

# **RAJKAMAL SYNTHETICS LIMITED**

**24th Annual Report  
2004 - 2005**

**RAJKAMAL SYNTHETICS LIMITED****BOARD OF DIRECTORS**

SHEODUTT SANGHAI	Chairman
SUSHIL SANGHAI	Director
RAJENDRA NANGALIA	Director

**BANKERS**

Citi Bank N.A.

24th Annual General Meeting  
on 30th December, 2005  
Friday, 10 A. M. at  
**DIAMOND PLAZA**  
4th Floor, 391, Dr. D. B. Marg,  
Mumbai - 400 004.

**AUDITOR**

N. K. Jalan & Co.  
2A, Mayur Apt.,  
Dadabhai Cross Road No. 3,  
Vile Parle (W), Mumbai - 400 056

**REGISTERED OFFICE**

Diamond Plaza,  
391, Dr. D. B. Marg,  
Mumbai - 400 004.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

**24th ANNUAL REPORT 2004-2005****RAJKAMAL SYNTHETICS LIMITED****NOTICE**

NOTICE is hereby given that the 24th ANNUAL GENERAL MEETING of the members of **RAJKAMAL SYNTHETICS LIMITED** will be held at Diamond Plaza, 4th Floor, 391, Dr. D.B. Marg, Mumbai – 400 004 on Friday, the 30th December, 2005 at 10.00 A.M. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sheodutt Sanghai who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. HOWEVER, PROXY FORMS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. MEMBERS ARE REQUESTED TO NOTIFY THE CHANGE OF ADDRESS, IF ANY,
3. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM TUESDAY 27TH DECEMBER 2005 TO FRIDAY 30TH DECEMBER, 2005. [BOTH DAYS INCLUSIVE].
4. MEMBERS / PROXIES SHOULD BRING THE ATTENDANCE SLIP SENT HERewith DULY FILLED FOR ATTENDING THE MEETING.

**Registered Office :**

Diamond Plaza,  
391, Dr. D.B. Marg,  
Mumbai – 400 004.  
Date : 30th September, 2005

BY ORDER OF THE BOARD OF DIRECTORS

**SHEODUTT SANGHAI**  
CHAIRMAN

**DIRECTORS' REPORT**

To  
The Members  
Your Directors hereby present the 24th ANNUAL REPORT of the Company together with Audited Statement of Accounts for the year ended 31st March, 2005.

**FINANCIAL RESULTS :**

	(Amount in Rs.)	
	Current Year	Previous Year
Nett Profit/ (Loss) for the Year	11,92,987	(12,51,561)
Add : Priors period Adjustments	(17,388)	nil
Add : Surplus/ (Deficit) on appropriation account brought forward from previous year	(6,55,77,452)	(6,43,25,891)
Profit / (Losses) carried to balance sheet	<u>(6,44,01,853)</u>	<u>(6,55,77,452)</u>

**DIVIDEND :**

In view of losses your Directors regret their inability to recommend any dividend.

**OPERATIONS :**

Land and Building were sold by the secured creditors for Rs. 215 Lacs during the year 2004-05 and proceeds were shared Pari-Passu with secured creditors and institutional debentures holders. The sale and appropriation of proceeds of land and building was approved by Debt Recovery Tribunal no. III vide its order dated 31.03.2005

The Company is negotiating with secured creditors to settle the remaining dues.

**DIRECTORS :**

Shri Sheodutt Sanghai, the Director retires by rotation and is eligible for re-appointment.

**FIXED DEPOSIT :**

The Company has not accepted any fixed deposit from the Public during the year under review.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- (i) That in preparation of the accounts for the financial year ended 31st March, 2005, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 the year under review.
- (iii) That the Directors have taken prior and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial year 31st March 2005 on a going concern basis.

**COMPLIANCE CERTIFICATE**

A Compliance Certificate as required under the provision of Section 383 A(1) of the Companies Act, 1956 from a secret? y in whole time practice is herewith enclosed. There is no reservation, qualification or adverse remarks in the Compliance Certificate.

**ENVIRONMENT :**

Information pursuant to 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 are not given since there was no manufacturing activity during the year under view. Foreign exchange earning/outgo during the year and also during the previous year was NIL.

**PARTICULARS OF EMPLOYEES :**

No employee has drawn remuneration of Rs. 24,00,000/- per annum nor Rs. 2,00,000/- per month during part of the year.

