 1st Annual General meeting of the Company.

4. Remuneration to Directors

A) Remuneration Committee

Details of remuneration paid to Directors during the year 2004-05 are given below :

Director	All elements of remuneration package i.e. salary benefits, bonuses, perquisite (Rs.)	Fixed component and performance linked incentives alongwith the performance criteria (Rs.)	Service contracts, notice periods severance fees	Stock option with details if any and whether issued at discount as well as the period over which accrued and over which exercisable.
Mr. S. K. Bhansali	—	NIL	Please see note 'a'	Please see note 'b'
Ms. K. Saraswati	—	—	—	—
Mr. Ajit Kr. Baid	—	—	—	—
Mr. S. M. Gunecha	—	—	—	—