

**19th
Annual Report
2009-2010**



JAINCO

PROJECTS (INDIA) LTD.

JAINCO PROJECTS (INDIA) LIMITED



19th ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

Shri S.K.Bhansali - Chairman
Smt. K.Sraswati - Director
Shri A.K.Baid - Director
Shri S.M.Gunecha - Director

AUDITORS

M/s Sarkar Gurumurthy & Associates

BANKERS

UCO Bank

REGISTERED OFFICE

2, Clive Ghat Street
4th Floor , Room No 4A
Kolkata – 700001

REGISTRAR & SHARE TRANSFER AGENTS

R&D Infotech (P) Ltd.
22/4, Nakuleshwar Bhattacharjee Lane,
Kolkata – 700026

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DIRECTORS' REPORT TO THE MEMBERS:

Your Directors have pleasure in presenting the Eighteenth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2010.

PERFORMANCE IN FINANCIAL TERMS

	Year Ended 31st March, 2010 Rs. In lakh	Year Ended 31st March, 2009 Rs. In lakh
Profit / (Loss) before interest and depreciation	30.80	17.61
Less Interest and Depreciation	27.95	12.52
Profit / (Loss) before tax.	2.85	5.09
Less Provision for tax:		
Current Tax	5.35	2.14
Deferred Tax for		
Current year	.096	NIL
Adjustment for prior period	.019	NIL
Fringe Benefit Tax	NIL	0.32
	—	—
Net Profit / (Loss) after tax.	(2.60)	2.63
Add Balance brought forward from last year.	2.97	0.34
Balance of Profit / (Loss)		
Carried to the Balance sheet.	0.37	2.97

REVIEW OF OPERATION

During the year under review the Company has achieved sales to the tune of Rs. 2864.33/- lakhs against Rs.965.09/- lakhs in the previous year. However this marginal improvement is not at par with our expectation because of many unforeseen reasons. The major amongst which were increase in both fixed and variable costs in one hand and also stiff competition in the market.

PROSPECT IN THE CURRENT YEAR

During the course of current financial year, your Board has made strategic business plan to upgrade the performance of the Company and accordingly it is expected that the current year will show better results. The Management has also taken some positive steps in this regard to achieve the desired result. However, your Board of Director has been considering launching few diversified activities keeping in view the basic objectives of the Company, which may improve the state of affairs in course of time.

DIVIDEND

The Board did not recommend any dividend for the Financial Year 2009-2010 in view of inadequate profit earned by your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- A. in the preparation of the annual accounts all applicable accounting standards had been followed along with proper explanation relating to material departures.
- B. the Directors had selected such accounting policies and applied them consistently and made judgments and 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 the profit or loss of the Company.



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DIRECTORS' REPORT (Continue)

- C. the Directors had taken proper and sufficient care for the 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.
- D. The Directors had prepared the annual accounts on a going concern basis.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT.

In accordance with the requirement of revised Clause 49 of the Listing Agreement, your Board of Directors has laid down and adopted the Code of Conduct for all its Members and Senior Management Personnel of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS.

Pursuant to Clause 49 of the Listing Agreement a separate report on Management Discussion and Analysis, forming part of this Annual Report, is attached.

CORPORATE GOVERNANCE.

A separate report on Corporate Governance along with the Compliance certificate duly signed by the Auditors of the Company, forming part of this report, is annexed with this report. The Auditor's Certificate and the Corporate Governance Report on compliance with Clause 49 are self explanatory and do not require further elucidation.

DE-LISTING OF EQUITY SHARES

Your Company has initiated necessary action to delist its Equity Shares from the Ahmedabad and Jaipur Stock Exchanges pursuant to the resolution passed at the Sixth Annual General Meeting of the Company held on 27th September, 2001 and the same is still under process.

However the Shares of your Company will continue to be listed in the Calcutta Stock Exchange Association Ltd. and Bombay Stock Exchange Ltd.

PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT.

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

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act, 1956 and the rules made thereof.

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

The disclosure, as required under the provisions of Section 217(1) (e) of the Companies Act, 1956, your Company does not come under the purview of this section.

However your Board declares that the Company has neither any Foreign Exchange earnings nor any Outgo during the year under review.

DIRECTORS

Shri Sushil Kumar Bhansali retires at this Annual General Meeting and being eligible offer himself for re-appointment.

AUDITORS AND AUDITOR'S REPORT

Your Directors have no comments on the Auditor's Report since the Report itself is self explanatory. It is stated that M/s. Sarkar Gurumurthy & Associates will retire at the conclusion of this Annual General Meeting and being eligible as per Section 224B of the Companies Act, 1956, they have expressed their willingness for re-appointment



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DIRECTORS' REPORT (Continue)

ADEQUACY OF INTERNAL CONTROLS

Your Company has installed adequate internal control systems in combination with delegation of powers. The control system is also supported by internal audits and Management reviews with documented policies and procedures.