**AUDITORS :**

We refer to Para iv of the Auditor's Report relating to their doubt about the future of the Company. We state that the liabilities of the Company is more than its assets and the Company is in process of negotiation with secured creditors for settlement of liabilities and if it is settled, we shall be in a position to plan for future course of action.

The remaining observations made in the Auditors' Reports are self explanatory and as such they do not fall for any further explanation as required under Section 217(3) of the Companies Act, 1956.

The Auditors M/s. N.K. Jalan & Co., Chartered Accountants will retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company if re-appointed, members are requested to re-appoint them and fix their remuneration.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
**SHEODUTT SANGHAI**  
CHAIRMAN

PLACE : MUMBAI  
DATED : 30th September, 2005

# RAJKAMAL SYNTHETICS LIMITED

**A. L. Makhija & Co., Company Secretaries**  
**Mahendra Mansion, Girgaum Road, Mumbai-400 002**

Date: 30/09/2005

To,  
 The Members  
 Rajkamal Synthetics Limited  
 Mumbai

## Compliance Certificate as per Rule 3 of Companies (Compliance Certificate) Rules, 2001

I have examined the registers, records, books and papers of Rajkamal Synthetics Limited (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2005. In my opinion and to the best of my/our information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder.
3. The company being private limited company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was \_\_\_\_\_ excluding its present and past employees and the company during the year under scrutiny:
  - (i) has not invited public to subscribe for its shares or debentures; and
  - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
- Not Applicable since the company is a limited company.
4. The Board of Directors duly met eight times on 29/4/04, 31/7/04, 14/9/04, 4/10/04, 30/10/04, 20/12/04, 31/01/2005 and 14/03/2005 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company had closed its Register of Members from 8-10-2004 to 11-10-2004 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. Annual General Meeting for the financial year ended on 31-03-2004 was held on 30-10-2004 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary meeting was held during the financial year.
8. The company has not advanced loan to its directors and/or persons or Firms or companies referred in the section 295 of the Act.
9. The company has not entered into any contract falling within the purview of section 297 of the Act.
10. The company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approval from the Board of directors, members of the Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company has :
  - (i) delivered all the certificates on lodgement thereof transfer/ transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of shares during the financial year.
  - (ii) deposited the amount of dividend declared including interim dividend in a bank account and paid the dividend amount within \_\_\_\_\_ days from the date of declaration of such dividend - **The Company has not declared dividend during the year 2004-2005.**
  - (iii) paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with \_\_\_\_\_ Bank on \_\_\_\_\_; **-Not Applicable**
  - (iv) there was no unpaid dividend amount or application money or matured deposits or matured debentures and interest accrued thereon and which has remained unclaimed or unpaid for a period of seven years.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any equity share/debenture during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has redeemed \_\_\_\_\_ preference shares/debentures during the year after complying with the provisions of the Act. **- Not Applicable**
22. The company wherever necessary has kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act. **- Not Applicable**
23. The company has not invited/accepted any deposits including any unsecured loan falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year ending - is/are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual/extraordinary general meeting.
25. The company has not made loans and investments, or given guarantees or provided securities to other bodies corporate during the financial year ended 31-03-2005.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year under scrutiny.
31. As per information given by the Company, no prosecution was initiated against the Company and no show cause notice for alleged offences under the Act is received. Financial institutions/Trustee to Debenture holders have filed case for recovery of their dues.
32. The company has not received any money as security from its employees during the year under certification.
33. As the Company has no internal Provident Fund system within the organization, the provisions of Section 418 are not applicable.

PLACE : MUMBAI

DATED : 30th September, 2005

Signature :  
 Name of Company Secretary : A. L. Makhija  
 C.P. No: 3410

## Annexure A

### Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Directors u/s 303
3. Register of Directors' Shareholding u/s 307
4. Register of Contract u/s 301
5. Register of share transfer
6. Minutes Book of Board of Directors
7. Minutes Book of Annual General Meeting

## Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31<sup>st</sup> March, 2005.

1. Annual Return made upto 30-10-2004 filed under section 159 on 07-01-2005 (Extension for holding Annual General Meeting was granted by the Registrar of Companies, Maharashtra vide their letter no. 24344/ke/TA dt. 4-10-2004).
2. Balance sheet as at 31-03-2004 along with compliance certificate filed on 29-11-2004.