SUBSIDIARY

It is reported that the Company has no Subsidiary within the meaning of Section 4 of the Companies Act, 1956.

APPRECIATION

Your Board records it's sincere appreciation for the valuable support extended by the Company's Bankers, Financial Institutions and the Government Agencies. Your Board also wishes to thank all it's customers / dealers / sub-dealers and all those associated with the Company. Your Board further conveys cordial thanks to all the employees for their sincere works and takes this opportunity to thank Shareholders for their continued confidence reposed in the Management of the Company.

For and on behalf of the Board

Kolkata

Date: 31ST May 2010

Mr. S.K. Bhansali

Chairman

ANNEXURE TO DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENTS

Industries in the Construction Sector are principally dependent on Government's initiative for expanding necessary infrastructure facilities. With the development of Modern Technology coupled with Industrial Growth, the requirement has been multiplied and accordingly the Company has to rise on the occasion even in the face of stiff competition. Therefore the Company has to give importance for maintaining suitable combination of technical know how to reap the advantages of the growing market condition in the Construction Sector.

OPPORTUNITIES AND THREAT

There has been a radical change in global economies particularly in the developing countries like India which has raised hope for excellent business opportunities as a whole.

The major threats are higher cost of various inputs, higher transportation cost including increase in fixed cost from time to time. The strategies are constantly re-worked to minimize adverse implications, if any.

OUTLOOK

In view of the undergoing economic reforms the prospect of the Industry seems certain. The Management of the Company has been keeping close watch to take this opportunity even at the risk of more investment in this respect.

MANAGEMENT OF RISK & CONCERNS

The Management has taken steps to keep it's position intact in the market which is predominated with stiff competition. Close and constant touch is being maintained with all the customers while trying to develop new customer base also.

The Company has also been trying for certain need-based relief from it's Bankers.

INTERNAL CONTROL SYSTEMS & ADEQUACY

The Company has it's own independent Internal Control Systems which is commensurate with the size of the Company and it is periodically reviewed to confirm adequacy of the system.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCES

A critical appraisal is made by the Audit Committee before drawing Quarterly Statement of Accounts and the Board also reviewed the same on each occasion.



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ANNEXURE TO DIRECTOR'S REPORT (Continue)

SOCIAL COMMITMENT

The aspects of Social Responsibility are carefully looked after by the Company.

ENVIRONMENTAL EFFORTS

The Company is quite alert in providing clean environment on a continuous basis.

INDUSTRIAL RELATIONS

The Management takes sufficient care in maintaining good relations with the employees of the Company.

CAUTIONARY STATEMENT

The foregoing discussion and analysis may differ with actual achievements due to any change in key factors of the economy which is beyond the control of the Management.

Kolkata

Date: 31st May 2010

For and on behalf of the Board

Mr. S.K. Bhansali

Chairman

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		No. of other Directorship & Committee Member/Chairman		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mr. S.K. Bhansali	Chairman	6	YES	4	1	1
Ms. K. Saraswati	Director	6	YES	-	-	-
Mr. Ajit Kr. Baid	Non-Executive Director	4	YES	-	-	-
Mr. S.M. Gunecha	Non-Executive Director	4	YES	1	1	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 inter alia include a review of financial reporting process, draft financial 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.



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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 2009-10. The composition of audit committee and attendance of its meetings is given hereunder:

Member	Position	No. of meetings	
		Held	Attended
Ajit Kumar 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 Sarawogi, practicing company secretary acts as the secretary of the Audit committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

4. Remuneration to Directors

Executive Directors -The Company has paid remuneration by way of salary to its Managing Director in terms of the resolutions passed at the General Meetings of the Company under Section 269, 309 and other applicable provisions of the Companies Act, 1956 and the resolution passed in that behalf by the Remuneration Committee/Board of Directors duly constituted pursuant to Schedule XIII of the Companies Act, 1956.

The remuneration to the Executive Directors consists of a fixed salary and other perquisites as per the Rules of the Company. The Provident Fund is contributed as per Provident Fund Rules.

Details of remuneration paid to Directors during the year 2009-10 are given below:

Director	Remuneration Package (Rs...)	Fixed Component and Incentives (Rs...)
Ms.Keya Saraswati	4,12,020/-	NIL

5. Investors'/Shareholders Grievance Committee:

The terms of reference of the Committee are to look into redressal of Shareholders'/Investor's Complaints relating to non-receipt of notices, share certificates, annual reports, dividends, transfer of shares, dematerialisation of shares and other grievances. The composition of Investors/Shareholders Grievance committee and attendance at its meeting is given hereunder:

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

Details of Complaints received from Shareholders'/Investors is as follows:

Pending at the beginning of the year	-	Nil
Received during the year	-	05
Redressed/Replied during the year	-	05
Pending at the year end	-	Nil

6. General Body Meetings:

Location and time of last three Annual General Meetings were held as under: